

31<sup>st</sup> August, 2021.

Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

Scrip Code: 512634

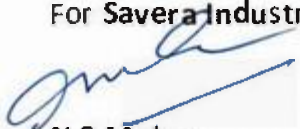
Dear Sirs,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing a scanned copy of the 52<sup>nd</sup> Annual Report containing the Notice, Directors Report, etc., of the 52<sup>nd</sup> Annual General Meeting of the company scheduled to be held on 24<sup>th</sup> September, 2021 which will be sent to the Shareholders shortly.

Please take on record the above document.

Thanking you,

Yours faithfully,  
For **Savera Industries Limited**

  
**N S Mohan**  
Company Secretary

# 52<sup>nd</sup> ANNUAL REPORT

## 2020-2021



# New Initiative - Ciro's Pizzeria at TTK Road



# New Initiative - Ciro's Pizzeria at TTK Road





# CSR - DONATION TO CM PUBLIC RELIEF FUND



# GREEN AWARDS 2021



# GREEN AWARDS 2021





# GREEN AWARDS 2021

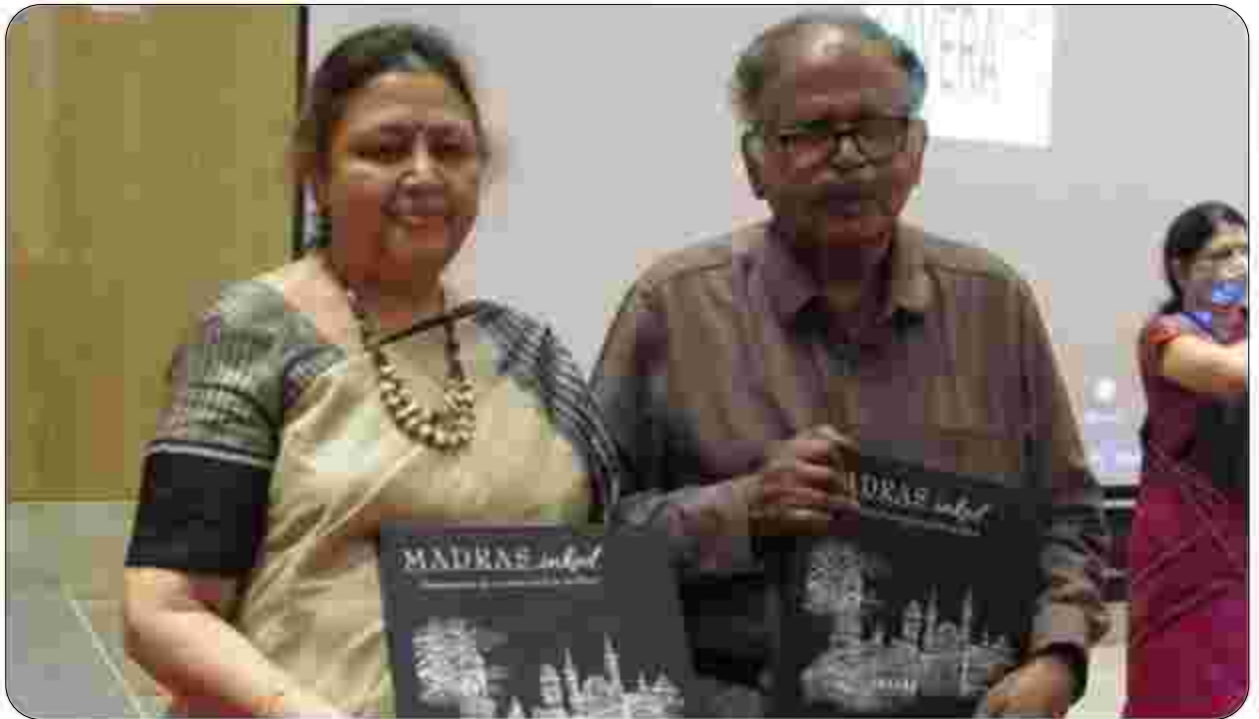




# O2 HEALTH STUDIO - VIRTUAL FITNESS CLASSES



# MADRAS DAY CELEBRATIONS - MADRAS INKED... BOOK LAUNCH



# MADRAS DAY CELEBRATIONS - MADRAS INKED... BOOK LAUNCH



# COVID VACCINATION





# COVID NEW NORMAL GUIDELINES TRAINING



# EAT RIGHT FOOD SAFETY AWARENESS PROGRAM



# EAT RIGHT FOOD SAFETY AWARENESS PROGRAM



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## BOARD OF DIRECTORS

Sri A. Ravikumar Reddy	Managing Director
Smt A. Nina Reddy	Joint Managing Director
Sri A. Tarun Reddy	Director
Smt A. Nivruti Reddy	Director
Sri A. Sudhakar Reddy	Independent Director
Sri S. Sridhara Rao	Independent Director



## **SAVERA MISSION STATEMENT**

**We** are a company striving to achieve excellence in

- Customer Delight
- Quality and continuous improvement
