

# SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED

(Formerly Shri Matre Power & Infrastructure Limited & Shri Shakti LPG Limited)

CIN: L40102TG1993PLC015988

Date: 05.09.2023

To,  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No: C/1, G Block,  
Bandra Kurla Complex - Bandra (E),  
Mumbai -400051  
Scrip Code: HAVISHA

To,  
BSE Limited  
P.J Towers,  
Dalal Street,  
Mumbai - 400023  
SCRIP CODE: 531322

Dear Sir/Madam,

**Sub: Submission of Annual Report of the 30<sup>th</sup> Annual General Meeting of the Company for the Financial Year 2022-2023**

With reference to the above captioned subject, please find enclosed herewith the Annual Report of the 30<sup>th</sup> Annual General Meeting of the Company for the Financial Year 2022-2023 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the above on your record and disseminate the same for the information of investors.

Thanking You,

**For and on behalf of  
Sri Havisha Hospitality And Infrastructure Limited**

SONU  
KUMAR

Digitally signed by  
SONU KUMAR  
Date: 2023.09.05  
18:51:26 +05'30'

**Sonu Kumar  
Company Secretary & Compliance Officer**

Venus Plaza, Begumpet, Hyderabad 500016, INDIA

Tel. +91 40 27902929, 27905656, website: [www.shrishakti.com](http://www.shrishakti.com), Email: [info@shrishakti.com](mailto:info@shrishakti.com)

**30<sup>th</sup> ANNUAL GENERAL MEETING OF  
SRI HAVISHA HOSPITALITY AND  
INFRASTRUCTURE LIMITED  
FY 2022-23**

## COMPANY INFORMATION

<b>Board of Directors</b>	
Mr. Venkat Manohar Dontamsetti	Chairman and Managing Director
Ms. Satya Pinjala	Whole Time/Executive Director
Mr. Dharmin Dontamsetti	Non Executive Non-Independent Director
Ms. Deekshita Dontamsetti	Non-Executive Non-Independent, Woman Director
Ms. Annaiahsetty Bala Setty	Non-Executive Non-Independent, Director
Mr. Abhaya Shankar	Independent Director
Mr. Binod Kumar Sinha	Independent Director
Mr. Vuppu Subrahmanyam	Independent Director
Prof. Prabhu Sydney Miranda	Independent Director
Mr. Polepeddi Sathyanarayana	Independent Director

### **Chief Financial Officer**

**Mr. Chandrasekhara Prasad Chodavarapu**

Email: [fc@shrishakti.com](mailto:fc@shrishakti.com)

### **Company Secretary & Compliance Officer**

**CS Sonu Kumar**

Email: [cs@shrishakti.com](mailto:cs@shrishakti.com)

### **Registered Office**

**Venus Plaza, 4<sup>th</sup> Floor, Begumpet, Hyderabad, Telangana- 500016**

Phone: 040-27902929 / Fax: 040-27908989

Email: [cs@shrishakti.com](mailto:cs@shrishakti.com)

Website: <http://www.shrishakti.com//>

### **Statutory Auditors**

**M/s P. Suryanarayana & Co.**

Chartered Accountants

Firm Reg. No. 009288S

6-3-1092/93, Behind Shanthi Sikhara Apts.,

N.I.A.R. Campus, Raj Bhawan Road,

Somajiguda, Hyderabad-500082

### **Secretarial Auditors:**

**Krishna Kumar & Associates**

Company Secretaries

H. No 2-2-1137/1/a, New Nallakunta

Hyderabad-500044,

Telangana Ph.9849064163 Email: [akkirajukrish@gmail.com](mailto:akkirajukrish@gmail.com)

## Board Committees

### AUDIT COMMITTEE

Name of Committee Members	Category
Abhaya Shankar	Non-Executive-Independent Director, Chairperson
Vuppu Subrahmanyam	Non-Executive-Independent Director, Member
Binod Kumar Sinha	Non-Executive-Independent Director, Member
Polepeddi Sathyanarayana	Non-Executive-Independent Director, Member
Dontamsetti Venkat Manohar	Executive Director, Member

### NOMINATION AND REMUNERATION COMMITTEE

Name of Committee Members	Category
Vuppu Subrahmanyam	Non-Executive-Independent Director, Chairperson
Binod Kumar Sinha	Non-Executive-Independent Director, Member
Abhaya Shankar	Non-Executive-Independent Director, Member
Dontamsetti Venkat Manohar	Executive Director, Member

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Name of Committee Members	Category
Binod Kumar Sinha	Non-Executive-Independent Director, Chairperson
Vuppu Subrahmanyam	Non-Executive-Independent Director, Member
Abhaya Shankar	Non-Executive-Independent Director, Member
Dontamsetti Venkat Manohar	Executive Director, Member

## Shares Listed With

**Bombay Stock Exchange**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001  
Phones : 91-22-22721233  
Fax : 91-22-22721919

**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1,  
G Block Bandra-Kurla Complex, Bandra (E),  
Mumbai-400051, Maharashtra, India.  
Tel no:(022) 26598100-14 / 66418100

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**Registrar and Share Transfer Agents**

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**XL Softech Systems Limited**

3, Sagar Society, Road No. 2, Banjara Hills,

Hyderabad- 500034

Phones: 23545913/14/15

Email: [xlfield@gmail.com](mailto:xlfield@gmail.com)

Website: [www.xlsoftech.com](http://www.xlsoftech.com)

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**Bankers**

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**Indian Bank**

Secunderabad Branch

Telangana

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**Contact Information for Investor's Grievances:**

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**CS Sonu Kumar**

Venus Plaza, 4<sup>th</sup> Floor, Begumpet, Hyderabad, Telangana- 500016

Phone: 040-27902929 / Fax: 040-27908989

Email: [cs@shrishakti.com](mailto:cs@shrishakti.com)

Website: <http://www.shrishakti.com/>

## MESSAGE OF THE CHAIRMAN



**Dear Shareholders,**

On my behalf and on behalf of the Board of Directors, I welcome you all to this 30th Annual General Meeting of your Company.

I feel honored and privileged once again to present you with the Annual Report for the F.Y. 2022-23. It gives me the opportunity to share my thoughts and the Company's progress during the year as well as the way forward.

India is on a growth path and the services sector including the travel and tourism business is emerging as a major growth engine for the Indian economy, having successfully put the pandemic behind. Thanks to the vengeance travel in the post covid scenario, people are once again flying in great numbers, airports are crowded, hotels are well booked, and travelers want to explore, connect and feel alive through the exhilarating emotion of travel.

With India's Presidency of the G20, we are positioned like never before to showcase our nation's cultural heritage, our unique and differentiated travel offerings and our safe and tourist friendly destinations. It is heartening to note that in the last budget, the Government of India has identified Tourism as one of the most important pillars of the nation's growth with its multiplier effect on economic prosperity and employment generation.

Your company did very well in FY 2022-23 with a number of significant accomplishments making it a historic year. We registered a positive profit of Rs.149.74 Lakhs in FY 2022-23 in comparison to profit of Rs.7.70 Lakhs of previous year. Further we signed renewal of our Hotel land Lease Deed with Airports Authority of India for 30 years starting from 1<sup>st</sup> Jan, 2023.

Recognising that success is not only measured by our financial performance, but also by the positive impact we have on our stakeholders and the world around us, we will continue to drive positive change and create value for all and continue to contribute positively to the growth of the nation. Your company's Hotel at Hyderabad is expected to contribute much higher revenues and profits in future post renovation and expansion and thereafter enable us to deliver much better results to you.

I would like to take this opportunity on behalf of the Board of Directors and our entire team to thank each shareholder, Banks, Central and State Government for their continued co-operation, support and commitment to the Company.

**For and on Behalf of**

**Sri Havisha Hospitality and Infrastructure Limited**

**Sd/-**

**D V Manohar**

**Chairman and Managing Director**

**NOTICE** is hereby given that the 30<sup>th</sup> Annual General Meeting of Sri Havisha Hospitality and Infrastructure Limited will be held on **28<sup>th</sup> September, 2023 at 4.30 pm IST** through Video Conferencing/Other Audio-Visual Means, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Dharmin Dontamsetti (DIN: 07350807) who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. Appointment of Mr. Annaiahsetty Bala Setty (DIN: 07361951) as Non Executive Non Independent Director of the Company.

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

**“RESOLVED THAT** pursuant to the provisions of section 149, 152, 161(1), Companies (Appointment and Qualification of Directors) Rules, 2014 read along with Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Annaiahsetty Bala Setty (DIN: 07361951) be and is hereby appointed as a Non Executive, Non Independent Director of the Company, subject to the approval of the Shareholders of the Company, whose office shall be liable to retire by rotation”.

**“RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re enactment(s) thereof for the time being in force) and such other applicable provisions of the Companies Act, 2013 and the applicable rules made there under and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded to the appointment of Mr. Annaiahsetty Bala Setty (DIN: 07361951) who has attained the age of Seventy Five years”.



**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. Approval for issue of Sweat Equity Shares to Mr. Venkat Manohar Dontamsetti, Chairman and Managing director of the company

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

**“RESOLVED THAT** Pursuant to the provisions of section 54 of the Companies Act, 2013 read with Regulation 28 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such approvals, consents, sanctions and permissions as may be necessary, and with the approval of the Board of Directors of the company, consent of the members of the Company be and is hereby accorded to issue and allot 45500000 Sweat Equity Shares of Rs. 2 each fully paid up for Non-cash consideration, for value addition to Mr. Venkat Manohar Dontamsetti Chairman and Managing Director of the company to rank pari passu with the existing equity shares of the company.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose with power on behalf of the company to settle all questions, difficulties or doubts that may arise in this regard to such issues(s) or allotment(s) including to amend or modify any of the terms of such issues(s) or allotment(s), without being required to seek any further consent or approval of the members in its sole discretion, deem fit.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine all other terms and conditions to the issue as the board may in its absolute discretion determine.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

## 5. Approval For Material Related Party Transactions

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

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any of the Companies Act, 2013 (“Act”), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014) and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted or to be constituted by the Board in this regard or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution) to enter into contract(s)/ arrangement(s)/ transaction(s) with Mr. Venkat Manohar Dontamsetti with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations from time to time, up to such extent and on such terms and conditions as the Board of Directors may deem fit during the period as mentioned in the explanatory statement.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings as may be necessary or desirable for the purpose of giving effect to this Resolution, in the best interests of the Company.”

By order of the Board of Directors

Sri Havisha Hospitality and Infrastructure Ltd

**Sonu Kumar**

Company Secretary and Compliance Officer

Date: 05.09.2023

Place: Hyderabad

## NOTES:

1. The Ministry of Corporate Affairs ('MCA') vide its circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/ CIRP/P/2022/62 dated May 13, 2022 ('SEBI Circulars') has permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 30<sup>th</sup> AGM of the Company is being conducted through VC/OAVM on **28.09.2023 at 4.30 P.M.** (IST). The deemed venue for the 30<sup>th</sup> AGM shall be the Registered Office of the Company.
2. Pursuant to the provisions of the act, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of the AGM venue are not annexed to this notice.
3. Institutional/Corporate Members (i.e. other than individuals / HUF, NRI, etc.) intending to send their authorized representative(s) to attend the Meeting through VC / OAVM, are requested to send a Certified True Copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to Mr. Krishna Kumar,[akkiraju\_krish@yahoo.co.in] with a copy marked to evoting@nsdl.co.in
4. 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 for 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.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. In line with the Ministry of Corporate Affairs (MCA) Circulars and SEBI Circulars, the Notice calling the AGM has been uploaded on the website of the Company <https://shrishakti.com/> The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
7. As per the provisions of Section 72 the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's RTA by Members holding shares in physical form. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. Members holding shares in electronic form may obtain Nomination forms from their respective DPs.
8. 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 the Circulars issued by the Ministry of Corporate Affairs and SEBI 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which the Directors are interested, will remain open for inspection by the Members at the Registered Office of the Company during business hours on all working days, up to the date of the Meeting and will also be kept open at the venue of the Meeting till the conclusion of the Meeting.
11. The Register of Members and Share Transfer Books of the Company will remain closed from, 22.09.2023 to 28.09.2023, (both days inclusive) for the purpose of the Meeting.

12. Members who have not registered their e-mail addresses so far are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
13. To support the "Green Initiative", Members who have not registered their e-mail addresses are requested to register the same with M/s. XL Softech System Ltd/DP for receiving Annual Reports and other communications electronically from the Company in the future.
14. Updation of Members' Details

The format of the Register of Members prescribed by the Ministry of Corporate Affairs ('MCA') under the Act requires the Company/RTA to record additional details of members including their Permanent Account Number ('PAN'), e-mail address, bank details for payment of dividend, etc. Further, the Securities and Exchange Board of India ('SEBI') has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their details to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their details to the Company's RTA at [xlfield@gmail.com](mailto:xlfield@gmail.com).

15. During the Financial Year 2018-19, SEBI and MCA have mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Shareholders can write to the Company at [cs@shrishakti.com](mailto:cs@shrishakti.com) or contact the Company's RTA - M/s. XL Softech System Ltd at [xlfield@gmail.com](mailto:xlfield@gmail.com)
16. Members holding shares in single name are especially advised to make nomination in respect of their shareholding in the Company and for cancellation and variation of nomination, if they are desirous of doing so.
17. Members desiring any information as regards the Accounts are requested to write to the Company at an earlier date through email on [cs@shrishakti.com](mailto:cs@shrishakti.com) The same will be replied by the Company suitably.
18. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company's RTA the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Change in their residential status on return to India for permanent settlement.

19. 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.
20. Members are requested to notify the Company/RTA of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
21. Process and manner of Voting through Electronic Means.

In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI Listing Regulations, each as amended from time to time and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility to its Members to cast their votes electronically on resolutions set forth in this Notice. The Company has engaged the services of National Securities Depository Limited ('NSDL') as the Agency to provide e-voting facility. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') and the services will be provided by NSDL.

- a. Instructions for remote e-voting (including process and manner of e-voting) are given herein below.
  - b. The Resolutions passed by remote e-voting shall be deemed to have been passed as if they have been passed at the AGM. The Notice of the AGM indicating the instructions of remote e-voting process can be downloaded from NSDL's website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or the Company's website <https://shrishakti.com/>
  - c. The facility for e-Voting shall be made available at the Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting.
  - d. The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again. Members can opt for only one mode of voting i.e. remote e-voting or voting at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting through physical voting at the meeting will not be considered.
  - e. Members holding shares in physical form or dematerialized form as on 21.09.2023 ('Cut-Off Date') shall be eligible to cast their vote by remote e-voting.
22. The remote e-voting period commences on **25.09.2023 at 09.00 a.m. and ends on 27.09.2023 at 5:00 p.m. (IST)**. During this period, the members of the Company holding shares either in physical form or in dematerialized form as on the Cut-Off Date, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting after 5:00 p.m. (IST) on 27.09.2023.
  23. Any person(s) who acquires shares of the Company and becomes a Member(s) of the Company after dispatch of the Notice of AGM and holding shares as on the **Cut-Off date i.e., 21.09.2023**

may obtain the login ID and password by sending a request at '[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)' or '[xlfield@gmail.com](mailto:xlfield@gmail.com)' However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/ Password' or 'Physical User Reset Password' option available on '[www.evoting.nsdl.com](http://www.evoting.nsdl.com)' or contact NSDL at the following Toll Free No.: 1800-222-990 or e-mail at '[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)'

24. Please note, only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM
25. The Board of Directors has appointed M/s. Krishna Kumar & Associates, represented by CS A. Krishna Kumar the Practicing Company Secretaries, as Scrutinizer to scrutinize the remote e-voting process as well as voting at the Meeting in a fair and transparent manner.
26. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and shall within 48 hours of conclusion of the Meeting submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, to the Chairman or any other person authorized by the Chairman in writing, who shall countersign the same.
27. The results declared along with Scrutinizer's Report, will be placed on the Company's website '[www.shrishakti.com](http://www.shrishakti.com)' and the website of NSDL '[www.evoting.nsdl.com](http://www.evoting.nsdl.com)' immediately after the result is declared by Chairman or any other person authorized by the Chairman and the same shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited where the Securities of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.
28. In case of any grievances with respect to the facility for voting by electronic means, Members are requested to contact at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) (1800 222 990) or write to NSDL at NSDL, Trade World, 'A' wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

➤ **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-**

The remote e-voting period begins on **25.09.2023 at 09.00 a.m. and ends on 27.09.2023 at 5:00 p.m.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (**cut-off date**) **21.09.2023**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 21.09.2023.

➤ **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

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

**A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular 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.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
<p align="center"><b>Individual Shareholders holding securities in demat mode with NSDL.</b></p>	<ol style="list-style-type: none"> <li data-bbox="532 984 1507 1562">1. If you are already registered for NSDL <b>IDeAS facility</b>, 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 “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” 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 options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="532 1619 1507 1787">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> Select “<b>Register Online for IDeAS</b>” Portal or click At <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="532 1843 1507 1879">3. Visit the e-Voting website of NSDL. Open web browser by typing</li> </ol>



	<p>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 held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p><b>Individual Shareholders holding securities in demat mode with CDSL</b></p>	<ol style="list-style-type: none"> <li>4. Existing users who have opted for Easi / Easiest, they can login through their 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</li> <li>5. <a href="http://www.web.cdslindia.com/myeasi/home/loginwww.cdslindia.com">www.web.cdslindia.com/myeasi/home/loginwww.cdslindia.com</a> and click on New System Myeasi.</li> <li>6. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>7. 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> Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>

<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	<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. Once 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 options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

<b>Login type</b>	<b>Helpdesk details</b>
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.**

<p><b><u>HOW TO CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM?</u></b></p> <ol style="list-style-type: none"> <li>After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.</li> </ol>
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2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

#### **GENERAL GUIDELINES FOR SHAREHOLDERS**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [akkiraju\\_krish@yahoo.co.in](mailto:akkiraju_krish@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in physical mode please provide 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 [cs@shrishakti.com](mailto:cs@shrishakti.com)

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method **for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

## **EXPLANATORY STATEMENT**

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), given hereunder sets out all material facts relating to the resolution mentioned at Item No.3, Item No.4 and ItemNo.5 of the accompanying Notice dated 05.09.2023.

### **Item No. 3**

#### **Appointment of Mr. Annaiahsetty Bala Setty (DIN: 07361951) as Non Executive Non Independent Director of the Company.**

Pursuant to the provisions of section 149, 152, 161(1), Companies (Appointment and Qualification of Directors) Rules, 2014 read along with Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of

Directors, Mr. Annaiahsetty Bala Setty (DIN: 07361951) be and is hereby appointed as a Non Executive Non Independent Director of the Company, subject to the approval of the Shareholders of the Company, whose office shall be liable to retire by rotation”.

The Company has received a declaration from Mr. Annaiahsetty Bala Setty, confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Non-Executive, Non Independent Director of the Company.

The Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 interalia prescribes that the listed entity shall not appoint a person or continue directorship of any persons as a Non-Executive Director who has attained the age of 75 years, unless a Special Resolution is passed to that effect. Though Mr. Annaiahsetty Bala Setty has attained the age of 75 years, considering his vast knowledge and rich experience in the Industry, the Board thinks it fit to appoint him in the capacity of Non Executive Non Independent Director and avail his services in the interests of the Company and recommends the Special Resolution for his appointment in accordance with the Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A brief profile of Mr. Annaiahsetty Bala Setty, including nature of his expertise, is provided as required under Schedule V to the Companies Act, 2013 (“the Act”) which forms a part of the Statement. Further, additional information as required under Regulation 36 of Listing Regulations and Secretarial Standard on General Meetings (SS-2), in respect of Mr. Annaiahsetty Bala Setty is provided in the Annexure II to this Notice and also forms part of the Statement.

Except Mr. Annaiahsetty Bala Setty and his relatives to the extent of their shareholdings in the Company, if any, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution.

**The Board recommends the Special Resolution as set out at Item No. 3 of this Notice for approval of the Members of Company. His appointment shall be liable to retire by rotation.**

#### **Item No. 4**

#### **Approval for Issue of Sweat Equity Shares to Mr. Venkat Manohar Dontamsetti, Chairman and Managing Director of the Company**

“Pursuant to the provisions of section 54 of the Companies Act, 2013 read with Regulation 28 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, including any statutory modification(s) or re-enactment thereof for the time

being in force and subject to such approvals, consents, sanctions and permissions as may be necessary, and with the approval of the Board of Directors of the company, consent of the members of the Company be and is hereby accorded to issue and allot 45500000 Sweat Equity Shares of Rs. 2 each fully paid up for Non-cash consideration, for value addition to Mr. Venkat Manohar Dontamsetti Chairman and Managing Director of the company to rank pari passu with the existing equity shares of the company.

The then National Airports Authority (NAA) through a public tender allotted to Mr. Venkat Manohar Dontamsetti land admeasuring 4.38 acres (17,759 Sqm) on lease for a period of 30 years at Begumpet Airport for constructing and operating Airport Hotel along with related business activities. Mr. Manohar has transferred that land to Shri Shakti Resorts & Hotels Ltd without taking any consideration whatsoever and implemented the project and successfully running the hotel and related businesses. Shri Shakti Resorts & Hotels Ltd is merged with your Company viz., Sri Havisha Hospitality and Infrastructure Ltd as per NCLT Order dated 16th Nov, 2021. The lease expired on 19th Nov, 2019 and Mr. Manohar has put in herculean efforts starting from 2017 itself for the renewal of the lease. Due to his persistent and perseverant efforts, the above land lease is renewed by Airports Authority of India in the name of Sri Havisha Hospitality and Infrastructure Ltd for a period of 30 years starting from 1st Jan, 2023. The lease deed to this effect is signed between Airports Authority of India and Sri Havisha represented by Mr. Venkat Manohar Dontamsetti on 27th July, 2023.

It is an irrefutable fact that the business growth and future prospects of your company are substantially enhanced consequent to the above.

Further Mr. Manohar is instrumental in turning around your Company from accumulated losses of about Rs 100 crores to the present profitable position. When Govt. of India couldn't implement it's commitment to remove subsidy on LPG over 3 years, entire private LPG Industry was badly affected. In such situation, Mr. Manohar cleared Bank loans of about Rs 106 Crores under One Time Settlement and made your Company debt - free in FY 2007-08. Thereafter he ensured your Company's survival all these years despite nil revenues. After the merger with Shri Shakti Resorts & Hotels Ltd, your Company is now turned profitable.

Therefore it is proposed that Mr. Manohar shall be adequately compensated for his efforts as above through issue and allotment of 45500000 Sweat Equity Shares of Rs. 2 each fully paid up for his Non-cash consideration and value addition to the company.

**The Board recommends the Special Resolution as set out at Item No. 4 of this Notice for approval of the Members of Company.**

**Item No. 5**

**Approval for Material Related Party Transactions.**

Section 188 of the Companies Act, 2013 states that no Company shall enter into any contract or arrangement with a related party except with the consent of the Board of Directors given by a Resolution at a meeting of the Board.

First proviso to Section 188 (1) further stipulates that no contract or arrangement, in the case of a company having a paid-up share capital of not less than such amount, or transactions exceeding such sums, as may be prescribed, shall be entered into except with the prior approval of the company by a Resolution. The second proviso further states that no member of the company shall vote on such Resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

The Audit Committee and Board of Directors of the Company have granted prior approval for the Related Party Transactions as stated in the Resolution and Explanatory Statement.

Regulation 23(4) of SEBI Listing Regulations, inter alia, prescribes that all material related party transactions and subsequent material modifications as defined by the audit committee under sub-regulation (2), shall require prior approval of the shareholders through Resolution and no related party shall vote to approve such Resolutions whether the entity is a related party to the particular transaction or not. First proviso to sub-Regulation (1) of the said Regulation 23 states that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees Rs 1000 Crore (Rupees One Thousand Crore) or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Further, SEBI vide its circular bearing reference no SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 08, 2022 has clarified and decided that the shareholders' approval for omnibus RPTs approved in an Annual General Meeting shall be valid upto the date of the next Annual General Meeting for a period not exceeding fifteen months. Therefore, the Company is required to obtain shareholders' approval in every Annual General Meetings. Hence the shareholders' approval for omnibus material RPTs through this Resolution is upto the date of the next Annual General Meeting of the Company.

The approval of the members of the Company to the Resolution as stated in Item No. 5 of the notice is being sought in terms of provisions of Regulation 23(4) of the SEBI Listing Regulations.



Details of the proposed RPTs between the Company and Mr. Venkat Manohar Dontamsetti including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, is as follows.

S. No.	Description	Details of the Proposed RPT
<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>		
1.	<b>Name of the Related Party and its relationship with the Company</b>	Mr. Venkat Manohar Dontamsetti is a Promoter and Managing Director of the Company. He is also brother of Ms. Satya Pinjala, Whole Time Director and father of Mr. Dharmin Dontamsetti and Ms. Deekshita Dontamsetti who are Non-Executive Directors of the Company.
2.	<b>Type, material terms, monetary value and particulars of the proposed RPTs.</b>	The Company may enter into/propose to enter into lending / borrowing Transaction, for an aggregate value not exceeding Rs. 9 Crores or 100% of Turnover whichever is higher.
3.	<b>Tenure of the Proposed Transaction</b>	Upto the Annual General Meeting to be held in 2024.
4.	<b>Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year</b>	100%
5.	<b>Justification for the proposed RPTs</b>	Mr. Manohar is the Chief Promoter of the Company and has been providing requisite financial aid from time to time to the Company which is interest free
6.	<b>Details of the source of funds in connection with the proposed transaction</b>	Own Funds
7.	<b>Applicable terms, including covenants, tenure, interest rate and repayment</b>	Not Applicable

	schedule, whether secured or unsecured; If secured, the nature of security.	
8.	<p><b>Where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments:</b></p> <ul style="list-style-type: none"> <li>- Nature of indebtedness,</li> <li>- Cost of funds and</li> <li>- Tenure.</li> </ul>	Not Applicable
9.	<b>The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</b>	To meet working capital requirements of the Company

The members are informed that all those members who are related parties of the Company, irrespective whether related to the aforesaid transaction, or other members who have any direct or indirect interest in the Resolution as set out at item No. 4, shall not be entitled to vote on the said Resolution.

Further, all the Promoters and persons belong to the promoters group including Directors of the Company and their relatives which are related parties within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of SEBI Listing Regulations are interested in the said Resolution and hence, are not entitled to vote in favour of the said Resolution.

Copy of all the relevant documents referred to in this Notice and Explanatory Statement are available for inspection in physical or electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon , on all working days (except Saturdays, Sundays and Public Holidays) upto the date of the Annual General Meeting.

Except Mr. Venkat Manohar Dontamsetti , and his relatives and no other Directors are, in any way, concerned or interested, financially or otherwise, in the Resolution.

**The Board recommends the Special Resolution as set out at Item No. 05 of the Notice for approval by the members.**

## **Annexure I**

### **DETAILS OF DIRECTOR SEEKING RE- APPOINTMENT AT THE 30<sup>TH</sup> AGM OF THE COMPANY**

[Pursuant to the Regulation 36(3) of the SEBI Listing Regulations and SS-2 on General Meetings]

**Name of Director: Mr. Dharmin Dontamsetti**

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**DIN: 07350807**

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**Designation: Non-Executive (Non-Independent) Director**

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**Date of Birth and Age: December 16, 1992 (31years)**

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**Date of First Appointment on the Board: February 14, 2022**

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#### **Brief Profile and Experience:**

- Director in Smartbike Mobility Private Ltd.
- Social Startup Entrepreneur who promoted Smart Bike, India's fastest growing Public Sharing Company which is successfully operating in New Delhi, Chennai and Chandigarh.
- First Entrepreneur to deploy & innovate e-Bike concept in Public Bike Sharing.
- Cycled twice from London to Paris covering the road distance of 518 kms in less than four days.
- Speaker at UN Habitat session in Global Cycling Summit: Velo-city 2017 at Nijmegen, Netherlands.
- Amongst the select 12 Startup Entrepreneurs in India chosen to interact with Hon'ble Prime Minister in Jan 2022.
- His Policy recommendations of National Cycling Plan, Car free zones etc are spontaneously accepted by Hon'ble PM in the above interaction.

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**Qualification: Bachelor in Entrepreneurial Management from Millers College of Business, USA**

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**Terms and Conditions of re-appointment: Director liable to retire by rotation**

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**Details of Remuneration: Sitting Fees for attending meetings of the Board**

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**Directorship held in other listed Companies: None**

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**Directorship in other Companies (excluding foreign companies and Section 8 companies): 02**

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**\*Note:** For other details such as number of meetings of the board attended during the year, remuneration last drawn and relationship with other directors & key managerial personnel in respect of above director, Shareholding in the listed entity, including shareholding as a beneficial owner, please refer to the Corporate Governance Report which is a part of the Annual Report for FY 2022-23.

**Annexure II**

**DETAILS OF DIRECTOR SEEKING RE- APPOINTMENT AT THE 30<sup>TH</sup> AGM OF THE COMPANY**

[Pursuant to the Regulation 36 (3) of the SEBI Listing Regulations and SS-2 on General Meetings]

**Name of Director: Mr. Annaiahsetty Bala Setty**

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**DIN: 07361951**

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**Designation: Non-Executive (Non-Independent) Director**

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**Date of Birth and Age: June 11, 1948 (75 years)**

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**Date of First Appointment on the Board: November 14, 2015**

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**Brief Profile and Experience:**

Reputed Physician and CEO of a Hospital at USA. He is a NRI Promoter Director who is on the Boards of both the companies viz Shri Shakti Resorts & Hotels Ltd and Sri Havisha Hospitality and Infrastructure Ltd virtually from the inception. His contribution to the overall growth of the company is considerable.

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**Qualification: M.B.B.S, MD**

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**Terms and Conditions of re-appointment: Director liable to retire by rotation**

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**Details of Remuneration: Sitting Fees for attending meetings of the Board**

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**Directorship held in other listed Companies: None**

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**Directorship in other Companies (excluding foreign companies and Section 8 companies): None**

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**\*Note:** For other details such as number of meetings of the board attended during the year, remuneration last drawn and relationship with other directors & key managerial personnel in respect of above director, Shareholding in the listed entity, including shareholding as a beneficial owner, please refer to the Corporate Governance Report which is a part of the Annual Report for FY 2022-23.

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## DIRECTORS' REPORT

To  
The Shareholders,  
Sri Havisha Hospitality and Infrastructure Limited

Dear Esteemed Members,

### 1. INTRODUCTION:

The Directors take pleasure in presenting the Annual Report of Sri Havisha Hospitality and Infrastructure Limited ('the Company' or 'SHHIL') along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

### 2. FINANCIAL PERFORMANCE:

The Financial performance of the Company for the year 2022-23 is indicated below:

**Rupees in Lakh**

Particulars	2022-23	2021-22
Gross Income	1799.56	909.14
<b>EXPENSES</b>		
Cost of materials consumed	226.30	112.85
Employee benefit expenses	497.70	324.89
Finance costs	19.48	12.02
Depreciation and amortisation expenses	78.84	99.71
Other expenses	772.25	351.97
<b>Total expenses (IV)</b>	<b>1594.57</b>	<b>901.44</b>
<b>Profit / (Loss) before tax (V+VI)</b>	<b>204.99</b>	<b>7.70</b>
Total Tax Expenses	55.25	(50.13)
<b>Net Profit / (Loss) for the year after tax (V-VI)</b>	<b>149.74</b>	<b>57.83</b>

### 3. PERFORMANCE REVIEW:

The total revenue for FY 2022-23 is Rs.1799.56 Lakhs, which is nearly double than the previous year's total revenue of Rs. 909.14 Lakhs. The Company reported after tax Profit of Rs. 149.74 Lakhs for the FY 2022-23 as against the profit of Rs. 57.83 Lakhs for FY 2021-22.

### 4. STATE OF AFFAIRS AND FUTURE OUTLOOK OF THE COMPANY:

For over three decades, SHHIL has been a purpose driven organisation. Our vision is to be one of the most dynamic hospitality company in India. We strive to create value through operating

best-in-class hospitality brand, inspired by our legacy and driven by a determination to create memorable experiences and lasting impact. Our strategy is driven by this purpose and it remains an unwavering promise to all stakeholders. Our unique culture and our people's commitment, enables us to pursue our purpose towards creating value for the organisation by providing our guests superior experiences. We hold a deep appreciation for the contribution of every stakeholder and deliver value to them. Over the past few years, we have demonstrated our commitment to a clearly articulated strategy of diversifying our revenue profile.

After the merger of Shri Shakti Resorts & Hotels Ltd which is an existing operational company with our company, the overall revenues and growth have been considerably increasing for the past two years as could be seen from the financial performance above. A major achievement is getting the land lease for our hotel at Begumpet Airport renewed for another 30 years with effect from 1<sup>st</sup> Jan, 2023, after herculean efforts. Consequent to this notable development, our company is taking up a substantial renovation of our hotel property at Hyderabad. Three mock up room and suites are being done now and that will be followed by floor wise renovation ensuring at the same time that the hotel will continue to be operational. Your company is also planning to add more rooms as the need is felt to considerably increase the room inventory in view of the very healthy occupancy levels witnessed in the Financial Year 22-23.

In view of the unrelenting and persistent efforts put in by to your company's Chairman & Managing Director in achieving the renewal of the above land lease renewal for 30 years, it is proposed to allot Sweat Equity to him. Mr. Manohar who was the original allottee of the above land from Airports Authority through a public tender transferred that land to Shri Shakti Resorts & Hotels Ltd without taking any consideration whatsoever and implemented the project and successfully running the hotel and related businesses. Shri Shakti Resorts & Hotels Ltd is merged with our Company viz., Sri Havisha Hospitality and Infrastructure Ltd as per NCLT Order dated 16<sup>th</sup> Nov, 2021. The lease expired on 19<sup>th</sup> Nov, 2019 and Mr. Manohar has put in herculean efforts starting from 2017 itself for the renewal of the lease. The lease deed to this effect is signed between Airports Authority of India and Sri Havisha Hospitality and Infrastructure Limited represented by Mr. D. V. Manohar on 27<sup>th</sup> July, 2023.

It is an irrefutable fact that the business growth and future prospects of your company are substantially enhanced consequent to the above.

Further Mr. Manohar is instrumental in turning around your Company from accumulated losses of about Rs 100 crores to the present profitable position. When Govt. of India couldn't implement it's commitment to remove subsidy on LPG over 3 years, entire private LPG Industry was badly affected. In such situation, Mr. Manohar cleared Bank loans of about Rs 106 Crores under One Time Settlement and made your Company debt - free in FY 2007-08. Thereafter he ensured your Company's survival all these years despite nil revenues. After the

merger with Shri Shakti Resorts & Hotels Ltd, your Company is now turned profitable.

Therefore it is proposed that Mr. Manohar shall be adequately compensated for his efforts as above through issue and allotment of 45500000 Sweat Equity Shares of Rs. 2 each fully paid up for his Non-cash consideration and value addition to the company.

Hence, your directors are confident that these plans achieve better results in coming years. The endeavour of your directors is to maximize the returns to shareholders and we reiterate our commitment to achieve this in the near future.

**5. DIVIDEND:**

In view of the accumulated losses and the need to conserve available funds for the renovation and operations of the Company, your Company has considered it prudent to not to propose dividend for the financial year ended March 31, 2023.

**6. DEPLOYMENT OF FUNDS:**

	<b>Rs. In lakhs</b>
<b>Sources of Funds</b>	
Share Holders Funds	3395.78
Non – Current Liabilities	230.03
Current Liabilities	497.15
<b>Total</b>	<b>4122.96</b>
<b>Application of Funds</b>	
Non-Current Assets	2577.65
Other Non - Current Assets	821.54
Current Assets	623.41
Long Term Loans & Advances	12.81
Other Current Assets	87.55
<b>Total</b>	<b>4122.96</b>

**7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT:**

There are no material changes and commitments for the likely impact affecting financial position between end of the financial year and the date of the report.

**8. SIGNIFICANT AND MATERIAL ORDERS:**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that our Company executed Lease Deed on 27<sup>th</sup> July,

2023 with Airports Authority of India (AAI), New Delhi for the renewal of Land Leasehold Rights of the Company for another Thirty Years with effect from 01.01.2023, at Begumpet Airport, Hyderabad.

**9. TRANSFER TO RESERVES:**

As permitted under the provisions of the Companies Act, 2013, the Board feels that the profit of the Company can be utilised in other profitable way, considering the same no amount of the Profit has been transferred to the Reserve.

**10. DEPOSITS:**

The Company has not accepted any deposits covered under chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 for the year under review.

**11. PARTICULARS OF LOAN, GUARANTEE OR INVESTMENTS:**

Your Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 with respect to Loans, guarantee or investments made.

**12. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

During the year under review, the Company did not have any subsidiary, associate and joint venture company.

**13. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- Based on the recommendation of the Nomination and Remuneration Committee ('NRC') and in accordance with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), **Mr. Venkat Manohar Dontamsetti** (DIN-00223342), who was re-appointed as Managing Director of the Company with effect from May 25, 2019 to May 24, 2022 be and is hereby appointed as Managing Director of the Company to hold office for a term of five years with effect from May 25, 2022 till May 24, 2027 and not liable to retire by rotation at Board Meeting held on April 16, 2022.
- Based on the recommendation of the Nomination and Remuneration Committee ('NRC') and in accordance with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') with consent of the Board of Directors of the Company, **Ms. Satya Pinjala** (DIN-00042281) who was originally appointed as an Additional Director of the company at the Board meeting held on February 14, 2022 be and is hereby appointed as a whole time Director of the



company to hold office for a period of 5(Five) years commencing from April 16, 2022 to April 15, 2027 at board meeting held on April 16, 2022.

- Based on the recommendation of the Nomination and Remuneration Committee ('NRC') and in accordance with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') with consent of the Board of Directors of the Company, **Mr. Dharmin Dontamsetti** (DIN-07350807) who was originally appointed as an Additional Director of the company at the Board meeting held on February 14, 2022 be and is hereby appointed as a Non Executive Non Independent director of the company liable to retire by rotation at board meeting held on April 16, 2022.
- Based on the recommendation of the Nomination and Remuneration Committee ('NRC') and in accordance with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') with consent of the Board of Directors of the Company, **Prof. Sydney Prabhu Miranda** (DIN-02087483) who was originally appointed as an Additional Independent Director of the company at the Board meeting held on February 14, 2022 be and is hereby appointed as a Non Executive Independent director of the company for the period of 5 (Five) consecutive years commencing from February 14, 2022 to February 13, 2027 at board meeting held on April 16, 2022.

**Pursuant to Regulation 17(1C) and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of the Companies Act, 2013, the Company has taken the approval of the Shareholders on May 11, 2022 for the appointment of above mentioned all the directors of the company.**

- The Company has appointed **Mr. Polepeddi Sathyanarayana** (DIN: 03531819), as an Independent Director on the Board of the Company through Resolution by Circulation and same has been recorded in Meeting of Board of Directors held on May 30, 2022. The shareholders of the company has approved the appointment of Mr. Polepeddi Sathyanarayana in the annual general meeting of the company held on August 12, 2022.
- The company has appointed Mr. Sonu Kumar, as the Whole time Company Secretary and compliance officer of the Company to fill the vacant post caused due to resignation of Mr. Rahul Jain pursuant to Section 203 of the Companies Act and also Regulation 6 of SEBI (LODR) Regulation 2015, in the board meeting held on August 13, 2022.