- Being sensitive to the world around us
- Employee Happiness
- Enhancing our People's Skills

**We deliver what we commit,  
OUR BUSINESS IS YOU**

## **OUR VISION**

Searching for excellence in  
everything we do,  
to be the best four star hotel in  
Chennai

## Financial Summary Highlights for the last 10 years.

(₹ in lakhs)

	31ST MARCH									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
INCOME	2076.69	6790.06	7258.42	7311.89	6917.27	6690.98	6309.03	5696.44	5844.69	5371.6
OPERATING & GENERAL EXPENSES	2071.08	5663.48	5933.45	6063.86	5569.25	5418.78	5096.52	4531.29	4667.38	3874.84
INTEREST	44.92	55.44	51.12	110.16	169.87	256.43	315.47	361.23	385.92	322.12
DEPRECIATION	371.77	458.17	347.44	360.39	449.58	442.53	500.81	357.7	310.94	245.36
PROFIT BEFORE TAX	(453.77)	590.38	926.41	679.93	532.12	573.24	396.23	446.22	480.45	929.28
TAXATION	(43.97)	162.64	298.20	166.53	218.36	330.15	107.00	613.41	106.30	216.08
PROFIT AFTER TAX	(409.80)	427.74	628.21	513.43	313.76	243.07	289.23	(167.17)	374.15	713.20
OTHER COMPREHENSIVE INCOME #	135.82	-18.99	27.41	-25.48	22.59					
DIVIDEND, DIVIDEND TAX & SURCHARGE	-	172.56	172.56	387.62	# 43.07	215.52	172.43	166.36	166.36	166.36
DIVIDEND %	-	12%	12%	25%	15%	15%	12%	12%	12%	12%
FIXED ASSETS NET	5318.38	5624.61	5911.75	6147.96	6480.6	6636.23	6746.63	7405.2	7096.27	6020.33
CAPITAL	1192.80	1192.80	1192.80	1192.80	1192.80	1192.80	1192.80	1192.80	1192.80	1192.80
*RESERVES (INCLUDING REVALUATION) / OTHER EQUITY	4608.64	4882.62	4675.19	4350.30	4249.98	3928.05	3905.05	3610.6	3953.97	3980.95
DEFERRED TAX LIABILITY	-	43.97	93.78	141.61	242.16	225.19	235.04	384.59	(14.41)	85.62
BONUS ISSUE	-	-	-	-	-	-	-	-	-	-
Earning per Equity Share	(3.44)	3.59	5.27	4.30	2.63	2.04	2.42	(1.40)	3.14	5.98