- In accordance with the requirements of the Act and the Company's Articles of Association, Mr. Dharmin Dontamsetti, retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.
- During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are:

S. No.	Name	Designation
1.	Mr. Venkat Manohar Dontamsetti	Managing Director
2.	Mrs. Satya Pinjala	Whole Time Director
3.	Mr. Chandrasekhara Prasad Chodavarapu	Chief Financial Officer
4.	Mr. Sonu Kumar	Company Secretary

#### 14. **BOARD MEETINGS:**

Six meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms a part of the Annual Report.

#### 15. **DECLARATION BY INDEPENDENT DIRECTORS:**

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

The Independent Directors of the Company have confirmed that they have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

## **16. EVALUATION OF THE BOARD'S PERFORMANCE:**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and Structure; Degree of fulfilment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.); Effectiveness of board processes, information and functioning, etc.; Extent of co-ordination and cohesiveness between the Board and its Committees; and Quality of relationship between Board Members and the Management.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the NRC reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the Board Meeting that followed the meeting of the Independent Directors and meeting of NRC, the performance of the Board, its committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

## **17. POLICY ON DIRECTORS/ APPOINTMENT AND REMUNERATION:**

The policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act, 2013 is adopted by the Board. We affirm that the remuneration paid to the Directors is as per the terms laid out in nomination and remuneration policy of the Company.

## 18. AUDITORS:

### a) THE STATUTORY AUDITORS

M/s P. Suryanarayana & Co., Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 12th August, 2022 for a period of five years commencing from the conclusion of the 29<sup>th</sup> AGM of the Company until the conclusion of the 34<sup>th</sup> AGM of the Company to be held on in the year 2027. M/s P. Suryanarayana & Co. has completed its first term as the Statutory Auditors of the Company and was re-appointed as the Statutory Auditors of the Company for another term of five years.

The Report given by Auditors on Financial Statements of the Company is part of this report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their report.

### b) SECRETARIAL AUDITORS:

Section 204 of the Companies Act, 2013 inter alia requires every listed Company to annex to its Board Report, a Secretarial Audit Report, given in the prescribed form by a Company Secretary in practice. The Board appointed Krishna Kumar & Associates, Practicing Company Secretaries, represented by CS A. Krishna Kumar as the Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2022-23 and their report is annexed to this report.

The Board also appointed Krishna Kumar & Associates as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2023-24. The Secretarial Auditor has given following observation in his report.

*The composition of Board of Directors was not in accordance with the provisions of Regulation 17(1) & 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for few days during the first quarter of year under review ie 30th June 2022. However the Company has complied with the above Regulations subsequently.*

### c) COST RECORDS

Pursuant to Section 148(1) of the Act and the relevant rules made there under the Company is not required to maintain cost records hence the same is not maintained by the Company.

**19. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:**

As per SEBI LODR, Management Discussion and Analysis, Corporate Governance Report and Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance forms part of this Annual Report.

Pursuant to Regulation 34 of the SEBI LODR, the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report. As required under the provisions of the SEBI LODR, the Audit Committee of the Company has reviewed the Management Discussion and Analysis report of the Company for the year ended March 31, 2023.

**20. RISK MANAGEMENT COMMITTEE:**

The Company has a robust risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring, and reporting of various risks associated with the business of the Company. The Audit Committee has been entrusted by the Board with the primary responsibility to monitor and review risk management, assessment and minimization procedures and to develop, implement and monitor the risk management plan and identify, review and mitigate all elements of risks which the Company may be exposed to.

Further, the Audit Committee handles risk management, assessment and minimization procedures and also periodically reviews with them the existing procedures and measures to improvise the same. The Company has in place adequate internal financial controls with reference to financial statements. Key risks and threats to the Company and internal controls and their adequacy are analyzed in the Management Discussion and Analysis, which forms part of this Report.

**21. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

Though pursuant to the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, the Company does not fall under the criteria of CSR Policy, the Company is actively promoting cycling which is the most eco-friendly means of commuting.

**22. PERSONNEL:**

During the year none of the employees is in receipt of remuneration in excess of the limits prescribed u/s. 197(12) of the Companies Act, 2013, read with Rule 5 and 35 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**23. DEMATERIALISATION OF SHARES:**

Around 65.47% of the Paid-Up Equity Share Capital of the Company was dematerialized as on 31st March, 2023 and the balance Paid-Up Equity Share Capital is in physical form. The Company's Registrar is XL Softech Systems Limited, 3 Sagar Society, Banjara Hills, Hyderabad.

**24. LISTING WITH STOCK EXCHANGES:**

The Company's securities are listed at BSE Limited and National Stock Exchange of India Ltd. and the new Listing Agreement as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been entered with both the Exchanges.

**25. RELATED PARTY TRANSACTIONS:**

During the year under review, all Related Party Transactions that were entered into were in the Ordinary Course of Business and at Arms' Length Basis. All transactions entered into with related parties were approved by the Audit Committee. None of the transactions with related parties are material in nature or fall under the scope of Section 188(1) of the Act.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company for the FY 2022-2023 and hence the same is not provided.

**26. DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3)(C) OF THE COMPANIES ACT, 2013:**

Pursuant to the requirement under Section 134(3)(C) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the accounts for the financial year ended March 31, 2023 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit or loss of your Company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- (iv) that the Directors have prepared the accounts for the financial year ended 31, 2023 on a 'going concern' basis.

- (v) The Directors have laid down internal financial controls, which are adequate and are operating effectively.
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**27. REMUNERATION RATIO OF THE DIRECTORS AND KMP:**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial personnel) Rules 2014 and Companies (Particulars of employees) Rules 1975 in respect of employees of the Company and Directors is furnished below:

Directors	112.76 Lakhs
KMP	18.92 Lakhs
Ratio	5.96:1

**28. ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website at <https://www.shrishakti.com/agm-2023/sri-havisha-annual-report-fy-2022-23.html>

**29. SECRETARIAL STANDARDS:**

The Directors state that the applicable Secretarial Standards i.e., SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to Meetings of Board of Directors and General Meetings respectively have been duly complied with.

**30. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the POSH Act, and the rules framed there under, including constitution of the Internal Complaints Committee headed by Ms Shanthi Pothapragada.

During the financial year Financial Year 2022-23, the Company did not receive any instance of such event of sexual harassment.

**31. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force).

**32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:**

Information under Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is given below

**A. CONSERVATION OF ENERGY:**

➤ **Energy Consumption measures taken**

- a. The Company has initiated effective measures for saving all forms of Energy.
- b. Additional investments and proposals, if any being implemented for reduction in consumption of energy.
- c. Impact of the measures at (a) and (b) above for reduction of energy consumption.
- d. Total Energy Consumption and Energy Consumption per unit of product.

➤ **Energy Conservation Measures**

The following Energy Conservation Measures were implemented during the year.

- a. Auto switching off of A/c Units, Exhaust Fans, Street Lights.
- b. Reduction in compressed air consumption by fixing Regulators and Auto Controllers.

**B. TECHNOLOGY ABSORPTION:**

The Company has taken up several initiatives for undertaking Research and Development (R&D) on Technology, Absorption, Adaptation and Innovation during the year. The Company has indigenously developed a Conversion Kit with fixed tank for Three Wheelers to run on LPG. The Company holds two patents jointly with M/s. Automotive Research Association of India (ARAI) towards the same.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:**

(Rs. in Lakhs)

**Current Year**

1) Foreign Exchange earned	NIL
2) Foreign Exchange used	NIL



a.	Import of Capital Goods	NIL
b.	Import of raw materials and spares	NIL
c.	Travelling and other expenditure	NIL

**33. WHISTLE BLOWER POLICY:**

The Company has adopted a Whistle Blower Policy as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the Code of Business Principles of the Company.

**ACKNOWLEDGEMENT:**

The Directors thank the Company's customers, vendors, investors and academic partners for their continuous support. The Directors also thank the Government of India, Governments of various states in India, concerned Government departments & agencies and our Bankers for their co-operation.

The Directors appreciate and value the contribution made by all our employees and their families and the contribution made by every other member of the SHHIL family, for making the Company what it is.

**For and on behalf of the Board  
SRI HAVISHA HOSPITALITY AND  
INFRASTRUCTUE LIMITED**

**PLACE: HYDERABAD  
DATE: 12.08.2023**

**D.V.MANO HAR  
CHAIRMAN & MANAGING DIRECTOR**

## **REPORT ON CORPORATE GOVERNANCE**

### **[Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

In accordance with Schedule V of the SEBI (LODR) Regulations, 2015 and some of the best practices followed internationally on corporate governance, the report containing the details of corporate governance systems and processes is as under:

#### **COMPANY'S PHILOSOPHY**

Sri Havisha Hospitality and Infrastructure Limited (SHHIL) strongly believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company in a transparent manner and also help in maximising value for all the stakeholders like members, customers, employees, contractors, vendors and the society at large. Good Corporate Governance practices help in building an environment of trust and confidence among all the constituents. The Company endeavours to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning, which are vital to achieve its Vision of being the Energy of India and a Globally-Admired Company.

The Company has set high standards of ethical and responsible conduct of business to create value for all its stakeholders. For effective implementation of the Corporate Governance practices, the Company has a well-defined policy framework inter-alia, consisting of the following:

- a) Code of Conduct for Board Members and Senior Management Personnel
- b) Code for Prevention of Insider Trading in the Securities of SHHIL and Practices and Procedure for Fair Disclosure
- c) Enterprise Risk Management Policy
- d) Integrity Pact to enhance transparency in business
- e) Whistle Blower Policy
- f) Conduct, Discipline and Appeal Rules for officers
- g) Sustainability & Corporate Social Responsibility Policy
- h) Materiality of Related Party Transactions and dealing with Related Party Transactions
- i) Policy for determining Material Subsidiaries
- j) Policy for determination of Material / Price Sensitive Information and Disclosure Obligations
- k) Policy for Preservation of Documents
- l) Dividend Distribution Policy
- m) Human Resources Initiatives

## **1. BOARD OF DIRECTORS**

### **a) COMPOSITION AND CATEGORY OF DIRECTORS:**

The Board of Directors of the Company comprises of an optimum combination of executive and non-executive directors, which is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 149 of the Companies Act, 2013 ('Act').

Our Company has optimum combination of Executive and Non-Executive Directors (NED) with at least one Woman Director and not less than fifty per cent Non-Executive Independent Directors of total strength of the Board.

As on the date of this report, none of the Directors serve as a Director or as an Independent Director in more than 7 (Seven) listed entities, and the Managing Director does not serve as an Independent Director on any listed company.

Further, none of the Independent Directors serve as a Non-Independent Director of any company on the board of which any of our Non-Independent Directors are an Independent Director.

During the Financial Year 2022-23, none of the Directors acted as a member in more than 10 (Ten) committees or as a Chairperson in more than 5 (Five) committees (committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI LODR) across all listed entities where they serve as a Director.

The Board of Directors met 6 (Six) times during the Financial Year 2022-23. The Board meetings were held on April 16, 2022, May 30, 2022, July 21, 2022, August 13, 2022, November 14, 2022 and February 11, 2023. The information as required in terms of SEBI LODR is being regularly placed before the Board. The Board also reviews the declaration made by the Managing Director of the Company regarding compliance with all laws applicable to the Company on a quarterly basis.

Independent Directors are NED(s) as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with Rules framed there under. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

The Board is at the core of our Corporate Governance practices and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. We believe that an active, well-informed and Independent Board is necessary to ensure the highest standards of Corporate Governance.

**b) SIZE AND COMPOSITION OF THE BOARD**

At the beginning of the financial year, the Board comprised of Nine Directors, and Company has changed the designation of Ms. Satya Pinjala (DIN- 00042281) as Whole time Director from Additional Directors in the board meeting held on April 16, 2022 by considering her vast experiences in the hospitality industry. Further, Company has appointed Mr. Polepeddi Sathyanarayana (DIN-03531819), as an Additional Independent Director on May 13, 2022 through Resolution by Circulation for the period of 5 (Five) years subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Shareholders of the company has approved the appointment of Mr. Polepeddi Sathyanarayana as Independent Director of the company in the Annual General Meeting held on August 12, 2022. These Directors brings in a pool of collective knowledge from various disciplines.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting('AGM'), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairpersonships / Memberships held by them in other public limited companies (excluding directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act) as on March 31, 2023 are given herein below.

Further, none of them is a member of more than ten committees or Chairperson of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders' Relationship Committee only have been considered as per Regulation 26(1)(b) of the SEBI Listing Regulations

<b>Name of the Director</b>	<b>Category of Directorship</b>
Mr. Venkat Manohar Dontamsetti	Chairperson, Managing Director
Ms. Satya Pinjala	Whole Time/Executive Director
Ms. Deekshita Dontamsetti	Non-Independent Non-Executive Woman Director
Mr. Dharmin Dontamsetti	Non-Independent Non-Executive Director
Ms. Annaiahsetty BalaSetty	Non-Independent Non-Executive, Director
Mr. Abhaya Shankar	Independent Director
Mr. Vuppu Subrahmanyam	Independent Director
Prof. Prabhu Sydney Miranda	Independent Director
Mr. Binod Kumar Sinha	Independent Director

**\*\*Mr. Polepeddi  
Sathyanarayana**

Independent Director

\*\* was appointed on May 13, 2022 by passing Resolution By Circulation. Thereafter, with the approval of the Shareholders of the Company he is appointed as Independent Director of the company for the period of Five years.

Ms. Satya Pinajala was appointed as Non Executive Non Independent Director by Board of Directors of the Company at the Meeting held on February 14, 2022. Thereafter, with the approval of the Shareholders of the Company her designation has been changed to Whole Time/ Executive Director.

**NOTE-**

1. Mr. Venkat Manohar Dontamsetti, Chairman and Managing Director of the Company is related to Ms. Satya Pinjala, Ms. Deekshita Dontamsetti, and Mr. Dharmin Dontamsetti.

He is the Father of Ms. Deekshita Dontamsetti, and Mr. Dharmin Dontamsetti. He is Brother of Ms. Satya Pinjala.

2. Ms. Deekshita Dontamsetti, is related to Mr. Venkat Manohar Dontamsetti and Mr. Dharmin Dontamsetti. She is daughter of Mr. Venkat Manohar Dontamsetti and Sister of Mr. Dharmin Dontamsetti
3. Mr. Dharmin Dontamsetti, is related to Mr. Venkat Manohar Dontamsetti and Ms. Deekshita Dontamsetti. He is son of Mr. Venkat Manohar Dontamsetti and Brother of Ms. Deekshita Dontamsetti.
4. Ms. Satya Pinjala, is related to Mr. Venkat Manohar Dontamsetti. She is sister of Mr. Venkat Manohar Dontamsetti.

Name of the Director	Attendance		Other Directorship	Other Committee	
	BM	AGM	Number of Directorship In Other Public Companies	Member-ship	Chair-man ship
Mr. Venkat Manohar Dontamsetti	6	Yes	0	3	0
Ms. Satya Pinjala	6	Yes	0	0	0
Ms. Deekshita Dontamsetti	3	Yes	0	0	0

Mr. Dharmin Dontamsetti	6	Yes	0	0	0
Ms. Annaiahsetty BalaSetty	2	No	0	0	0
Mr. Abhaya Shankar	6	Yes	2	2	1
Mr. Vuppu Subrahmanyam	2	No	0	2	1
Prof. Prabhu Sydney Miranda	4	No	0	0	0
Mr. Binod Kumar Sinha	6	Yes	0	2	1
Mr. Polepeddi Sathyanarayana	5	Yes	0	1	0

During FY 2022-23, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

During FY 2022-23, one meeting of the Independent Directors was held on February 11, 2023. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors. They also assessed the quality, quantity, timeliness and adequacy of information between the Company's management and the Board.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

## **2. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY DIRECTORS:**

Details of shares of the Company held by Directors as on March 31, 2023 are as below:

<b>S. No.</b>	<b>Name of Director</b>	<b>Number of Shares</b>
1.	Mr. Dontamsetti Venkat Manohar	2,26,83,285
2.	Mr. Binod Kumar Sinha	Nil
3.	Mr. Vuppu Subrahmanyam	Nil
4.	Ms. Deekshita Dontamsetti	1,57,800
5.	Ms. Annaiahsetty BalaSetty	Nil
6.	Mr. Abhaya Shankar	Nil
7.	Ms. Satya Pinjala	Nil
8.	Mr. Dharmin Dontamsetti	13,91,700
9.	Prof. Prabhu Sydney Miranda	Nil
10.	Mr. Polepeddi Sathyanarayana	Nil

## **3. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

### **TRAINING & FAMILIARISATION PROGRAMME**

The Company conducts Familiarization Programme for the Independent Directors (ID) to enable them to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with Senior Management Personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations, products, organization structure and the industry of which it is a part. The initiatives undertaken by the Company in this respect have been disclosed on the website of the Company. <https://www.shrishakti.com>

## **DIRECTORS QUALIFICATIONS, SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES**

The Board skills matrix provides a guide as to the skills, knowledge, experience, and other criteria appropriate for the functioning of the Board. The Board has identified this matrix as a tool to assist with professional development initiatives for Directors. The Company believes in skills-based composition of the Board comprising of Directors who collectively have the skills, knowledge, and experience to effectively govern and direct the Organization. These are broadly categorized under following aspects:

- **Governance**

This category includes skills relevant to performing the Board's key functions such as strategic planning, policy development, financial performance, audit review, risk & compliance oversight, overall experience, assessing strategic opportunities and threats, good governance practices.

- **Industry specific**

This category includes skills relevant to the retail industry in which the Company operates such as business development, vendor management, technology, marketing & communication and operational efficacy, understanding consumer buying patterns, consumption analysis, product innovations, supplier management, store operations and customer interactions.

- **Personal attributes & qualities**

These are the attributes which are generally considered desirable to be an effective Director possessing specific qualities like leadership, effective communication, honesty, independence, commitment, professionalism, Innovative, ethics and integrity etc.

**All the Directors of the Company have been appointed possessing the above given skills / attributes and bring immense benefit and experience to the Company.**

Name of Director	Finance	Strategy/ Business Leadership	Digital and Information Technology	Governance	Sales & Marketing	Human Resources	Hospitality
Mr. Venkat Manohar Dontamsetti	✓	✓	✓	✓	✓	✓	✓
Mr. Binod Kumar Sinha	✓	✓	✓	✓	✓	✓	✓
Mr. Vuppu Subrahmanyam	✓	✓	✓	✓	✓	✓	✓
Ms. Deekshita Dontamsetti	✓	✓	✓	✓	✓	✓	✓
Ms. Annaiahsetty BalaSetty	✓	✓	✓	✓	✓	✓	✓
Mr. Abhaya Shankar	✓	✓	✓	✓	✓	✓	✓
Ms. Satya Pinjala	✓	✓	✓	✓	✓	✓	✓
Mr. Dharmin Dontamsetti	✓	✓	✓	✓	✓	✓	✓
Prof. Prabhu Sydney Miranda	✓	✓	✓	✓	✓	✓	✓
Mr. Polepeddi Sathyanarayana	✓	✓	✓	✓	✓	✓	✓

#### **4. CONFIRMATION OF THE BOARD FOR INDEPENDENT DIRECTORS**

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

#### **5. DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR**

During the year none of the Independent Directors have tendered resignation.

#### **6. SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA**

The Nomination and Remuneration Committee ('NRC') assists the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service.

#### **7. BOARD MEETINGS:**

The information as required under Regulation 17(7) read with Schedule II Part A of the Listing Regulations, as amended, is made available to the Board. The agenda and explanatory notes are sent to the Board in advance. The Board meets at least once in a quarter to review the quarterly financial results and other items on the agenda. Additional meetings are held, when necessary. Committees of the Board meet before the Board Meeting, or whenever the need arises for transacting business.



The recommendations of the Committees are placed before the Board for necessary approval and/or noting. During the Financial Year 2022-23, 6 (Six) Board Meetings were held. The Board meetings were held on April 16, 2022, May 30, 2022, July 21, 2022, August 13, 2022, November 14, 2022 and February 11, 2023. The gap between any two consecutive Board Meetings during this period did not exceed 120 days.