# As per Ind-AS

\* RESERVES Treated as a OTHER EQUITY as per Ind-AS W.E.F. 2017-18

~ As per Ind-As Apr 2019 Implemented Lease liability Interest booked

## CORPORATE INFORMATION

Registered Office	:	No.146 Dr.Radhakrishnan Road, Mylapore, Chennai 600 004. Phone : 044 - 28114700
Key Managerial Personnel		
Managing Director	:	Mr.A.Ravikumar Reddy
Company Secretary	:	Mr. N. S. Mohan
Mail ID & Phone	:	cs@saverahotel.com / 044 - 2811 4700
Chief Financial Officer	:	Mr. CH. Mahesh Kumar
Bankers	:	Central Bank of India Egmore Branch 48/49 Montieth Road, Chennai - 8
Statutory Auditors	:	M/s. S.Venkatram & Co., LLP Chartered Accountants 218 T T K Road Alwarpet, Chennai 600 018
Secretarial Auditor	:	M/s. A.K. Jain & Associates Company Secretaries No.2, (New No.3), Raja Annamalai Road, 1st Floor, Purasawalkam, Chennai - 600 084.
Registrars & Transfer Agents	:	M/s. Cameo Corporate Services Ltd 'Subramaniam Building' No.1, Club House Road Chennai 600 002.

## **SAVERA INDUSTRIES LIMITED**

CIN : L55101TN1969PLC005768

Registered Office No.146 Dr.Radhakrishnan Road, Chennai 600 004.

Email : info@saverahotel.com website : www.saverahotel.com

### **NOTICE TO SHAREHOLDERS**

Notice is hereby given that the fifty second (52nd) Annual General Meeting of Savera Industries Limited will be held on Friday, the 24th September, 2021, at 2.45 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

#### **ORDINARY BUSINESS :**

1. **Adoption of Audited Financial Statements for the year ended 31/03/2021 together with the reports of the Directors and Auditors thereon.**

To receive, consider and adopt the Audited Financial Statements of the company for the year ended 31st March, 2021 including audited Balance Sheet as at 31st March, 2021 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and the Auditors thereon.

2. **Appointment of Mrs.A.Nina Reddy as a Director.**

To appoint a Director in the place of Mrs.A.Nina Reddy (DIN No.00144797) who retires by rotation and being eligible, offers herself for re-appointment.

3. **Ratification of Appointment of Statutory Auditors and fixation of their remuneration**

To consider and if thought fit to pass without modification the following resolution as an Ordinary Resolution :

"REVOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s. S.Venkatram & Co., LLP, Chartered Accountants, (Firm Regn. No.004656S/S200095) as Statutory Auditors of the company for a term of five years i.e. from the conclusion of the 48th Annual General Meeting (AGM) till the conclusion of 53rd Annual General Meeting which was subject to ratification at every AGM, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the 53rd AGM of the company to be held in the year 2022, at such remuneration as may be mutually agreed between the Board of Directors of the company and the Statutory Auditors.

By Order of the Board  
For Savera Industries Limited

Chennai – 600 004  
28th June, 2021

N.S.Mohan  
Company Secretary  
(Membership No.F3751)



**NOTES:**

1. Pursuant to the circulars issued by MCA and SEBI allowing the companies to conduct the 52nd AGM via Video Conferencing / Other Audio Visual Means, in view of the pandemic prevailing in the country, the company is sending the Annual report and notice to the 52nd AGM via email to the shareholders as did in the last year instead of physical despatch of the Annual reports. Hence shareholders who have not registered their email id, hitherto, will have to register their email ids with the company/RTA in order to receive the Annual report and notices for the General Meetings.

Furthermore, the Finance Act, 2019 had made the dividend declared from 01st April 2020, taxable in the hands of shareholders, where the dividend exceeds Rs.5000 in a financial year. This has created a requirement for the shareholders to submit Form 15G/15H in case if you would like to be exempted from deduction of tax from your dividend, in future.

To meet the said requirements, the Company's Registrar & Transfer Agents M/s. Cameo Corporate Services Limited had developed web module viz. <https://investors.cameoindia.com> wherein the shareholders can log in and register their email-ID and mobile numbers against the folio No. in which they hold the shares. Besides they can also submit Form 15G/15H to avail the exemption from TDS for your dividend, in future.

2. Since the 52nd AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 18.09.2021 to 24.09.2021 (both days inclusive) for the purpose of the 52nd Annual General Meeting.
4. The relevant details as required under regulation 26 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of person seeking reappointment relating to item No.2 of the Notice are also annexed.
5. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, if any in future. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of

dividend, if any, in future are requested to write to the Company.

6. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956) be transferred to the Investor Education and Protection Fund (IEPF). In addition, shares relating to those unpaid dividends will also be transferred to IEPF.
7. Pursuant to provisions of section 124 of the Companies Act, 2013 (Section 205A(5) of the erstwhile Companies Act, 1956) dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the company's unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of the dividends paid by the company and the respective due dates for transfer to IEPF.

Financial year	Date of declaration of Dividend	Date of transfer to IEPF
2013-14	22.09.2014	28.10.2021
2014-15	28.09.2015	02.11.2022
2015-16(interim)	11.03.2016	16.04.2023
2015-16 (Final)	15.09.2016	16.10.2023
2016-17	11.08.2017	10.09.2024
2017-18 (Interim)	14.02.2018	16.03.2025
2017-18 (Final)	20.09.2018	23.10.2025
2018-19 (Interim)	13.02.2019	16.03.2026
2018-19 (Final)	05.09.2019	11.10.2026
2019-20 (Interim)	14.11.2019	16.12.2026
2020-21	-	-

8. Further, the company shall not be in a position to entertain the claims of shareholders for the unclaimed dividends after the last date as mentioned in the table. In view of the above, the shareholders are advised to send all the un-encashed dividend warrants relating to the above years to the company for revalidation or issuance of demand draft in lieu thereof and encash them before the due dates for transfer to the IEPF.
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company 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 a longer period. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
11. Members may also note that the Notice of the 52nd Annual General Meeting and the Annual Report for 2020-21 will also be available on the Company's website: [www.saverahotel.com](http://www.saverahotel.com) for their download.
12. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote.
13. The company reserves the right to restrict the number of speakers depending upon the availability of time in the 52nd AGM.

**14. CDSL e-Voting System – For remote e-voting and E-VOTING DURING THE 52nd AGM.**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The 52nd Annual General Meeting (AGM) will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the 52nd AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 52nd AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the 52nd AGM will be provided by CDSL.
3. The Members can join the 52nd 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 52nd AGM

through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the 52nd AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the 52nd AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this 52nd AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the 52nd AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 52nd AGM has been uploaded on the website of the Company at [www.saverahotel.com](http://www.saverahotel.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited. The 52nd AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the 52nd AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The 52nd AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided by the Ministry to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.

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

- (i) The voting period begins on 20.09.2021 and 9.00 A.M. and ends on 23.09.2021 and 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of



17.09.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/Evoting">https://evoting.cdslindia.com/Evoting/Evoting</a> Login. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services</li> </ol>

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

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

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

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

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

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  •Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  •If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for Saveria Industries Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer **viz [evoting@akjainassociates.com](mailto:evoting@akjainassociates.com) and to the Company at the email address viz; [cs@saverahotel.com](mailto:cs@saverahotel.com)**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHARE HOLDERS ATTENDING THE 52nd AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the 52nd AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the 52nd AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least five

days prior to meeting (on or before 18.9.2021) mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the 52nd AGM but have queries may send their queries five days in advance prior to the meeting (on or before 18.09.2021) mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the 52nd AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the 52nd AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the 52nd AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending 52nd AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Other instructions**

- a. The voting rights of the shareholders shall be in proportion to their share of the paid up equity share capital of the company as on the cut off date 17.09.2021.
  - b. M/s. A K Jain Associates, Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-voting as well as electronic voting at the time of 52nd AGM
  - c. Scrutinizer shall within a period of two working days of conclusion of the voting at the 52nd AGM will submit a consolidated voting results considering all mode of voting (i.e. remote e-voting and electronic at the 52nd AGM) based on the votes cast in favour or against, if any, forthwith to the Managing Director of the company.
15. Members who wish to inspect the relevant documents referred in the Notice can send an email to [cs@saverahotel.com](mailto:cs@saverahotel.com) up to the date of this Annual General Meeting.
16. The members may inspect the Register of Directors, Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under section 189 of the Companies Act, 2013 during 52nd AGM, with prior intimation.