The Board has a formal schedule of matters reserved for its consideration and decision. These include approving business strategy, setting performance targets, reviewing performance, approving investments, ensuring adequate availability of financial resources and reporting to the Shareholders. The Board generally meets 4 times during the year. The Directors are also given option of attending the Board Meeting through video conferencing. All relevant information as required under Schedule II of the SEBI (LODR) Regulations, 2015 was placed before the Board from time to time.

#### **8. SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

Pursuant to the provisions of Section 149(8) read with Schedule IV of the Act and Regulations 25(3) & 25(4) of the Listing Regulations, a Meeting of the Independent Directors was convened on February 11, 2023 without the presence of Non-Independent Directors and Members of the Management to discuss and review:

- a) The performance of the Chairman, Non – Independent Directors and the Board.
- b) The quality, quantity and timeliness of flow of information between the Company,

All the Independent Directors were Present at the Meeting.

#### **9. EVALUATION OF THE BOARD'S PERFORMANCE**

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of internal control systems, etc.

#### **10. BOARD COMMITTEES**

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board, and Chairpersons of the

respective committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. During the year under review, all recommendations of the Committees were approved by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting. There are three Board Committees as on March 31, 2023, details of which are as follows

**I. AUDIT COMMITTEE:**

The terms of reference of this Committee cover the matters as specified for Audit Committees under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also as per the provisions of Section 177 of the Companies Act, 2013.

The Company Secretary acts as the Secretary to the Committee. The Executive Director(s) and Senior Management of the Company also attend the Meetings as invitees whenever required to address concerns raised by the Committee Members.

**TERMS OF REFERENCE**

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing and examining with management the Quarterly Financial Results before submission to the Board;
- reviewing and examining with management the Annual Financial Statements before submission to the Board and the auditors' report thereon before submission to the board for approval with particular reference to:
  - (a) matters required to be included in the Director's Responsibility Statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- scrutiny of inter-corporate loans and investments made by the Company;

- reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries;
- reviewing the appointment, removal and terms of remuneration of the Internal Auditor.
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- evaluating 'undertaking or assets' of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blowing mechanism

The Audit Committee met 5 (Five) times during the Financial Year 2022-23, these Meetings were held on: April 16, 2022, May 30, 2022, August 13, 2022, November 14, 2022 and February 11, 2023 also the gap between two meetings does not exceed one hundred twenty days. The necessary quorum was present for all the meetings.

The Composition and attendance of each member of the Audit Committee is as follows:

<b>S.No.</b>	<b>Name of the Audit Committee Member</b>	<b>Designation</b>	<b>No. of Meetings held</b>	<b>No. of Meetings Attended</b>
1.	Mr. Abhaya Shankar	Chairman	05	05
2.	Mr. Binod Kumar Sinha	Member	05	05
3.	Mr. V. Subrahmanyam	Member	05	03
4.	Mr. Polepeddi Sathyanarayana	Member	05	03
5.	Mr. Venkat Manohar DONTAMSETTI	Member	05	05

## II. NOMINATION & REMUNERATION COMMITTEE

The terms of reference of this Committee cover the matters as specified for Nomination and Remuneration Committees (“NRC”) under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The NRC also discharges the Board’s responsibilities relating to compensation of the Company’s Executive Directors and Senior Management. Terms of Reference of the committee inter-alia includes:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director’s performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other functions as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

The Nomination & Remuneration Committee met 4 (Four) times during the Financial Year 2022-23, these Meetings were held on: April 16, 2022, May 10, 2022, May 30, 2022 and August 13, 2022.

The Composition and attendance of each member of the Nomination and Remuneration Committee is as follows:

S.No.	Name of the Audit Committee Member	Designation	No. of Meetings held	No. of Meetings Attended
1.	Mr. V. Subrahmanyam	Chairman	04	02
2.	Mr. Binod Kumar Sinha	Member	04	03
3.	Mr. Abhaya Shankar	Member	04	03
4.	Mr. Venkat Manohar Dontamsetti	Member	04	04

### **Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for independent directors is determined by the NRC. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

### **III. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Section 178(5) of the Act prescribes that a company which consists of more than one thousand shareholders, debenture holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee.

The Stakeholders Relationship Committee or Stakeholders' Grievance Committee ('SRC') oversees the mechanism of redressal of grievances of our shareholders. The Committee also

- a) Reviews the resolution of the grievances of shareholders.
- b) Oversees and reviews all matters related to the transfer of securities of the Company and with respect to dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- c) Recommends measures for overall improvement of the quality of investor services.
- d) Suggests and drives implementation of various stakeholder-friendly initiatives.

The Composition and attendance of each member of the Stakeholders Relationship Committee is as follows:

<b>S.No.</b>	<b>Name</b>	<b>Designation</b>	<b>No. of Meeting held</b>	<b>No. of Meeting Attended</b>
1.	Mr. Binod Kumar Sinha	Chairman	01	01
2.	Mr. V. Subrahmanyam	Member	01	01
3.	Mr. Abhaya Shankar	Member	01	01
4.	Mr. Venkat Manohar Dontamsetti	Member	01	01

Mr. Sonu Kumar, Company Secretary and Compliance Officer of the Company, is the Compliance Officer for redressal of shareholder's/ investors' complaints.

**The status of Investor Complaints as on March 31, 2023 as reported under Regulation 13(3) of the SEBI LODR is as under:**

Complaints outstanding as on April 01, 2022	NIL
Complaints received during the year ended March 31, 2023	NIL
Complaints resolved during the year ended March 31, 2023	NIL
Complaints not solved to the satisfaction of shareholders	NIL
Complaints pending as on March 31, 2023	NIL

**11. GENERAL BODY MEETINGS**

**Annual General Meeting**

Date	Venue	Time
<b>August 12, 2022</b>	Video Conference / Other Audio Visual Means	03.30 PM
September 29, 2021	Video Conference / Other Audio Visual Means	04.30 PM
December 30, 2020	Video Conference / Other Audio Visual Means	11.00 AM

**Extraordinary General Meeting**

Date and time of the meeting	Venue	Details of the Special Resolutions passed in the Meeting
<b>May 11, 2022 at 03.30 pm</b>	Video Conference / Other Audio Visual Means	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Venkat Manohar Dontamsetti (DIN-00223342) as Managing Director of the Company.</li> <li>2. Appointment of Prof. Sydney Prabhu Miranda (DIN-02087483) as an Independent Director of the Company.</li> <li>3. Authority To The Board Of Directors Under Section 180(1)(C) Of The Companies Act, 2013 For Borrowings Upto The Revised Limit Of Rs. 100 (One Hundred) Crores.</li> <li>4. To seek approval under Section 180(1)(A) of the Companies Act, 2013 inter alia for creation of mortgage</li> </ol>

		or charge on the assets, properties or undertaking(s) of the Company. 5. Approval for material related party transactions.
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- No Postal Ballot was conducted during the financial year 2022-23. As of the date of the Report, no special resolutions are proposed to be conducted through postal ballot.

## 12. MEANS OF COMMUNICATION

The Company has a website viz., [www.shrishakti.com](http://www.shrishakti.com). The annual financial results are posted on the Company's website for the information of its shareholders.

The audited financial results are generally published in the leading English Newspaper and as well as in the vernacular (Telugu) Newspaper.

All material information about the Company is promptly sent through mail to the Indian Stock Exchanges where the Company's shares are listed and released to the Press for information of the public at large.

## 13. GENERAL SHAREHOLDERS INFORMATION

<b>ANNUAL MEETING</b>	<b>GENERAL</b>	30 <sup>th</sup> Annual General Meeting of the Company will be held through video conferencing or other audio visual mode on the 28.09.2023
<b>Financial Year</b>		April 01, 2022 to March 31, 2023
<b>Book closure</b>		22.09.2023 to 28.09.2023
<b>Name of the Stock Exchange</b>		<b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai <b>BSE Code: 531322</b>  <b>National Stock Exchange of India Limited,</b> Exchange Plaza,C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-51 <b>NSE Symbol – HAVISHA</b>
<b>Particulars of Payment of Listing Fee to Stock Exchange</b>		Listing Fees as applicable have been paid
<b>Credit Rating</b>		Not Applicable, as during the Financial Year, Company has not obtained any Credit Rating
<b>Share Registrar and Transfer Agents</b>		<b>M/s. XL Softech Systems Ltd.,</b> 3, Sagar Society, Banjara Hills,

	Hyderabad, Telangana,
<b>SHARE TRANSFER SYSTEM</b>	All shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents as per the Listing Regulations, 2015. Request for transfer and transmissions are approved by the Share Transfer Agent under the authority granted by the Board. Shares under objection are returned within two weeks. All requests for dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL)
<b>REGISTERED OFFICE/ADDRESS FOR CORRESPONDENCE:</b>	<b>SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED</b> Venus Plaza, Begumpet, Hyderabad-500 016 Phone: 040-27902929 / Fax: 040-27908989 Email: <a href="mailto:cs@shrishakti.com">cs@shrishakti.com</a> Website: <a href="http://www.shrishakti.com//">http://www.shrishakti.com//</a>

**FINANCIAL RESULTS WERE APPROVED AS FOLLOWS:**

Un-audited Financial results for –

<b>First Quarter</b>	August 13, 2022
<b>Second Quarter</b>	November 14, 2022
<b>Third Quarter</b>	February 11, 2023

Audited Financial results for –

<b>Fourth Quarter</b>	May 27, 2023
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**DISTRIBUTION OF SHARES ACCORDING TO SIZE, CLASS AND CATEGORIES OF SHAREHOLDERS AS ON MARCH 31, 2023**

Shareholdings of nominal value of		Shareholders		Share Amount	
(Rs.)		Nos.	%	In Rs.	%
<b>Upto</b>	<b>5,000</b>	8844	43.64	2255694	0.73
<b>5,001</b>	<b>10,000</b>	2124	10.48	3317348	1.08
<b>10,001</b>	<b>20,000</b>	4348	21.45	13193102	4.30
<b>20,001</b>	<b>30,000</b>	2342	11.56	12798774	4.17
<b>30,001</b>	<b>40,000</b>	327	1.61	2332908	0.76
<b>40,001</b>	<b>50,000</b>	378	1.87	3467860	1.13
<b>50,001</b>	<b>1,00,000</b>	989	4.88	13827688	4.50
<b>1,00,001</b>	<b>&amp; Above</b>	916	4.52	255878226	83.33
<b>Total</b>		<b>20268</b>	<b>100.00</b>	<b>307071600</b>	<b>100.00</b>



As on 31st March 2023, 62.69% of the Company's Equity Capital was held in dematerialized form with NSDL and CDSL. Further, SEBI has amended Regulation 40 of the SEBI LODR, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

#### **CATEGORIES OF SHAREHOLDING AS ON MARCH 31, 2023**

S. No.	Category	No. of Shareholder	Shares Held	% of Shareholding
	<b>PROMOTER</b>			
a.	Individuals (Indian)	10	25319685	16.49
b.	Body Corporate	02	24025500	15.65
c.	Individual (Non-Resident)	06	3097735	2.02
	<b>NON-PROMOTER</b>			
d.	Financial Institutions/ Banks	01	600000	0.39
e.	Individual	19822	56269455	36.65
f.	Non Resident Indians	171	20931641	13.63
g.	Bodies Corporate	117	22100011	14.39
h.	Other	139	1191773	0.78
	<b>Total</b>	<b>20268</b>	<b>153535800</b>	<b>100</b>

#### **MARKET PRICE DATA: FY 01.04.2022 to 31.03.2023**

Month	BSE		NSE		Index Close Price	
	High	Low	High	Low	Sensex	Nifty
Apr-22	3.31	2.70	2.90	2.70	57061	17102
May-22	2.85	2.20	2.65	2.50	55566	16585
Jun-22	2.75	2.12	2.30	2.15	53019	15780
Jul-22	2.47	2.05	2.25	2.10	57570	17158
Aug-22	3.34	2.07	3.15	2.85	59537	17759
Sep-22	3.04	2.35	2.45	2.35	57427	17094
Oct-22	2.50	2.09	2.25	2.10	60747	18012
Nov-22	2.34	2.03	2.15	2.05	63100	18758
Dec-22	2.55	2.06	2.35	2.20	60841	18105
Jan-23	2.36	2.06	2.15	2.10	59550	17662
Feb-23	2.20	1.75	1.85	1.75	58962	17304
Mar-23	1.95	1.60	1.70	1.65	58992	17360

## OTHER DISCLOSURES

### I. RELATED PARTY TRANSACTIONS:

During the year under review, besides the transactions reported in Note forming part of the Financial Statements for the year ended 31st March 2023 in the Annual Report, there were no other material related party transactions of the Company with its Promoters, Directors or the Management or their relatives. These transactions do not have any potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee of the Board periodically and placed for Board's information, if required.

Further there are no material individual transactions that are not in normal course of business or not on an arm's length basis

### II. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY

During the Financial year 2022-2023, there were two instances of Non- Compliances, However the Company has complied and made good of the said non-Compliances well before the any observation letter issued by the Stock Exchanges.

**The NSE and BSE has raised the Penalty under Regulation 17(1) of the Listing Regulation which states that, the Composition of the Board of Directors of the Company shall be optimum if the Chairperson of the Board is Executive Director, the Half of the Total Board shall consist of the Independent Director.**

In this regard the Company has made representation before both the Stock Exchanges and brought to their kind notice that the said appointments of the Directors of the Company have been made pursuant to the Amalgamation of the Transferor Company with the Transferee Company. The Directors so appointed hold responsible positions on the Board of the Transferor Company. Company has planned well in advance regarding appointment of Executive and Non-Executive Director, however the proposed independent Director conveyed his regret to join the Board on agreed date and Directors who are appointed on February 14, 2022 had already given their consent to act as the Directors of the Company with effect from the said date.

Since we have received their consent and Board was also intimated about the same, the appointment of the Directors who already agreed and gave their consent could not be deferred.

Further, after receiving regret letter from the proposed Independent Director, the Company immediately started searching for suitable replacement and contacted several reputed persons. However they expressed their inability to join the Board due to various reasons including short notice. Thus this is an unintentional non-Compliance and the Company has made good of this by appointing Independent Director at the earliest, well before receiving any kind of observation from the Stock Exchanges.

Considering the above representation made by the Company to the respected Stock Exchanges, we are expecting that the Stock exchanges will not take any hard decision or harsh actions, since these reasons were beyond the Control of the Company. Due to reason beyond the Control of Company, the appointment of another Independent Director in the Company could not be made on same day.

**Stock Exchanges have Imposed the Penalty for the Non-Compliance of the Regulation 17(1A) of the Listing Regulation which states that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (Seventy-Five) years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.**

- The Company has clarified to the Stock Exchanges stating the Provision of Section 161(1) of the Companies Act 2013, the Board of Directors of the Company if authorised by the Articles of the Association of the Company may appoint any person as an Additional Director on the Board of the Company. Article 96 of the Articles of Association of the Company authorises the Board of Directors of the Company to appoint one or more person as Additional Director on the Board of the Company provided other applicable provisions of the Act are followed. Further, company has convened the Extraordinary General Meeting on May 11, 2022 and has passed the **Special Resolution** for the appointment of Mr. Prabhu Sydney Miranda. Notice of the Said EGM was served to all the Shareholders of the Company well before receiving any observation letter from the Stock Exchanges.

### **III. VIGIL MECHANISM**

The Company has a robust whistle-blower mechanism. The employees are encouraged to raise any of their concerns by way of whistle-blowing and all employees have been given access to the Audit Committee Chairman. Employees can report to the management their concerns about

unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

**IV. CEO / CFO CERTIFICATION:**

The Managing Director(MD) and Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17(8) of the SEBI LODR pertaining to CEO/CFO certification for the financial year ended March 31, 2023, which is annexed hereto.

**V. DISCLOSURE OF ACCOUNTING TREATMENT:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

**VI. DISCLOSURE ON WEBSITE:**

The Policy on Related Party Transactions is posted on the website of the Company and can be accessed at: [www.shrishakti.com](http://www.shrishakti.com)

**VII. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A):**

The Company has not raised any funds through preferential allotment or qualified institutions placement.

**VIII. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is attached as an annexure.

The Company has obtained compliance certificate from the Practicing Company Secretary on corporate governance, and the same is attached as an annexure.

**IX. DISCLOSURE OF NON-ACCEPTANCE OF ANY RECOMMENDATION OF ANY COMMITTEE BY THE BOARD IN THE FINANCIAL YEAR 2022-23 AND ITS REASON**

There was no such instance during the FY 2022-23 when the Board did not accept any recommendation of any Committee of the Board.

**X. FEES PAID TO STATUTORY AUDITOR**

The details of the total fees for all services paid by the listed entity to the statutory auditor is given below:

(In Rupees)		
S. NO.	PARTICULARS	PAYMENT
1.	Audit of statutory accounts	2,00,000
	<b>Total</b>	<b>2,00,000</b>

**XI. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT**

There have been no instances of non-compliance (apart from non compliance mentioned above) of any requirement of the Corporate Governance Report as prescribed by the SEBI LODR.

**XII. DISCLOSURE OF COMPLIANCE WITH THE SEBI LODR**

The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Schedule V - Part C to F of the SEBI LODR.

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

- a. Number of complaints filed during the financial year: Nil
- b. Number of complaints disposed of during the financial year: Nil
- c. Number of complaints pending as on end of the financial year: Nil

**XIV. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

S. No	Particulars	Details
1.	aggregate number outstanding shares in the suspense account lying at the beginning of the year	2,01,31,578
2.	number of shareholders who approached listed entity for transfer of shares from suspense account during the year	0
3.	number of shareholders transferred from suspense account during the year	0
4.	number of shares transferred from suspense account during the year	0
5.	aggregate number outstanding shares in the suspense account lying at the end of the year	2,01,31,578

**By Order of the Board  
For Sri Havisha Hospitality And  
Infrastructure Limited**

**PLACE: HYDERABAD  
DATE: 12.08.2023**

**D.V.MANO HAR  
CHAIRMAN & MANAGING DIRECTOR**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Economic Environment And Industry Insight:**

#### **GLOBAL ECONOMY: THE YEAR IN REVIEW**

The global economy witnessed a recovery in 2022 following two years of a pandemic-inflicted environment. The International Monetary Fund (IMF) in their report of April 2023 estimates growth in global Real Gross Domestic Product (GDP) for 2022 to increase by 3.4% on the back of a 6.3% increase in 2021. A higher-than-usual growth in 2021 was due to a low-base effect of 2020 as a result of the global pandemic during which GDP contracted by 2.8%. Year 2022 saw inflationary trends across the globe, particularly in developed economies of United States of America (US), United Kingdom (UK) and Europe, which resulted in tighter monetary interventions by central banks which in turn stifled growth. Continuing invasion of Ukraine by the Russian Federation disrupted supply chains causing an increase in food, commodity and energy prices. Finally, a resurgence of COVID-19 in China weighed on the global economy in 2022.

IMF forecasts global growth for 2023 to decelerate to 2.8% from 3.4% in 2022 before rising to 3.0% in 2024. This forecast is lower than expected growth rates a year ago. The economic slowdown in 2023 is concentrated in advanced economies especially the Euro Area and UK where growth is expected to fall to 0.8% and -0.3% in 2023. A lower growth in 2023 is attributable to prevailing tight monetary and financial conditions, recent signs of stress in the banking system, rising debt levels in certain countries including lower and middle-income countries, rising geo-economic fragmentation, stickier than expected inflation and no signs of truce in the Russia-Ukraine war. In contrast, emerging and developing economies are showing stronger economic prospects than advanced economies. In the medium-term, the IMF forecasts global inflation to fall to 7.0% in 2023 and to 4.9% in 2024 on the back of gradual softening of interest rates, unwinding supply chain disruptions and a fully reopened Chinese economy putting the global economy back on the growth track. (Source: IMF - World Economic Outlook Update, April 2023). The World Bank's Global Economic Prospects report of January 2023 was more conservative in its estimates by forecasting global economic output to decelerate sharply to 1.7% in 2023 and thereafter grow by 2.7% in 2024.