Chennai.  
28<sup>th</sup> June, 2021

Regd Office :  
146 Dr.Radhakrishnan Road  
Chennai 600 004.

By order of the Board  
For **Savera Industries Limited**

**N.S.Mohan**  
Company Secretary  
FCS 3751

**DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AS  
REQUIRED UNDER REGULATION 26 (4) OF SEBI (LODR) REGULATIONS, 2015.**

Name	Brief Particulars	Other Directorship	Company Name
Mrs. A. Nina Reddy	<p>Mrs .A. Nina Reddy, B.A., D.I.D.,D.CI and HK is specialized in Interior Decoration and House Keeping. She has been on the Board of the Company since January,1999. She has a rich exposure in hotel industry for more than 23 years. She is innovative, creative and energetic Director.</p> <p>Mrs. A Nina Reddy is a member of the Corporate Social Responsibility Committee.</p> <p>Mrs. A Nina Reddy is holding 2095812 equity shares in the company.</p>	4	<p>1) Amaravathi Restaurants Pvt Ltd.</p> <p>2) Ruchi Agro Products Pvt Ltd.</p> <p>3) Savera Anthuriums Pvt Ltd.</p> <p>4) Shyam Enterprises Pvt Ltd.</p>

## DIRECTORS' REPORT

### To the members of Savera Industries Ltd,

The Directors have pleasure in presenting the 52nd Annual Report of Savera Industries Ltd (the company), along with the audited financial statements under Ind AS for the financial year ended 31st March, 2021

(Rs. in lakhs)

PARTICULARS	CURRENT FINANCIAL YEAR 2020-21	PREVIOUS FINANCIAL YEAR 2019-20
Revenue From Operations	1962.37	6728.46
Other income	114.32	61.60
Profit/loss before Depreciation, Finance Costs, Exceptional Items and Tax Expenses	5.61	1126.58
Less : Depreciation / Amortisation / Impairment	371.77	458.17
Profit / loss before Finance Costs, Exceptional items and Tax Expenses	-366.16	668.41
Less : Finance Costs	44.92	55.44
Profit / loss before Exceptional items and Tax Expenses	-411.08	612.97
Add : (less) Exceptional Items	-42.69	-22.59
Profit / loss before Tax Expenses	-453.77	590.38
Less : Tax Expenses (current & Deferred)	-43.97	162.64
Profit / loss for the year (1)	-409.80	427.74
Total Comprehensive Income / loss (2)	135.82	-18.99
Total (1 + 2)	-273.98	408.75
Balance of profit / loss for earlier years		3853.46
Less : Transfer to Reserve		--
Less : Dividend paid on Equity Shares	-	167.00
Less : Dividend Distribution Tax	-	34.32
Balance Carried Forward	-	4079.88

### HOTEL INDUSTRY AND ECONOMIC FACTORS THAT IMPACTED THE GROWTH OF THE BUSINESS DURING THE YEAR UNDER REVIEW

The Indian tourism and hospitality industry have emerged as one of the key drivers of growth among the services sector in India. The travel and tourism industry is the largest industry in the world. The structure of the tourism industry is quite complex, involving many components of tourism. There are six major components of tourism, These are: tourist boards, travel services, accommodation services, conferences and events, attractions and tourism services. Indian hospitality industry is the most digitally advanced traveller nation in terms of digital tools being used for planning, booking and experiencing a journey.