Among the advanced economies, US grew by 2.1% in 2022 and is estimated to grow at a slower pace by 1.6% in 2023 and 1.1% in 2024. The UK grew by 4.0% in 2022 but is estimated to contract by 0.3% in 2023 and thereafter grow by 1% in 2024. UK's contraction is mainly due to tighter fiscal and monetary policies, financial conditions and high energy prices. The Chinese economy grew by 3.0% in 2022 and is estimated to grow by 5.2% in 2023 and 4.5% in 2024. China's economy has been opening up since the withdrawal of its zero-tolerance

policy on Covid-19. It reported a good first quarter growth of 4.5% backed by growth in exports, infrastructure investment as well as a rebound in retail consumption and property prices. India's growth rate was 6.8% in 2022 and is estimated to grow by 5.9% in 2023 and 6.3% in 2024 supported by resilient domestic demand. The economies of Maldives and South Africa grew by 12.3% and 2.0% respectively while Sri Lanka contracted by 8.7% in 2022. In 2023 Maldives and South Africa are estimated to grow by 7.2% and 0.1% respectively while Sri Lanka is projected to contract by 3.0%. (Source: IMF - World Economic Outlook, April 2023).

### **INDIAN ECONOMY: THE YEAR IN REVIEW**

India is now the fastest growing, major economy in the world. The First Advance Estimates of National Income released by the National Statistical Office (NSO) of the Government of India in January 2023 estimates India's GDP to have grown by 7.0% in FY 2022–23 following a growth of 8.7% in FY 2021–22. Total Consumption grew by 7.0% in FY 2022–23 mainly due to private consumption. Growth in exports for FY 2022–23 seems to have plateaued at 12.5% while Imports grew by 20.9% in FY 2022–23. By sectors, agriculture grew by 3.5% during FY 2022–23 after a growth of 3.0% in FY 2021–22. Mining grew by 2.4%, manufacturing by 1.6% and construction by 9.1% while electricity, gas water supply and other utilities services grew by 9.0% in FY 2022–23. Services sector exhibited the strongest growth in FY 2022–23 at 9.1%. Within services, 'trade, hotels, transport, communication and broadcasting related services' constituting about a third of overall services, grew by 13.7%. India's service exports have nearly doubled in a decade to US\$ 322.72 billion for FY2022–23 according to provisional data of the Ministry of Commerce. India's foreign currency reserves stood at US\$ 578.45 billion as of March 31, 2023 covering approximately 9 months of imports due to timely interventions of the Reserve Bank of India (RBI). The consensus of GDP growth for FY 2022–23 was in the range of 6.5% to 7.0%. (Source: India Economic Survey 2022–23 – January 2023 and National Statistical Office estimates)

India's economic recovery from the pandemic exhibited a K-Shaped recovery where certain sectors like information technology, e-Commerce and financial services registered healthy recoveries while other sectors such as retail trade and consumer discretionary were highly impacted. Travel and hospitality remained beneficiaries of such recovery. India's service exports have risen at a staggering pace since the pre-pandemic period. Service exports have increased by more than US\$60 billion per year as India gains global market share. Exports are not only of Information Technology services but also professional management and consultancy, research and development and expanding Global Capability Centers.

This growth is expected to bring in higher employment, higher disposable income and thus a higher propensity to spend by 'white-collar' people working in such sectors. This is an important factor in making economic growth broad-based and inclusive. HSBC's Economic Research believes that there is a growth relay at play. It reported – "The formal sector drove



growth from the pandemic lows and is now passing the baton to the informal sector, which was weak for several years but has started to grow across the rural and urban sectors. As a result, for now, overall growth remains stable.” (HSBC’s Global Economic Research, March and April 2023)

The outlook for FY 2023–24 is optimistic. Retail inflation ebbed out to 5.6% in March 2023 from a peak of 7.79% in April 2022 and is expected to moderate to 5.2%. Core inflation which remained above 6% for the year eased to 5.8% in March 2023. Among the high frequency indicators, direct and indirect tax collection has shown strong momentum, bank balance sheets are strong, adequately capitalised and credit off take during the year was highest since FY 2011–12. RBI paused increase in interest rates in April, 2023 after a 250 basis points increase during FY 2022– 23 citing reasons of resilient economic activity and expected moderation in inflation. The Indian Rupee is stable, the Current Account Deficit is expected to remain moderate and consumer sentiment is high. (Source: RBI Monetary Policy, April 2023, Revised Estimates – Ministry of Finance, April 2023).

## **INDUSTRY INSIGHT**

### **Global Hospitality and Tourism Industry**

Global tourism is steadily improving towards pre-pandemic levels consequent to the relaxation of travel restrictions across countries and increase in demand for travel. Tourist arrivals internationally for 2022 were 917 million, double that of 2021 but recovering to 63% of pre-pandemic levels of 2019, according to data from the United Nations World Tourism Organization (UNWTO). Europe with the largest share of global inbound tourism registered a 92% increase over 2021 to reach nearly 80% of pre-pandemic levels. The Middle East had the strongest relative increase among all regions due to large international events such as Expo 2020 Dubai and the FIFA World Cup in Qatar. Even with a 241% increase in tourist arrivals in 2022 over 2021, Asia and the Pacific remained the weakest in terms reaching pre-pandemic levels. However, within the region, international tourist arrivals in South Asia at 25.5 million, were higher by 158% over 2021 and achieved 76% of pre-pandemic levels (Source: UNWTO, Barometer January 2023). According to the S&P Global Sector Purchasing Managers’ Index, the Tourism and Recreation sector led a pick-up in global business activity amongst all sectors recording its sharpest pace since May, 2022. Transportation recorded the third fastest growth behind software services (Source: S&P Global Sector PMI April 2023).

### **Outlook**

The UNWTO expects international tourism to consolidate its recovery in 2023 more specifically in Asia and the Pacific region. It attributes this growth to the recent opening of several source markets and destinations including China, which was the world’s largest outbound market in 2019. In December, 2022, 116 destinations had no COVID-19 related restrictions. In addition, improved performance of air traffic and robust travel demand from

US markets for European holidays backed by a strong US Dollar are expected to be the other contributors to global growth. Domestic tourism will continue to be a key driver of recovery of the tourism sector through 2023. Major risks threatening the ongoing recovery of tourism in 2023 remain economic, health and geopolitical risks. Prime among these are high inflation and interest rates, spike in oil and food prices, higher transport and accommodation costs, fear of a global recession, intermittent COVID-19 virus recurrences and the Russian aggression against Ukraine causing unrest through Europe. UNWTO's scenarios expect international tourist arrivals to reach 80% to 95% of pre-pandemic levels in 2023 (Source: UNWTO, Barometer January 2023).

### **Indian Hospitality and Tourism Industry**

FY 2022-23 continued to be a year of strong recovery in the Indian travel and tourism industry. Restrictions on flights were relaxed in most countries into and from India. Travel restrictions, documentation and certifications were also progressively relaxed for travel within India. Consequently, demand for accommodation grew significantly, mainly arising from domestic leisure travel, weddings, social events, conferences and resumption of business travel within the country. Foreign tourist arrivals were 6.19 million for the calendar year 2022 in comparison with 1.52 million in 2021.

### **Business Review**

SHHIL's vision is to be 'Iconic and Profitable Hospitality Company in Hyderabad'. The Company succeeded in executing its plans under Aspiration 2022 up to March 2020 when the Covid-19 pandemic impacted the global economy by contracting demand, restricting supply chains, mobility and significantly causing distress to lives and livelihoods. The Company immediately deployed several plans which stood for Revenue growth, Excellence, Spend optimisation, Effective asset management and Thrift and financial prudence. These plans focused on multipronged tactical initiatives to capture market share in a competitive landscape, scale new businesses built during the pandemic and continue its initiatives of fiscal prudence. FY 2022-23 was a year where the Company focused on exceeding its pre-pandemic levels of financial performance, establishing its market leadership through a recognised brand ecosystem, focus on meaningful contributions through new businesses and continued to monetise non-core assets. In May 2022, the Company unveiled its strategy to build on new opportunities, minimise risks and return on the journey of sustainable profitable growth.

### **Diversification of Top line – a Cornerstone of SHHIL's (Sri Havisha Hospitality & Infrastructure Limited) Competitive Advantage**

Strong macro-economic factors, a robust recovery in the industry and persistent adherence to its strategy has empowered the Company to register industry leading RevPAR growth, industry leading brand and portfolio growth, industry leading expansion in margins, free

cash flows, free debt and a strong balance sheet. SHHIL's differentiated strategy of a diversified top line places it in a unique position to navigate economic cycles. The asset-intensive business consisting of owned and leased properties gives SHHIL a high operating leverage and hence significant contribution to margins on the upside. Its asset-light business of managed properties contributes to margins and gives the Company the necessary hedge in a downturn thus enabling it to stretch the economic cycle and minimise risks associated with it.

Revenue from accommodation grew comfortably, well above pre-pandemic levels. SHHIL improved RevPAR over previous benchmarks as well as widened the RevPAR premium over its competitive set by active revenue management. Growth in room revenue was supported both by higher occupancies and improved prices. A favourable demand-supply equation helped the industry increase prices during the year. SHHIL commanded a premium in pricing over the market even while it increased its market share. The premium it generates over the market is well supported by its product and service philosophy.

It continuously and systematically invests in renovation, refurbishments and up gradation of its property. It also has a comprehensive brand management strategy with Brand Custodians to ensure effective deployment of strategic and operational initiatives across brands to consistently safeguard the quality of its brands. The Company regularly engages with its stakeholders to communicate the execution of its strategic actions on brand and updates on progress.

Food and beverages form a significant proportion of total revenue. The Company has signature restaurant providing authentic cuisines from across the globe. The drive for excellence in serving guests unique experiences draw individuals both resident within the hotel and those residing or visiting the locality. The app-based delivery model adapted in the recent past provides additional revenue to restaurant by using existing capacity and developing newer customers. The Company also has exceptional banqueting facilities for catering social events, trade and corporate conferences across its property. A food and beverage service has provided SHHIL with a stable source of revenue over the years. Both restaurant and banqueting have performed exceedingly well in comparison to pre-pandemic levels.

### **In Summary**

A balanced portfolio of owned, leased and managed property, iconic brand and a robust, well-diversified top line gives SHHIL the competitive advantage to lead markets and expand its business. The Company's continued focus on costs, productivity and overheads has made it lean and flexible while an adequately capitalised, deleveraged and strong balance sheet strengthens its financial position.

Its framework to drive sustainability and social measures has several short- and long-term goals to be fulfilled by 2030. Collectively, all these factors enable SHHIL to improve its margins and sustain long-term, profitable and responsible growth.

### **Capital Allocation**

SHHIL's capital allocation process is aimed at creating value by funding and allocating capital to meet its strategy. This process is based on the following planks:

1. Build a strategic reserve fund with a strong cash position to meet any contingency the Company may face.
2. Operating capital expenditure for replacement of assets, renovations and refurbishments to be in line with annual depreciation.

### **COMPLIANCE**

SHHIL deploys a robust internal check process to prevent and limit the risk of non-compliance. The Company approaches compliance from a proactive standpoint and believes in responsive intervention. Compliance with laws and regulations is an essential part of its business operations and it adheres to all national and regional laws and regulations in such diverse areas as product safety, product claims, trademark, copyright, patents, competition, employee health and safety, the environment, corporate governance, listing and disclosure, employment and taxes. Nevertheless, it is focussing on increasing awareness, documentation and supplementing the expertise of internal professionals with that of independent consultants, as may be required from time to time.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has institutionalised an adequate system of internal controls, with documented procedures covering all corporate functions and hotel operating unit. Internal controls provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

Internal controls are reviewed through the audit process, which is undertaken for operational unit and all major corporate functions under the direction of the Internal Audit. These reviews focus on:

- Identification of weaknesses and improvement areas
- Compliance with defined policies and processes
- Compliance with applicable statutes

- Safeguarding tangible and intangible assets
- Managing risk environment, including operational, financial, social and regulatory risks
- Conformity with the Code of Conduct

The Board's Audit Committee oversees the adequacy of the internal control environment through periodic reviews of audit findings as also of the resolution mechanism for critical audit issues. The statutory auditors have opined in their report that there are adequate internal controls over financial reporting.

## **HUMAN RESOURCES**

We are a people-led organization. We strive to be an employer of choice by encouraging our employees to reach their highest potential in an engaging, professional work environment. Our people are our best assets. Their caliber and commitment is our inherent strength. With the singular objective of always being the employer of choice, we are encouraging them to discover and realize their true potential. Acquiring diverse experiences, accomplishing challenging tasks and continually learning and up skilling is enabling them to deliver their best to the company.

## **MANAGEMENT DISCUSSION AND ANALYSIS OF OPERATING RESULTS AND FINANCIAL**

The Annual Report contains financial statements of the Company. An analysis of the financial affairs is discussed below under summarised headings.

Your Company's Audited Financial Statements are prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended. Your Company has earned Profit amounting to Rs. 149.74 Lakhs as per Audited Financial Statements for Financial Year ended March 31, 2023. Your Company has also taken various initiatives to improve sales and optimize costs to improve profitability in the forthcoming years.

## **REVIEW OF THE FINANCIAL PERFORMANCE**

### **TOTAL REVENUE**

The Total Income for FY 2022-23 is Rs. 1799.56 Lakhs, which is higher than the previous year's total income of Rs. 909.14 Lakhs.

### **EXPENDITURE**

Total expenses increased from Rs. 901.44 Lakhs to 1594.57 Lakhs during the current year. While Total Income increased by 97.94%, Total Expenditure increased by 76.89%.

**PROFIT/ (LOSS) AFTER TAX**

During the current year, the Company has earned Profit of Rs. 149.74 Lakhs against the profit of Rs. 7.70 Lakhs. This was due to a significant improvement in the operating revenues of the Company and cost containment measures continued by the Company during the year.

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**CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO)**  
**CERTIFICATION**

**We, Venkat Manohar Dontamsetti, Managing Director and Chandrasekhara Prasad Chodavarapu, Chief Financial Officer (CFO), to the best of our knowledge and belief certify that:**

- A. We have reviewed the financial statements for the financial year ended March 31, 2023 and to the best of our knowledge and belief, we state that:
- I. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading
  - II. these statements together present a true and fair view of the Company's affairs and are in compliance with the Indian Accounting Standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year ended March 31, 2023, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify those deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee that:
- I. there has been no significant change in internal control over financial reporting during the financial year ended March 31, 2023;
  - II. there has been no significant change in accounting policies during the financial year ended March 31, 2023, except to the extent, if any, disclosed in the notes to the financial statements; and
  - III. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal control systems over financial reporting.

**Venkat Manohar Dontamsetti**

**Managing Director**

**Chandrasekhara Prasad**

**Chodavarapu  
Chief Financial Officer**

**Date:- 12.08.2023**

**Place:- Hyderabad**

**CORPORATE GOVERNANCE COMPLIANCE**

The Company has duly complied with the requirements laid down in the provisions of the Listing Regulations (including Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46) for the purpose of ensuring Corporate Governance. A certificate to this has been attached to this Annual Report.



**KRISHNA KUMAR. A, FCS**



**KRISHNA KUMAR & ASSOCIATES  
COMPANY SECRETARIES**

H. No 2-2-1137/1/A, New Nallakunta  
HYDERABAD-500044, TS  
Ph.9849064163  
E mail akkirajukrish@gmail.com

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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**To,**

**The Members of**

**SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED**

**Hyderabad**

We have examined the relevant registers, records, forms, returns and disclosures produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In our opinion and to the best of our information and according to our verifications on test basis (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as on 31st March, 2023 ( minor deviation was noticed under LODR for few days in continuation of one non -executive Director before getting general meeting approval) have been debarred or disqualified from being appointed or continuing as Directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For KRISHNA KUMAR & ASSOCIATES**

**COMPANY SECRETARIES**

A.KRISHNA KUMAR

FCS: 5356

CP: 4707

Peer Reviewed Unit: 3017/2023

Date: 09/08/2023

UDIN: **F005356E000773970**

\*Disclaimer Note: This certificate has been undertaken to the best of our capability based on of e verification of scans, soft copies, information, oral confirmations, documents made available to us by the management

**KRISHNA KUMAR. A, FCS**



**KRISHNA KUMAR & ASSOCIATES  
COMPANY SECRETARIES**

H. No 2-2-114/27, New Nallakunta  
HYDERABAD-500044, TS  
Ph.9849064163

E mail akkirajukrish@gmail.com

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

(Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members of

Sri Havisha Hospitality and Infrastructure Limited

Hyderabad.

We have examined the compliance of conditions of corporate governance by Sri Havisha Hospitality and Infrastructure Limited as per the relevant provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof on test basis, adopted by the Company for examining the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance except late compliance of certain provisions as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that generally no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For KRISHNA KUMAR & ASSOCIATES**

COMPANY SECRETARIES

A.KRISHNA KUMAR

FCS: 5356

CP: 4707

Peer Reviewed Unit : 3017/2023

Date : 09/08/2023

UDIN: **F005356E000773981**

\*Disclaimer Note: This certificate has been undertaken to the best of our capability based on of e verification of scans, soft copies, information, oral confirmations, documents made available to us by the management.



**SECRETARIAL AUDIT REPORT**

[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)]

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

To  
The Members  
SRI HAVISHA HOSPITALITY AND  
INFRASTRUCTURE LIMITED  
(CIN: L40102TG1993PLC015988)  
Hyderabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sri Havisha Hospitality and Infrastructure Limited (hereinafter referred as “the Company”). 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.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. 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. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our test check of records available for verification & audit. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company on test basis and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on 31.03.2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and made available for our verification for the financial year ended on 31.03.2023, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment only. The Company has not made any Overseas Direct Investment.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable- as the Company has not formulated any such scheme during the year under review);
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (Not applicable- to the company during the year under review)
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable -as the Company has not delisted its equity shares from any Stock exchange during the year under review); and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable- as the Company has not bought back any of its securities during the year under review);
  - j) The Company has no operations at the plant during 2021-22. Hence, it is not possible to comment on the compliance of other laws applicable to the Company.

We have also examined compliance with the Secretarial Standards issued by the Company Secretaries of India and the Company has generally complied with the Secretarial Standards subject to the observations mentioned in the report.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review and as per the explanations and clarifications given to us and their presentations made by the Management/ its Authorized Representatives, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except the following:

- a) The composition of Board of Directors was not in accordance with the provisions of Regulation 17(1) & 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for few days during the first quarter of year under review ie 30th June 2022. However the Company has complied with the above Regulations subsequently.

We further report that:

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

Pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, Mr D V Manohar (DIN: 00223342) has been re-appointed as Managing Director of the Company to hold office for a term of five years with effect from 25<sup>th</sup> May, 2022 in the Board Meeting held on 16<sup>th</sup> April, 2022.

Pursuant to the above mentioned provisions of the Companies Act, 2013 read with Schedule V, the remuneration of Sri D V Manohar, Managing Director (DIN: 00223342 ) is also approved to be increased to Rs 7,00,000/- (Rs. Seven Lakhs only) per month (exclusive of perquisites, allowances, and Health Insurance) to be paid for 3 years w.e.f. 24<sup>th</sup> May 2022 in the Board Meeting held on 30.05.2022 (subsequently approved by the shareholders in the General Meeting, held on 12<sup>th</sup> August 2022), but relevant Return in MR-1 appears to have not filed with MCA.

Pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, Ms. Satya Pinjala (DIN-00042281) has been re-appointed as Whole Time Director of the Company to hold office for a term of five years with effect from 16<sup>th</sup> April, 2022 in the Board Meeting held on 16<sup>th</sup> April, 2022

Pursuant to the above mentioned provisions of the Companies Act, 2013 read with Schedule V the remuneration of Ms. Satya Pinjala, Whole Time Director (DIN-00042281) is also approved to be increased to Rs. 2,50,000/- (Rs. Two Lakh Fifty Thousand) per month (exclusive of perquisites, allowances, and Health Insurance) to be paid for 3 years w.e.f. 16<sup>th</sup> April 2022 in the Board Meeting held on 30.05.2022((subsequently approved by the shareholders in the General Meeting, held on 12<sup>th</sup> August 2022 ), but relevant Return in MR-1 appears to have not filed with MCA.

- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and

obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c) The minutes of the meetings were duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- d) 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.
- e) We have relied on the information supplied and representation made by the Company, its officers and its Authorised Representatives for systems and mechanism followed by the Company for compliance under the applicable Acts, Laws and Regulations to the Company.

We further report that:

i. The Company has not extended any fresh Corporate Guarantee during the year under review.

ii. The Company has taken approval of the Members for entering into related parties as and when required, in the AGM held on 12.08.2022 to enter into contract(s)/ arrangement(s)/ transaction(s) with Mr.D V Manohar with respect to sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services or any other transactions of whatever nature, notwithstanding that such transactions may exceed 10% of the Consolidated Turnover of the Company in any financial year or such other threshold limits as may be specified by the Listing Regulations. The approval is valid till the next AGM to be held in 2023.

Accordingly The Company proposes enter/entered into lending / borrowing transaction, with him for an aggregate value not exceeding Rs. 9 Crores or 100% of Turnover whichever is higher.

iii. Certain charges were created by the Company in earlier years on immovable property/ assets in favor of financial Institution(s)/Banks for the term loans/ working capital loans availed. The loans were paid in full but filing of satisfaction of charges by inadvertence were not filed in time. However now the company is in the process of filing the same. The Company has also obtained working capital loan during the year under review and in the process of creating a charge on its assets.

iv Consequent upon filing of Petition under Sections 230 read with Section 232 and other applicable provisions of the Companies Act, 2013 for Amalgamation of Shri Shakti Resorts & Hotels Limited (Transferor Company) with Sri Havisha Hospitality and Infrastructure Limited,(Transferee Company) the company has received, the order from Hon'ble NCLT Hyderabad bench, approving the Amalgamation, appointed date being April 01,2020 vide its order dated November 16, 2021.

v. As per the scheme, for every one (01) fully paid up equity share of INR 10 each held in

the Transferor Company (M/s Shri Shakti Resorts and Hotels Limited) 7.52 fully paid up equity shares of Rs. 2/- each of the Transferee Company (M/s Sri Havisha Hospitality and Infrastructure Limited) shall be issued and allotted in Transferee Company.

No of Equity shares held as at April 01, 2020 in transferor company are 2,03,59,839.

vi. The company is in the process of allotting shares and complying with various provisions of related Acts to give effect to the Amalgamation.

For Krishna Kumar & Associates  
Company Secretaries

(A Krishna Kumar)  
Proprietor  
FCS# 5356; C.P # 4707  
Peer Reviewed Unit: 3017/2023  
UDIN: F005356E000773992

Date: 09/08/2023

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

List of applicable laws:

The Companies Act, 2013
Foreign Exchange Management Act,1999
The Securities Contracts (Regulation) Act, 1956
The Depositories Act, 1996
The Payment of Wages Act, 1936
The Minimum Wages Act, 1948
The Employees Compensation Act, 1923
The Employees Provident Fund and Miscellaneous Provisions Act, 1952
The Payment of Bonus Act, 1965
The payment of Gratuity Act,1972
Equal Remuneration Act, 1976
The Environment Protection Act, 1986
Labour Laws and allied laws both State and Central Labour Departments
The ESI Act & Industry related Specific Acts/ Laws

**KRISHNA KUMAR.A, FCS**



**KRISHNA KUMAR & ASSOCIATES  
COMPANY SECRETARIES  
H. No 2-2-1137/1/A, New Nallakunta  
HYDERABAD-500044, TS  
Ph.9849064163  
E mail: [akkirajukrish@gmail.com](mailto:akkirajukrish@gmail.com)**

Annexure- A

(to the Secretarial Report of Sri Havisha Hospitality and Infrastructure Limited for the FY 2022-23)

To

Sri Havisha Hospitality and Infrastructure Limited

(CIN: L40102TG1993PLC015988)

Hyderabad-500016

Dear Sir,

Sub: Annexure – A to the Secretarial Audit Report to your Company for the FY 2022-23.

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. Where-ever required, we have obtained the Management oral representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Krishna Kumar & Associates  
Company Secretaries

Place: Hyderabad

Date: 09.08.2023

(A Krishna Kumar)  
Proprietor  
FCS# 5356; C.P # 4707  
Peer Reviewed Unit: 3017/2023  
UDIN: F005356E000773992

\*Disclaimer Note: This report has been undertaken to the best of our capability based on of e verification of scans, soft copies, information, oral confirmations, records and documents made available to us by the management





# P. SURYANARAYANA & CO.

Independent auditor's report

CHARTERED ACCOUNTANTS

To the Members of Sri Havisha Hospitality and Infrastructure Limited  
(Formerly Shri Matre Power and Infrastructure Limited and Shri Shakti LPG Limited)

## Report on the audit of the financial statements

### Opinion

1. We have audited the accompanying financial statements of M/s. **SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED** (formerly known as Shri Matre Power and Infrastructure Limited and Shri Shakti LPG Limited) ("the Company"), which comprise the balance sheet as at March 31, 2023, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for opinion

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

### Emphasis of Matter

4. We draw your attention to the following matter:

Note 40 of the financial statements – Further to Airports Authority of India (AAI) agreeing to renew the land lease for another 30 years and the process of execution of documents with AAI for renewal of the existing lease is in progress, the effective date of renewal of the lease is not ascertained in real terms in conformity with Ind AS 116.

Our opinion is not modified in respect of these matters.

### Key audit matters

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



Head Office : 6-3-1092/93, Behind Shanthi Sikhara Apts., N.I.A.R. Campus, Raj Bhavan Road, Somajiguda, Hyderabad.

Phone : (O) 23300659, (M) 9246528412, (R) 27534470, E-mail : psn\_ca@yahoo.com

Branch : D.No : 16-2-24/2, Lakshman Rao St., Poornanandampet, Vijayawada - 520 016.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Contingent liabilities– See note 36 of the financial statements</b></p> <p>The Company has significant tax litigations for indirect taxes. There is a high level of judgement required in estimating the level of provisioning and appropriateness of disclosure of those litigations in the financial statements. The value of the litigations together with the level of judgement involved make it a significant matter for our audit.</p>	<p>Our audit procedures included the following: - Examining the list of outstanding litigation against the Company.</p> <ul style="list-style-type: none"> <li>• Obtained from the management an understanding of various disputes including uncertain tax positions and obtained details of Orders, tax assessments and demands for the year ended March 31, 2023.</li> <li>• Analysed orders and correspondences from various authorities and legal opinion taken by management for material disputes.</li> <li>• Discussed and analysed management's view on these disputes including estimates made in arriving tax / provisioning positions.</li> <li>• We also analysed and assessed management's estimates of the possible outcome of the disputed matters and its bearing on company's overall financial position.</li> </ul>
<p><b>Evaluation of uncertain legal position of leasehold land – See note 40 of the financial statements.</b></p> <p>The lease period of land held by the Company has expired. Airports Authority of India (AAI) agreed to renew the lease by another 30 years but the process of execution of relevant documents is in progress. We have considered it as a key audit matter as the outcome of effective date of lease has impact on the financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained details of application made to government authority (AAI).</li> <li>• Obtained details of various correspondences between the company and AAI over the progress of the application towards extension.</li> <li>• Obtained details of progress in the matter.</li> <li>• Read the minutes of the board meetings.</li> </ul> <p>Based on the procedures described, management's evaluation of the same is acceptable.</p>

#### Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **Responsibilities of management and those charged with governance for the financial statements**

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.



11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. 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 (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.



(iv) (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 41 to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("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 (Refer Note 41 to the financial statements); and

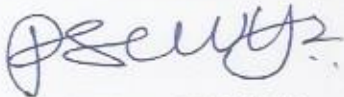
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) The Company has not declared or paid any dividend during the year.

(vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for maintaining books of account in accounting software having a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable to the Company only with effect from financial year beginning April 01, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rule, 2014 (as amended), is currently not applicable.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For P.SURYANARAYANA & CO.,  
Chartered Accountants,  
(Firm Registration No.009288S)



(P.SURYANARAYANA)  
Partner  
Membership No.201195  
UDIN - 23201195BGTHCO7482  
Place: Hyderabad  
Date: May 27, 2023



## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of M/s Sri Havisha Hospitality and Infrastructure Limited (formerly known as Shri Matre Power and Infrastructure Limited and Shri Shakti LPG Limited) on the financial statements for the year ended March 31, 2023

Page 1 of 2

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of M/s. **SRI HAVISHA HOSPITALITY AND INFRASTRUCTURE LIMITED** (formerly known as Shri Matre Power and Infrastructure Limited and Shri Shakti LPG Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

2. 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 ("the Guidance Note") 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 Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.



## Annexure A to Independent Auditors' Report

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of M/s Sri Havisha Hospitality and Infrastructure Limited (formerly known as Shri Matre Power and Infrastructure Limited and Shri Shakti LPG Limited) on the financial statements for the year ended March 31, 2023

Page 2 of 2

### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P.SURYANARAYANA & CO.,  
Chartered Accountants,  
(Firm Registration No.009288S)



(P.SURYANARAYANA)  
Partner  
Membership No.201195  
UDIN - 23201195BGTHCO7482  
Place: Hyderabad  
Date: May 27, 2023



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of M/s Sri Havisha Hospitality and Infrastructure Limited (formerly known as Shri Matre Power and Infrastructure Limited and Shri Shakti LPG Limited on the financial statements as of and for the year ended March 31, 2023.

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this clause is not applicable.

- (b) The Property, plant and equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, plant and equipment during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder and the Company has appropriately disclosed the details in Note 43(d) to its financial statements.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5.00 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has not made any investments, granted secured / unsecured loans / advance in the nature of loans, or stood guarantee or provided security to any parties except the company has granted Advances in the nature of loans to 2 parties during the year. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below: (also refer note 5 to the financial statements)

(Amount in Lakhs)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	178.84
Balance outstanding as at balance sheet date in respect of the above case				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	60.00	-





- (b) In respect of the aforesaid investments/loans/advances in nature of the loan, the terms and conditions under which such loans were granted/investments were made are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans/advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the aforesaid loans/advances in nature of loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans/advances in nature of loans which fell due during the year and were renewed/extended Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in the nature of loan.
- (f) The loans/advances in nature of loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and where applicable payment of interest and the same were not repayable on demand.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute. The particulars of dues of goods and service tax, duty of customs as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Excise Department	Customs Duty	352.77 lakhs	2010-11	CEGAT
AP VAT Act, 2005	VAT dues	7.35 lakhs	2007-11	STAT, Telangana
AP VAT Act, 2005	VAT dues	14.59 lakhs	2011-12	STAT, Telangana
Service Tax	Service Tax	228.78 lakhs	2014-15, 2015-16 and 2016-17	Commissioner Appeals -II (HYD)



- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been previously recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained (Also refer Note 43 to the financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, and the procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

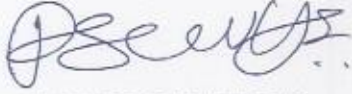


- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv.(a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediate preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 38 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.



- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For P.SURYANARAYANA & CO.,  
Chartered Accountants,  
(Firm Registration No.009288S)



(P.SURYANARAYANA)  
Partner  
Membership No.201195  
UDIN - 23201195BGTHCO7482  
Place: Hyderabad  
Date: May 27, 2023



**Sri Havisha Hospitality & Infrastructure Limited**  
(Formerly Shri Matre Power & Infrastructure Limited and Shri Shakti LPG Limited)  
Balance Sheet as at March 31, 2023

INR in lakhs, unless otherwise stated

Particulars	Note No.	As at Mar 31, 2023	As at Mar 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,034.12	2,108.49
Capital work-in-progress	3	428.19	453.05
Financial assets			
(a) Investments	4	24.19	24.21
(b) Loans	5	60.00	75.00
(c) Other financial assets	6	31.15	31.15
Other non-current assets	7	821.54	1,006.66
<b>Total Non-current assets - (A)</b>		<b>3,399.19</b>	<b>3,698.55</b>
<b>Current assets</b>			
Inventories	8	188.64	195.97
Financial assets			
(a) Trade receivables	9	236.67	177.47
(b) Cash and cash equivalents	10	198.10	41.93
(c) Loans and other financial assets	11	12.81	12.79
Other current assets	12	87.55	70.44
<b>Total current assets - (B)</b>		<b>723.77</b>	<b>498.59</b>
<b>Total Assets (A+B)</b>		<b>4,122.96</b>	<b>4,197.15</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	13	6,066.84	6,066.84
Other equity	14	(2,671.06)	(2,820.80)
<b>Total equity - (C)</b>		<b>3,395.78</b>	<b>3,246.04</b>
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	15	59.72	59.72
Employee benefit obligations	16	18.79	15.85
Deferred tax liabilities	17	109.75	54.50
Other non-current liabilities	18	41.77	40.79
<b>Total non-current liabilities - (D)</b>		<b>230.03</b>	<b>170.86</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Borrowings	19	145.49	325.80
(b) Trade payables	20		
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues other than above		136.07	127.22
(c) Other financial liabilities	21	59.18	52.79
Employee benefit obligations	22	23.35	13.45
Other current liabilities	23	133.06	260.99
<b>Total Current Liabilities - (E)</b>		<b>497.15</b>	<b>780.25</b>
<b>Total equity and liabilities - (C+D+E)</b>		<b>4,122.96</b>	<b>4,197.15</b>

Summary of significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date

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

**For M/s P. Suryanarayana & Co.**

Chartered Accountants  
Firm Regn. No 009288S

**D.V.Manohar**  
Chairman and MD  
DIN: 00223342

**B.K. Sinha**  
Director  
DIN : 00290750

**P. Suryanarayana**

Partner  
Membership No. 201195  
Place: Hyderabad  
Date: May 27, 2023

**C.S Prasad**  
C.F.O  
Place: Hyderabad  
Date: May 27, 2023

**Sonu Kumar**  
Company Secretary

**Sri Havisha Hospitality & Infrastructure Limited**  
**(Formerly Shri Matre Power & Infrastructure Limited and Shri Shakti LPG Limited)**  
**Statement of profit and loss for the year ended March 31, 2023**

INR in lakhs, unless otherwise stated

S.No	Particulars	Note No.	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
I	Revenue from operations	24	1,620.55	734.62
II	Other Income	25	179.01	174.52
III	<b>Total Income (I+II)</b>		<b>1,799.56</b>	<b>909.14</b>
IV	<b>EXPENSES</b>			
	Cost of materials consumed	26	226.30	112.85
	Employee benefit expense	27	497.70	324.89
	Finance costs	28	19.48	12.65
	Depreciation and amortisation expense	29	78.84	99.71
	Other expenses	30	772.25	351.34
	<b>Total expenses (IV)</b>		<b>1,594.57</b>	<b>901.44</b>
V	<b>Profit before tax (III-IV)</b>		<b>204.99</b>	<b>7.70</b>
VI	<b>Tax expense:</b>			
	Current tax		-	-
	Deferred tax	17	55.25	(50.13)
VII	<b>Net Profit / (Loss) for the year after tax (V-VI)</b>		<b>149.74</b>	<b>57.83</b>
VIII	<b>Other comprehensive income (net of tax)</b>			
	Items that will not be reclassified to profit and loss		-	-
	Income tax relating to these items		-	-
IX	<b>Total comprehensive income / (loss) (VII-VIII)</b>		<b>149.74</b>	<b>57.83</b>
X	<b>Earnings Per Share</b>	31		
	Basic earnings per share		0.05	0.02
	Diluted earnings per share		0.05	0.02

Summary of significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date

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

**For M/s P.SURYANARAYANA & CO.,**  
Chartered Accountants  
**Firm Regn. No 009288S**

**D.V.Manohar**  
Chairman and MD  
**DIN: 00223342**

**B.K. Sinha**  
Director  
**DIN : 00290750**

**P. Suryanarayana**  
Partner  
**Membership No. 201195**  
Place: Hyderabad  
Date: May 27, 2023

**C.S Prasad**  
C.F.O  
Place: Hyderabad  
Date: May 27, 2023

**Sonu Kumar**  
Company Secretary

**Sri Havisha Hospitality & Infrastructure Limited**  
**(Formerly Shri Matre Power & Infrastructure Limited and Shri Shakti LPG Limited)**  
**Statement of Cash Flows as at March 31, 2023**

INR in lakhs, unless otherwise stated

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
<b>A: Cash flow from operating activities:</b>		
Profit before tax	204.99	7.70
<b>Adjustments For :</b>		
Depreciation and amortisation	78.84	99.71
Capital expenditure written off	24.86	-
AAI Deposit written off (refer note 7(a))	187.22	-
<b>Changes In operating assets and liabilities</b>		
(Increase)/decrease in inventories	7.32	(4.40)
(Increase)/decrease in Trade receivables	(59.20)	(54.96)
(Increase)/decrease in loans and other financial assets	(0.01)	(0.11)
(Increase)/decrease in other current assets	(17.12)	9.58
(Increase)/decrease in borrowings (short-term)	(180.32)	(172.70)
Increase/(decrease) in trade payables	8.85	(22.59)
Increase/(decrease) in other financial liabilities	6.39	49.62
Increase/(decrease) in other current liabilities	(118.02)	10.39
Increase/(decrease) in other non - current liabilities	2.94	-
<b>Net cash (used) / generated from operating activities</b>	<b>146.73</b>	<b>(77.76)</b>
<b>B: Cash flow from investing activities:</b>		
(Purchase) / Sale of property, plant and equipment	(4.47)	(4.58)
(Increase) / decrease in investments	0.02	(0.21)
Receipt of loan given	15.00	5.00
Decrease in other financial assets	-	-
Decrease in other non-current assets	(2.10)	15.02
<b>Net cash generated from investing activities</b>	<b>8.45</b>	<b>15.23</b>
<b>C: Cash flow from financing activities:</b>		
Receipt of long term borrowings	-	59.72
Decrease in other non-current liabilities	0.98	(3.77)
<b>Net cash generated / (used) from financing activities</b>	<b>0.98</b>	<b>55.95</b>
<b>Net (Decrease) / Increase In Cash And Cash Equivalents</b>	<b>156.16</b>	<b>(6.58)</b>
Cash and cash equivalent at the beginning of the financial year	41.94	48.52
<b>Cash and cash equivalent at the end of the financial year</b>	<b>198.10</b>	<b>41.94</b>

Summary of significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For M/s P. Suryanarayana & Co.**

Chartered Accountants

**Firm Regn. No 009288S**

**D.V.Manohar**

Chairman and MD

**DIN: 00223342**

**B.K. Sinha**

Director

**DIN : 00290750**

**P. Suryanarayana**

Partner

**Membership No. 201195**

Place: Hyderabad

Date: May 27, 2023

**C.S Prasad**

C.F.O

Place: Hyderabad

Date: May 27, 2023

**Sonu Kumar**

Company Secretary

**Sri Havisha Hospitality & Infrastructure Limited**  
(Formerly Shri Matre Power & Infrastructure Limited and Shri Shakti LPG Limited)

Note No. 3

INR in lakhs, unless otherwise stated

**(a) Property, plant and equipment**

S.No	Particulars	Gross Block				Accumulated Depreciation			Net Block		
		As at	Additions	Adjustments	As at	As at	Depreciation	Adjustments	As at	As at	As at
		Apr 01, 2022	during the year	during the year	Mar 31, 2023	Apr 01, 2022	for the year	during the year	Mar 31, 2023	Mar 31, 2023	Mar 31, 2022
1	Freehold Land	424.21	-	-	424.21	-	-	-	424.21	424.21	
2	Lease Hold Land	36.42	-	-	36.42	34.60	-	-	34.60	1.82	
3	Plant & Machinery	3,798.02	1.66	-	3,799.69	3,671.43	0.52	-	3,671.95	127.73	
4	Computers	133.39	0.67	-	134.06	113.60	0.08	-	113.68	20.38	
5	Electrical Installations	35.87	-	-	35.87	31.70	-	-	31.70	4.17	
6	Buildings - Leased	2,465.26	-	-	2,465.26	1,084.34	78.15	-	1,162.48	1,302.78	
7	Office Equipments	219.41	-	-	219.41	208.00	-	-	208.00	11.41	
8	Library(Books)	4.06	-	-	4.06	3.86	-	-	3.86	0.20	
9	Furniture & Fixtures	1,802.31	1.37	-	1,803.68	1,674.93	0.06	-	1,675.00	128.68	
10	Vehicles	237.33	0.77	-	238.10	225.34	0.02	-	225.37	12.74	
	<b>TOTAL</b>	<b>9,156.29</b>	<b>4.47</b>	<b>-</b>	<b>9,160.76</b>	<b>7,047.80</b>	<b>78.84</b>	<b>-</b>	<b>7,126.64</b>	<b>2,034.12</b>	
										<b>2,108.49</b>	

**(b) Capital-work-in-progress**

1	Capital WIP	453.05	-	24.86	428.19	-	-	-	-	<b>428.19</b>	<b>453.05</b>
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**Sri Havisha Hospitality & Infrastructure Limited**  
(Formerly Shri Matre Power & Infrastructure Limited and Shri Shakti LPG Limited)

Note No. 3

INR in lakhs, unless otherwise stated

(a) Property, plant and equipment

Previous year ended March 31, 2022

S.No	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		As at	Additions	Adjustments	As at	As at	Depreciation	Adjustments	As at	As at	As at
		Apr 01, 2021	during the year	during the year	Mar 31, 2022	Apr 01, 2021	for the year	during the year	Mar 31, 2022	Mar 31, 2022	Mar 31, 2021
1	Freehold Land	424.21	-	-	424.21	-	-	-	-	424.21	424.21
2	Lease Hold Land	36.42	-	-	36.42	35.28	-	0.68	34.60	1.82	1.14
3	Plant & Machinery	3,797.93	0.10	-	3,798.02	3,791.58	0.08	120.23	3,671.43	126.59	6.35
4	Computers	132.63	0.77	-	133.39	119.79	-	6.19	113.60	19.80	12.84
5	Electrical Installations	34.31	1.55	-	35.87	28.30	3.41	-	31.70	4.17	6.02
6	Buildings - Leased	2,463.69	1.57	-	2,465.26	1,006.19	78.15	-	1,084.34	1,432.47	1,509.04
7	Office Equipments	218.95	0.46	-	219.41	217.75	-	9.74	208.00	11.41	1.20
8	Library(Books)	4.06	-	-	4.06	4.07	-	0.21	3.86	0.20	(0.01)
9	Furniture & Fixtures	1,802.31	-	-	1,802.31	1,839.44	-	164.51	1,674.93	127.38	(37.13)
10	Vehicles	237.20	0.13	-	237.33	207.27	18.07	-	225.34	11.99	29.93
	<b>TOTAL</b>	<b>9,151.71</b>	<b>4.58</b>	<b>-</b>	<b>9,156.29</b>	<b>7,249.65</b>	<b>99.71</b>	<b>301.56</b>	<b>7,047.80</b>	<b>2,160.03</b>	<b>1,953.60</b>

(b) Capital-work-in-progress

1	Capital WIP	453.05	-	-	453.05	-	-	-	-	<b>453.05</b>	<b>453.05</b>
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Refer note 34 for CWIP Ageing

The Company is under the process of finalizing the lease terms on which the building is constructed. The Management is confident of extending the lease agreement to a larger period.

**Sri Havisha Hospitality & Infrastructure Limited**  
**(Formerly Shri Matre Power & Infrastructure Limited and Shri Shakti LPG Limited)**  
**Notes to the financial statements**

INR in lakhs, unless otherwise stated

<b>Note No. 4</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Non-current investments - financial</b>		
Unquoted investment (in equity shares)- at FVTPL		
(a) 2,40,000 (PY - 2,40,000) equity shares of INR 10 each in M/s Shri Shakti Alternative Energy Private Limited	24.00	24.00
(b) 1,900 (PY - 2,100) equity shares of INR 10 each in M/s Smartbike Tech Private Limited	0.19	0.21
<b>Total</b>	<b>24.19</b>	<b>24.21</b>

**Note No. 4(a)**

(i) Aggregate amount of unquoted investments	<b>24.19</b>	<b>24.21</b>
(ii) Aggregate amount of impairment in the value of investments	-	-

<b>Note No. 5</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Non-current loans - financial</b>		
Loans to related parties - at amortised cost	60.00	75.00
<b>Total</b>	<b>60.00</b>	<b>75.00</b>

**Note No. 5(a) - Break-up of security details**

Loans considered good – unsecured	60.00	75.00
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**Note No. 5(b) -Terms and conditions of payment**

Repayable on June'2024 (bullet payment). The rate of interest is 6% per annum.

<b>Note No. 6</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Other non-current assets - financial</b>		
Rental Deposit - at amortised cost	31.15	31.15
<b>Total</b>	<b>31.15</b>	<b>31.15</b>

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**Sri Havisha Hospitality & Infrastructure Limited**  
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INR in lakhs, unless otherwise stated

<b>Note No. 7</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Other non-current assets</b>		
<i>(i) Advances other than capital advances</i>		
(a) Advance to AAI (refer note 7(a) below)	-	187.22
(b) Others (refer note 7(b) below)	666.00	666.00
<i>(ii) Others</i>		
(a) Deposits with govt. authorities	148.36	148.25
(b) Other deposits	7.18	5.19
<b>Total</b>	<b>821.54</b>	<b>1,006.66</b>

Note 7(a) - M/s Shri Shakti Resorts and Hotels Limited (transferor company) (amalgamated into M/s Sri Havisha Hospitality & Infrastructure Limited (transferee company)) had gone on appeal to Honourable Delhi High Court (Division Bench) against the order of Hon'ble Delhi High Court (single bench) in respect of pending issues related to lease rent and cess on turnover payable to Airports Authority of India (AAI) and the disputed amount is INR 187.22 lakhs. Pending resolution of the dispute, the company has paid this amount to AAI and the same is appearing under advances as on March 31, 2022 and no provision has been provided in the previous year considering the status of the case. However during the current financial year, considering the developments in discussions with AAI, it is decided to expense of the advance lying in the books of accounts. The same is expensed off as Rental expenses (refer note 30).

**Note 7(b)** - INR 666.00 lakhs is the Bank Guarantees encashed by The Kerala State Co-operative Consumer Federation Ltd. from State Bank of Hyderabad and Punjab National Bank by invoking guarantees given in their favour by the company and are considered good and recoverable by the Company, and the Company has filed a suit for the recovery of the amount. The Company is confident of recovering the total deposit amount. Hence no provision has been made in this regard.

<b>Note No. 8</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Inventories</b>		
Raw material and Stores	188.64	195.97
<b>Total</b>	<b>188.64</b>	<b>195.97</b>

<b>Note No. 9</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Trade Receivables</b>		
Trade receivables from contract with customers – billed (Unsecured, Considered good)	236.67	177.47
<b>Total</b>	<b>236.67</b>	<b>177.47</b>

**Note No. 9(a) - Break-up of security details**

Trade receivables considered good – unsecured	<b>236.67</b>	<b>177.47</b>
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Ageing of trade receivables is provided in note no. 32

**Sri Havisha Hospitality & Infrastructure Limited**  
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<b>Note No. 10</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Cash and cash equivalents</b>		
(a) Balances with banks		
- In current accounts	195.30	38.23
- In deposit accounts (maturity less than 3 months)	2.45	2.45
(b) Cash on hand	0.34	1.25
<b>Total</b>	<b>198.10</b>	<b>41.93</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

<b>Note No. 11</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Loans and other financial assets - Current</b>		
(a) Employee loans - at amortised cost	0.65	0.90
(b) Interest receivable	12.15	11.89
<b>Total</b>	<b>12.81</b>	<b>12.79</b>

<b>Note No. 12</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Other current assets</b>		
(a) Advance for expenses	34.86	37.07
(b) Balance with Govt. authorities	50.66	32.89
(c) Prepaid Expenses	2.03	0.47
<b>Total</b>	<b>87.55</b>	<b>70.44</b>

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**Sri Havisha Hospitality & Infrastructure Limited**  
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INR in lakhs, unless otherwise stated

Note No. 13	As at Mar 31, 2023	As at Mar 31, 2022
<b>Equity share capital</b>		
<b>Authorised (refer note below):</b>		
30,00,00,000 equity shares of INR 2 each - Transferee Co.	6,000.00	6,000.00
2,30,00,000 equity shares of INR 10 each - Transferor Co.	2,300.00	2,300.00
	<b>8,300.00</b>	<b>8,300.00</b>

**Issued & subscribed capital**

16,03,57,200 equity Shares of INR 2 each - Transferee Co.	3,207.14	3,207.14
15,31,05,989 equity shares of INR 2 each - Transferor Co.	3,062.12	3,062.12
	<b>6,269.26</b>	<b>6,269.26</b>

**Paid up Capital:**

15,02,35,800 equity shares of INR 2 each - Transferee Co.	3,004.72	3,004.72
15,31,05,989 equity shares of INR 2 each - Transferor Co.*	3,062.12	3,062.12
<b>Total:</b>	<b>6,066.84</b>	<b>6,066.84</b>

**Note No. 13(a) - Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period**

	Number	Amount
<b>Opening Balance - As at April 01, 2020</b> (Effective date as per Order of NCLT, Hyderabad Bench, Telangana dated November 16, 2021 - Number of equity shares of INR 2.00 each)	15,35,35,800	3,070.72
<b>(Less)</b> - Transferor Company (Shri Shakti Resorts and Hotels Limited)	(33,00,000)	(66.00)
<b>Add</b> - Issue of equity shares to the shareholders of the transferor company based on the Order of NCLT, Hyderabad Bench, Telangana dated November 16, 2021*	15,31,05,989	3,062.12
<b>Closing Balance as on March 31, 2021</b>	30,33,41,789	6,066.84
Changes in equity share capital	-	-
<b>Closing Balance as on March 31, 2022</b>	30,33,41,789	6,066.84
Changes in equity share capital	-	-
<b>Closing Balance as on March 31, 2023</b>	<b>30,33,41,789</b>	<b>6,066.84</b>

\* For every one (01) fully paid up equity share of INR 10 each held in the Transferor Company (M/s Shri Shakti Resorts and Hotels Limited) 7.52 fully paid up equity shares of Rs. 2/- each of the Transferee Company (M/s Sri Havisha Hospitality and Infrastructure Limited) shall be issued and allotted in Transferee Company.

Equity shares held as at April 01, 2020 in transferor company is 2,03,59,839 shares.

**Note No. 13(b) - Rights, preferences and restrictions attached to equity shares**

The company has one class of equity shares having a par value of INR 2 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

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**Note No. 13(c) - Details of shares in the Company held by each shareholder holding more than 5% shares.**

Name of the Shareholder	% of Shareholding	No.of Shares
<b>As at 31st March 2023</b>		
1. D.V.Manohar	17.13	5,19,72,496
2. NRI Prosperity Limited	10.06	3,05,02,597
<b>As at 31st March 2022</b>		
1. D.V.Manohar	17.13	5,19,72,496
2. NRI Prosperity Limited	10.06	3,05,02,597

**Note No. 13(d) - Details of shareholding of promoters**

Name of the Shareholder	% of Shareholding	No.of Shares
<b>As at 31st March 2023</b>		
1. D.V.Manohar	17.13%	5,19,72,497
2. NRI Prosperity Limited	10.06%	3,05,02,598
3. Dharmin Dontamsetti	3.82%	1,15,83,052
4. Sujata Dontamsetti	2.84%	86,27,211
5. Deekshita Dontamsetti	2.77%	83,97,329
6. A. Bala Setty	1.32%	40,16,297
<b>As at 31st March 2022</b>		
1. D.V.Manohar	17.13%	5,19,72,497
2. NRI Prosperity Limited	10.06%	3,05,02,598
3. Dharmin Dontamsetti	3.82%	1,15,83,052
4. Sujata Dontamsetti	2.84%	86,27,211
5. Deekshita Dontamsetti	2.77%	83,97,329
6. A. Bala Setty	1.32%	40,16,297

**Note No. 13(e) - Aggregate number and class of shares allotted as fully paid up for consideration other than cash, for the period of 5 years immediately preceding the Balance Sheet date:**

Share capital as at March 31, 2021, 2022 and 2023 includes 15,31,05,989 equity shares of INR 2 each allotted for consideration other than cash, to the share holders of M/s Shri Shakti Resorts and Hotels Limited, in the scheme of Amalgamation as per the order of the Order of NCLT, Hyderabad Bench, Telangana dated November 16, 2021. (Appointed Date 01st April, 2020).

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**Sri Havisha Hospitality & Infrastructure Limited**  
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**Notes to the financial statements**

INR in lakhs, unless otherwise stated

<b>Note No. 14</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Other equity</b>		
(a) Capital reserve	102.32	102.32
(b) Share securities premium	240.00	240.00
(c) Revaluation reserve	331.68	331.68
(d) General reserve	244.81	244.81
(e) Amalgamation adjustment reserve (refer note 14(a))	(1,026.14)	(1,026.14)
(f) Retained earnings (refer movement below)	(2,563.73)	(2,713.47)
<b>Total</b>	<b>(2,671.06)</b>	<b>(2,820.80)</b>

**Note No. 14(a)** - As per the Order of NCLT, Hyderabad Bench, Telangana dated November 16, 2021 the appointed date is April 01, 2020 and the method to be adopted for the accounting of Amalgamation is "pooling of interest method" as per Accounting Standard - 14. As such the assets and liabilities of the transferor company as on April 01, 2020 are taken at book value and the difference between the purchase consideration and the net book value is shown as "Amalgamation Adjustment Reserve" in line with AS-14 and the court order.

<b>Retained earnings movement</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
Opening balance	(2,713.47)	(3,072.86)
Add: Profit during the year	149.74	57.83
Add: Excess depreciation provided during the previous year now reversed	-	301.56
Closing balance	(2,563.73)	(2,713.47)

<b>Note No. 15</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Non-current liabilities - Borrowings</b>		
<b>Secured</b>		
Working capital term loan - at amortised cost	59.72	59.72
<b>Total</b>	<b>59.72</b>	<b>59.72</b>

**Note No. 15(a)** - Secured against second charge over fixed assets & current assets for WCTL with Indian Bank, Secunderabad Branch. The floating interest rate presently is 7.50% p.a. The repayment period is 48 EMIs of INR 1.44 lakhs each after completing 24 months of moratorium.

<b>Note No. 16</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Employee benefit obligations-Non Current</b>		
(a) Provision for Gratuity	17.55	15.85
(b) Provision for Leave encashment	1.24	-
<b>Total</b>	<b>18.79</b>	<b>15.85</b>

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<b>Note No. 17</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Deferred tax liabilities</b>		
Deferred tax liabilities (net) - Opening	54.50	104.63
(a) Impact of deferred tax on unabsorbed losses	146.18	(264.34)
(b) Impact of deferred tax on Property, plant and equipment	(90.93)	214.22
<b>Total</b>	<b>109.75</b>	<b>54.50</b>

**Note No. 17(a)** - The Company has recognised deferred tax assets on carried forward tax losses after amalgamation. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the company. The company is generating taxable income post COVID and there is reasonable certainty of absorbing the accumulated business loss. The losses can be carried forward for a period of 8 years as per Income Tax Act, 1961 and the deferred tax asset is created on reasonable basis.

<b>Note No. 18</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Other non-current liabilities</b>		
Rental deposits	41.77	40.79
<b>Total</b>	<b>41.77</b>	<b>40.79</b>

<b>Note No. 19</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Current liabilities - Borrowings</b>		
<b>Secured</b>		
(a) From banks	126.95	-
<b>Unsecured - Interest free deposits</b>		
(b) Loan from related parties	0.60	294.86
(c) Loan from others	17.94	30.94
<b>Total</b>	<b>145.49</b>	<b>325.80</b>

Note No. 19(a) - Secured against first charge over fixed assets & current assets for working capital limits with Indian Bank, Secunderabad Branch. The loans are repayable on demand which are secured on paripassu basis by hypothecation of the Company's entire inventory and book debts. The interest rate is 14.4% p.a.

<b>Note No. 20</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Trade Payables</b>		
Trade payables: micro and small enterprises	-	-
Trade payables: others	136.07	127.22
<b>Total</b>	<b>136.07</b>	<b>127.22</b>

Ageing of trade payables is provided in note no. 33

There are no transactions with Micro and Small enterprises, hence disclosures are not given as required under MSMED Act, 2006.



**Sri Havisha Hospitality & Infrastructure Limited**  
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INR in lakhs, unless otherwise stated

<b>Note No. 21</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Current - Other financial liabilities</b>		
(a) Employee benefits payable (incl. director's remuneration)	33.82	37.36
(b) Other Payables	25.35	15.44
<b>Total</b>	<b>59.18</b>	<b>52.79</b>

<b>Note No. 22</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Employee benefit obligations-Current</b>		
(a) Provision for Gratuity	20.31	13.45
(b) Provision for Leave encashment	3.05	-
<b>Total</b>	<b>23.35</b>	<b>13.45</b>

<b>Note No. 23</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>
<b>Other current liabilities</b>		
(a) Statutory tax payables	49.39	87.25
(b) Others	83.67	173.74
<b>Total</b>	<b>133.06</b>	<b>260.99</b>

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**Sri Havisha Hospitality & Infrastructure Limited**  
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INR in lakhs, unless otherwise stated

<b>Note No. 24</b> <b>Revenue from operations</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
(a) Room sales	1,145.51	437.45
(b) Sale of food and beverages	475.04	297.16
<b>Total</b>	<b>1,620.55</b>	<b>734.62</b>

<b>Note No. 25</b> <b>Other Income</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
(a) Interest on bank and other deposits	6.53	7.30
(b) Rental income	172.48	167.22
<b>Total</b>	<b>179.01</b>	<b>174.52</b>

<b>Note No. 26</b> <b>Cost of materials consumed</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
(a) Opening stock	195.97	191.56
(b) Add: Purchases made during the year	218.98	117.26
(c) Less: Closing stock	(188.64)	(195.97)
<b>Total</b>	<b>226.30</b>	<b>112.85</b>

<b>Note No. 27</b> <b>Employee benefit expense</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
(a) Salaries and wages	469.09	310.32
(b) Contribution to provident fund and ESI	10.82	11.40
(c) Gratuity	11.27	1.16
(d) Leave encashment	4.29	-
(e) Staff welfare expenses	2.23	2.00
<b>Total</b>	<b>497.70</b>	<b>324.89</b>

<b>Note No. 28</b> <b>Finance costs</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<i>Interest expenses</i>		
(a) Interest on term loans	5.26	0.40
(b) Interest on short-term borrowings	9.46	11.62
(c) Interest-others	2.00	-
<i>Other borrowing costs</i>		
(a) Processing Charges	2.76	0.63
<b>Total</b>	<b>19.48</b>	<b>12.65</b>

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<b>Note No. 29</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Depreciation and amortisation expense</b>		
(a) Property, plant and equipment (refer note 3)	78.84	99.71
<b>Total</b>	<b>78.84</b>	<b>99.71</b>

<b>Note No. 30</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Other expenses</b>		
Auditors' Fee		
-for statutory audit	2.00	2.00
-for tax audit	0.50	0.25
Rental expenses	250.80	61.44
Power and fuel charges	173.12	82.30
Commission on Hotel Bookings	92.41	62.31
Rates and taxes	38.07	23.60
Functions and activities expenses	13.55	14.70
Travelling expenses	41.25	10.57
Repairs and maintenance	33.82	22.31
Capital work in progress written off	24.86	-
Professional and consultancy charges	12.64	13.45
Telephone and internet charges	8.84	7.46
Water charges	10.74	9.37
Security charges	3.94	2.80
Cess on Turnover to AAI	27.56	8.36
Insurance	5.13	4.15
Listing fees and RTA Charges	5.75	6.19
AGM and EGM Expenses	0.41	0.39
Advertisement expenses	2.72	0.54
Business promotion expense	2.42	3.39
Bank charges	5.55	1.05
Commission on Credit Card	0.24	1.35
Conveyance	1.62	3.07
Printing and stationery	0.50	0.33
Postage and courier charges	0.04	0.06
Directors sitting fee	3.44	3.58
Office maintenance	10.25	4.97
Miscellaneous Expenses	0.08	1.36
<b>Total:</b>	<b>772.25</b>	<b>351.34</b>

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**Sri Havisha Hospitality & Infrastructure Limited**  
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**Note No. 31 - Earnings per share**

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
(a) Profit / (loss) after tax	149.74	57.83
(b) Number of equity shares outstanding in calculating basic EPS (Nos in lakhs)	3,033.42	3,033.42
(c) Number of equity shares outstanding in calculating diluted EPS (Nos in lakhs)	3,033.42	3,033.42
(d) Face value per share	2.00	2.00
(e) Basic Earnings per Share (EPS)	<b>0.05</b>	<b>0.02</b>
(f) Diluted Earnings per Share (EPS)	<b>0.05</b>	<b>0.02</b>

**Note No. 32 - Trade receivables ageing schedule:**

(a) As at March 31, 2023

S.No	Particulars	Outstanding for following periods from due date of payment					Total
		< 6 mnths	6mnths - 1 yr	1-2 yrs	2-3 yrs	> 3 yrs	
(i)	Undisputed Trade receivables - considered good	171.19	65.48	-	-	-	<b>236.67</b>

(b) As at March 31, 2022

S.No	Particulars	Outstanding for following periods from due date of payment					Total
		< 6 mnths	6mnths - 1 yr	1-2 yrs	2-3 yrs	> 3 yrs	
(i)	Undisputed Trade receivables - considered good	125.00	52.47	-	-	-	<b>177.47</b>

**Note No. 33 - Trade payables ageing schedule:**

(a) As at March 31, 2023

S.No	Particulars	Outstanding for following periods from due date of payment					Total
		Unbilled dues	< 1 yr	1-2 yrs	2-3 yrs	> 3 yrs	
(i)	MSME	-	-	-	-	-	-
(ii)	Others	-	114.67	21.40	-	-	<b>136.07</b>

(b) As at March 31, 2022

S.No	Particulars	Outstanding for following periods from due date of payment					Total
		Unbilled dues	< 1 yr	1-2 yrs	2-3 yrs	> 3 yrs	
(i)	MSME	-	-	-	-	-	-
(ii)	Others	-	127.22	-	-	-	<b>127.22</b>

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**Note No. 34 - Capital work-in-progress ageing schedule:**

(a) As at March 31, 2023

S.No	Particulars	Amount in capital work-in-progress for a period of				Total
		< 1 yr	1-2 yrs	2-3 yrs	> 3 yrs	
(i)	Projects in progress	-	-	-	-	-
(ii)	Projects temporarily suspended	-	-	-	428.19	428.19

(b) As at March 31, 2022

S.No	Particulars	Amount in capital work-in-progress for a period of				Total
		< 1 yr	1-2 yrs	2-3 yrs	> 3 yrs	
(i)	Projects in progress	-	-	-	-	-
(ii)	Projects temporarily suspended	-	-	-	453.05	453.05

Note: The elevation and renovation of the hotel property commenced to sustain the operations in hospitality industry. However due to Covid- 19 impact the schedule work could not be completed in time. Post the pandemic, the company has concentrated on the survival and the remaining work associated with elevation and renovation of the hotel property will be completed in the near future.

**Note No. 35 - Reconciliation of quarterly bank returns:**

S.No	Name of bank	Quarter	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason
(i)	Indian Bank	June' 2022	Stock	159.25	159.25	-	Refer note below
(ii)	Indian Bank	June' 2022	Debtors	127.27	69.12	58.15	
(iii)	Indian Bank	Sept' 2022	Stock	122.66	122.66	-	
(iv)	Indian Bank	Sept' 2022	Debtors	175.60	59.29	116.31	
(v)	Indian Bank	Dec' 2022	Stock	211.11	211.11	-	
(vi)	Indian Bank	Dec' 2022	Debtors	203.31	63.50	139.81	
(vii)	Indian Bank	Mar' 2023	Stock	188.64	188.64	-	
(viii)	Indian Bank	Mar' 2023	Debtors	236.67	74.38	162.29	

Note:

The difference is mainly because the bank doesn't finance debtors with ageing above 90 days and there are also lease debtors on which the bank doesn't finance loan and as such the same was not reported in the statement submitted to bank.

**Note No. 36 - Contingent liabilities**

Details of contingent liabilities are as follows:

Particulars	March 31, 2023	March 31, 2022
(i) Bank Guarantees given to AAI	87.00	87.00
(ii) Duty Liability to DGFT under EPCG Scheme(Excluding Interest & Penalty)	85.43	85.43
(iii) Customs Duty with Excise Department	352.77	352.77
(iv) Service tax demand for FY 2014-15, 2015-16 and 2016-17 vide order dated July 29, 2022.	228.78	-
<b>Total</b>	<b>753.98</b>	<b>525.20</b>

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**Note No. 37 - Related party disclosure**

**(a) Names of related parties and nature of relationships:**

<b>Names of the related parties</b>	<b>Nature of relationship</b>
<b>i) Key Managerial Personnel (KMP):</b>	
Mr. Venkat Manohar Dontamsetti	Managing Director
Ms. Satya Pinjala	Whole Time Director
Mr. Chandrasekhara Prasad Chodavarapu	Chief Financial Officer
Mr. Rahul Jain	Company Secretary and Compliance Officer-till 26-07-2022
Mr. Sonu Kumar	Company Secretary and Compliance Officer-From 13-08-2022
<b>ii) Non-whole-time and Independent directors</b>	
Mr. Abhaya Shankar	Independent Director
Mr. Binod Kumar Sinha	Independent Director
Mr. Subrahmanyam Vuppu	Independent Director
Prof. Prabhu Sydney Miranda	Independent Director
Mr.P.S.Narayana	Independent Director
Ms. Deekshita Dontamsetti	Director
Mr. Dharmin Dontamsetti	Director
Dr. Bala Setty Annaiahsetty	Director
<b>iii) Relatives of key managerial personnel/Directors:</b>	
Ms. Sujata Dontamsetti	Spouse of Mr. Venkat Manohar Dontamsetti, Mother of Mr. Dharmin Dontamsetti and Ms. Deekshita Dontamsetti
Mr. Satya Kumar Dontamsetti	Brother of Mr. Venkat Manohar Dontamsetti and Ms. Satya Pinjala
<b>iv) Enterprises in which KMP has control</b>	
Indo Thai Foods Private Limited	
All India Bicycling Federation	
Smartbike Mobility Private Limited	
Smartbike Tech Private Limited	
Shri Shakti Educational Society	
Hyderabad Bicycling Club	

**(b) Transactions during the year**

<b>S.No</b>	<b>Names of the related parties</b>	<b>Nature of Transactions</b>	<b>For the year ended</b>	
			<b>March 31, 2023</b>	<b>March 31, 2022</b>
1	Mr. Venkat Manohar Dontamsetti	Remuneration	83.46	43.75
2	Mrs. Satya Pinjala	Remuneration	29.30	-
2	Mr. Chandrasekhara Prasad	Remuneration	12.00	1.50
3	Mr. V. Padmanabham	Remuneration	6.98	5.75
4	Mr. Rahul Jain	Remuneration	1.79	5.40
5	Mr. Sonu Kumar	Remuneration	5.13	-
6	Mr. Abhaya Shankar	Sitting Fee	0.79	0.55
7	Mr. Binod Kumar Sinha	Sitting Fee	0.79	0.55
8	Mr. Subrahmanyam Vuppu	Sitting Fee	0.04	0.12
9	Ms. Deekshita Dontamsetti	Sitting Fee	0.30	0.10
10	Dr. Bala Setty Annaiahsetty	Sitting Fee	-	0.10
11	Mr. Venkat Manohar Dontamsetti	Loan Amount	-	0.05
12	Mrs. Dontamsetti Sujata	Loan Amount	-	9.50
13	Shri Shakti Educational Society	Rental Income	147.82	148.87
14	Shri Shakti Educational Society	Interest	3.12	2.60
15	Shri Shakti Educational Society	Sales	18.22	15.78
16	Shri Shakti Educational Society	Loan Given	-	45.00
17	Shri Shakti Educational Society	Loan Receipts	15.00	50.00

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**(c) Balance (Payable) / Receivable as at:**

S.No	Names of the related parties	For the year ended	
		March 31, 2023	March 31, 2022
1	Mr. Venkat Manohar Dontamsetti	-	(92.47)
2	Mrs. Satya Pinjala	(2.00)	-
3	Mr. Chandrasekhara Prasad	(1.00)	(1.00)
4	Mr. V. Padmanabham	-	-
5	Mr. Rahul Jain	(0.21)	(0.45)
6	Mr. Sonu Kumar	(0.60)	-
7	Mrs. Dontamsetti Sujata	-	(206.22)
8	Mr. Abhaya Shankar	-	(0.55)
9	Mr. Binod Kumar Sinha	-	(0.55)
10	Mr. Subrahmanyam Vuppu	-	(0.12)
11	Ms. Deekshita Dontamsetti	-	(0.10)
12	Dr. Bala Setty Annaiahsetty	-	(0.10)
13	Shri Shakti Educational Society (net of rental deposit(liability) of 27.00 lakhs)	76.12	107.11

**Note No. 38 - Analytical Ratios**

Particulars	As at 31-03- 2022	As at 31-03- 2022	Variance %	Reason
<b>a) Current Ratio:</b>	<b>1.46</b>	<b>0.71</b>	105.76%	Refer 36(b)
Current Assets	723.77	498.59		
Current Liabilities	497.15	704.68		
<b>b) Debt Equity:</b>	<b>0.06</b>	<b>0.12</b>	-49.12%	Refer 36(b)
Total Debt (long-term and short-term interest bearing)	205.21	385.52		
Shareholder's Equity	3,395.78	3,246.04		
<b>c) Debt Service Coverage Ratio:</b>	<b>16.53</b>	<b>14.11</b>	17.18%	Refer 36(b)
Earnings available for Debt Service	243.30	169.55		
Debt Service	14.72	12.02		
<b>d) Return on Equity:</b>	<b>0.05</b>	<b>0.02</b>	139.09%	Refer 36(b)
Net Profits after taxes	149.74	57.83		
Average Shareholder's Equity	3,320.91	3,066.35		
<b>e) Inventory Turnover Ratio:</b>	<b>2.47</b>	<b>1.53</b>	61.07%	Refer 36(b)
Total Sales - Considered only sale of food and beverages	475.04	297.16		
Average Inventory	192.30	193.76		
<b>f) Trade Receivables Turnover:</b>	<b>8.66</b>	<b>6.01</b>	44.01%	Refer 36(b)
Total Revenue from operations and rental income	1,793.03	901.84		
Average Accounts Receivable	207.07	149.99		
<b>g) Trade Payables Turnover:</b>	<b>16.05</b>	<b>2.49</b>	544.50%	Refer 36(b)
Total Purchases	218.98	117.26		
Average Trades Payable	13.65	47.10		
<b>h) Net Capital Turnover:</b>	<b>(58.89)</b>	<b>(2.49)</b>	2267.81%	Refer 36(b)
Total Sales	1,620.55	734.62		
Average Working Capital	(27.52)	(333.17)		
<b>i) Net Profit Ratio:</b>	<b>0.09</b>	<b>0.08</b>	17.38%	Refer 36(b)
Net Profit	149.74	57.83		
Total Sales	1,620.55	734.62		
<b>j) Return on Capital Employed:</b>	<b>0.05</b>	<b>0.01</b>	989.39%	Refer 36(b)
Earning before interest and taxes	224.47	20.35		
Capital Employed	4,084.43	4,034.48		
<b>k) Return on Investment - Not Applicable</b>				No incomes for the investments

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S.No	Ratio	Reason
(a)	Current ratio	Increase in business there by trade receivables, coupled with timely repayment of liabilities
(b)	Debt equity	Increase in profitability contributed to increase in equity and reduction in debt.
(c)	Debt service coverage ratio	Increase in profitability enhanced the financial feasibility to serve the debt.
(d)	Return on equity	Increase in profitability enhanced the shareholders' funds.
(e)	Inventory turnover ratio	Due to effective utilisation of working capital and credit policy contributed for the improvement.
(f)	Trade receivables turnover ratio	Due to increase in sales volume and better receivables management.
(g)	Trade payables turnover ratio	Due to effective credit policy the payable have been kept under control.
(h)	Net capital turnover ratio	Due to increase in turn over in sales, the net capital have been effectively utilised.
(i)	Net profit ratio	Effective operating controls contributed to the increase in profits.
(j)	Return on Capital Employed	Improved due to increase in EBIT.

**Note No. 39 - Effective tax reconciliation**

Particulars	As at 31-03-2023	As at 31-03-2022
Profit / (Loss) before tax expense	204.99	7.70
Tax expenses at 25.168%	51.59	2.00
Impact of deferred tax on unabsorbed losses	146.18	(264.34)
Impact of deferred tax on Property, plant and equipment	(90.93)	214.22
Income tax expense recognised in profit and loss	55.25	(50.13)

**Note No. 40 - Leases - Operating lease**

The company is under Final stage of Executing Lease Agreement with Airports Authority of India (AAI) for extension of the existing lease period of the land. The accounting of the Right-of-Use (under Ind AS 116) will be assessed after determination of the effective date of the Lease Agreement.

At present the rental expenses for the year ended March 31, 2023 is INR 250.80 lakhs (March 31, 2022 - INR 61.44 lakhs) including Rs.187.22 Lakhs (refer note 7(a)).

**Note No. 41**

**Capital and Financial risk management objectives and policies**

**(a) Risk management framework**

Company is being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations.

The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has an owner, who coordinates the risk management process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Company value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws & regulations; and
- Improve financial returns



### **Treasury management**

The Company's treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include credit risk and liquidity risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Company's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies.

#### **(i) Credit Risk**

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. The carrying amount of trade receivables, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with Company's policy. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others. Since company operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant.

#### **(ii) Liquidity Risk**

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

The Company has hypothecated its trade receivables, inventory, advances and other current assets in order to fulfil the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collateral.

#### **March 31, 2023**

<b>Particulars</b>	<b>Carrying Value</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>
(i) Borrowings - Current and non-current	205.21	59.72	145.49
(ii) Trade Payables	136.07	-	136.07
(iii) Other current liabilities	59.18	-	59.18
<b>Total</b>	<b>400.45</b>	<b>59.72</b>	<b>340.73</b>

#### **March 31, 2022**

<b>Particulars</b>	<b>Carrying Value</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>
(i) Borrowings - Current and non-current	385.52	59.72	325.80
(ii) Trade Payables	127.22	-	127.22
(iii) Other current liabilities	52.79	-	52.79
<b>Total</b>	<b>565.54</b>	<b>59.72</b>	<b>505.82</b>

**(b) Capital Management and gearing ratio**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

Particulars	As at 31-03-2023	As at 31-03-2022
(a) Borrowings		
- Non-current	59.72	59.72
- Current	145.49	325.80
(A)	205.21	385.52
(b) Total equity		
- Share Capital	6,066.84	6,066.84
- Other Equity	(2,671.06)	(2,820.80)
(B)	3,395.77	3,246.03
<b>Gearing ratio in (Capital/Debt) - (B/A)</b>	<b>16.55</b>	<b>8.42</b>

**Note No. 42**

**Financial instrument and risk management**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Company has disclosed financial instruments such as borrowings, trade payable, and other current liabilities, loans, trade receivable, cash and cash equivalents and bank balances other than cash and cash equivalents at carrying value because their carrying values are a reasonable approximation of the fair values due to their short term nature.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party.

**Fair value hierarchy**

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

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The company has followed / used Level 3 fair value measurement for the financial instruments

**Note No. 43**

**(a) Title deeds of immovable properties**

The title deeds of the immovable properties are held in the name of the company.

**(b) Valuation of Property Plant & Equipment, intangible asset**

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year(s).

**(c) Loans or advances to specified persons**

No loans or advances in the nature of loans are granted to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

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**(d) Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**(e) Borrowing secured against current assets**

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts. (refer note 33).

**(f) Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

**(g) Relationship with struck off companies**

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

**(h) Registration of charges or satisfaction with Registrar of Companies (ROC)**

Sr. No.	Description of the Charge	Amount	Location of Registrar	Delay of Filing in No. of Days	Reason for Delay
1	Satisfaction of the Charge	76.00	RoC-Hyderabad	The charges were created on different dates between FY 1995 and FY 2011 on immovable property in favor of financial Institution(s)/Bank for the term loans availed. The borrowings were paid in full but the documents of filing of satisfaction of charges is under process and the relevant records are being retrieved and collected.	
2	Satisfaction of the Charge	550.00	RoC-Hyderabad		
3	Satisfaction of the Charge	60.00	RoC-Hyderabad		
4	Satisfaction of the Charge	3,000.00	RoC-Hyderabad		
5	Satisfaction of the Charge	100.00	RoC-Hyderabad		
6	Satisfaction of the Charge	1,000.00	RoC-Hyderabad		
7	Satisfaction of the Charge	2,000.00	RoC-Hyderabad		
8	Satisfaction of the Charge	292.00	RoC-Hyderabad		
9	Satisfaction of the Charge	1,425.00	RoC-Hyderabad		
10	Satisfaction of the Charge	14.35	RoC-Hyderabad		
11	Charge creation	59.72	RoC-Hyderabad	The charge is created on 10th April, 2023.	

**(i) Compliance with number of layers of companies**

The Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017 is not applicable to the company.

**(j) Compliance with approved scheme(s) of arrangements**

Pursuant to the sanctioned scheme, M/s Shri Shakti Resorts and Hotels Limited ("Transferor company") has been dissolved without being wound up and merged with the Sri Havisha Hospitality & Infrastructure Limited ("Transferee company"). As per the Order of NCLT, Hyderabad Bench, Telangana dated November 16, 2021 the appointed date is April 01, 2020 and the method to be adopted for the accounting of Amalgamation is "pooling of interest method" as per Accounting Standard-14. The accounting is similar to the Appendix C of Ind AS 103 ( Appendix C deals with accounting for combination of entities or businesses under common control).

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**(k) Utilisation of borrowed funds and share premium**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**(l) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

**(m) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year(s).

**(n) Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**Note No. 44**

Previous Year's figures have been re-grouped/re-classified/re-stated as far as practicable and wherever necessary to confirm with current year presentation.

As per our report of even date

**For M/s P. Suryanarayana & Co.**

Chartered Accountants  
**Firm Regn. No 009288S**

**P. Suryanarayana**

Partner  
**Membership No. 201195**  
Place: Hyderabad  
Date: May 27, 2023

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

**D.V.Manohar**  
Chairman and MD  
**DIN: 00223342**

**B.K. Sinha**  
Director  
**DIN : 00290750**

**C.S Prasad**  
C.F.O  
Place: Hyderabad  
Date: May 27, 2023

**Sonu Kumar**  
Company Secretary