COVID has left behind an unprecedented impact on the global economy. Tourism and hospitality is coming to the terms with the corona virus epidemic.

Hospitality and Tourism are one of the biggest and fastest-growing sectors which have been considered as a vulnerable industry. The hotel bookings have been severely hit because travel has come down drastically. The change in the perception of travellers is important to bring their confidence back to travel

The business has been impacted during the period on account of COVID-19. The Company witnessed softer revenues due to the lockdown. With the unlocking of restrictions in a phased manner, business is expected to gradually improve. The Company has taken steps to meet its working capital demands and has also taken steps for cost optimisation at operational levels.

The Company has also assessed the possible impact of COVID-19 in preparation of the financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. Based on the current estimates, the Company does not expect any significant impact on the carrying values of its assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

### **STATE OF COMPANY'S AFFAIRS**

During the year under review, the company achieved a turnover of Rs.2076.69 lakhs against the previous year turnover of Rs. 6790.06 lakhs. Total expenditure for the period ended as at 31st March, 2021 amounted to Rs.2487.77 lakhs decreased by Rs.3689.32 lakhs as compared to the previous year. The profit (EBITDA) before depreciation, finance cost and tax for the year ended 31st March, 2021 amounted to Rs. 5.61 lakhs as against profit of Rs. 1126.58 lakhs over the corresponding period last year. The deferred tax for the year ended 31st March, 2021 amounted to Rs.-43.97 lakhs. The Loss after deferred tax for the year ended 31st March, 2021 stood at Rs. 409.80 lakhs as against profit of Rs. 427.74 lakhs. No amount was transferred to General Reserve during the year under review. The company has adopted Ind-AS from the financial year 2017-18.

### **DIVIDEND**

No dividend has been recommended to the shareholders for the financial year 2020-21 keeping in view of the loss incurred by the company.

### **INVESTOR EDUCATION & PROTECTION FUND**

During the year under review unclaimed dividend of Rs.4,00,691/- and 14399 number of shares were transferred to the Investor Education and Protection Fund.

Mr.N.S.Mohan, Company Secretary of the company is appointed as Nodal Officer and Mr.A.C.Murali, Finance Officer is appointed as Deputy Nodal Officer, as per the provisions of Companies Act, 2013 relating to IEPF and the above details are available in the official website of the company i.e. [www.saverahotel.com](http://www.saverahotel.com).

### **DEPOSIT FROM PUBLIC**

The Company has not accepted any fixed deposits under the provisions of the Companies Act, 2013.

### **FINANCIAL HIGHLIGHTS OF THE COMPANY**

The financial highlights of the company for last 10 years are furnished in the Annual Report.

### **FINANCIAL INFORMATION AND DETAILS OF ASSOCIATE COMPANY**

The Financial Statement of the company is prepared in accordance with the Ind AS under the provisions of the Companies Act, 2013 and forms part of the Annual Report. The company's financials disclose the assets, liabilities, income, expenses and other details.

There is no subsidiary company and associate company within the meaning of section 2(6) of the Companies Act, 2013 ("Act").

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of Directors met four (4) times during the year under review and the meeting dates are on 29.06.2020, 13.08.2020, 10.11.2020 and 12.02.2021.

The Audit Committee was constituted by the company with three members. The audit committee consists of two Independent Directors and one Non Executive and non Independent Director, Mr.S.Sridhara Rao, is the Chairman of the committee and Mr.A.Sudhakar Reddy and Mr.A.Tarun Reddy are the members of Audit Committee. The Committee met four times during the year under review on 29.06.2020, 13.08.2020, 10.11.2020 and 12.02.2021.

Pursuant to the provisions of the Companies Act, 2013, Mrs.A.Nina Reddy, Director retires by rotation and is eligible for reappointment. The Board has recommended her appointment and accordingly resolution seeking approval of the members for her appointment has been included in the notice of the forthcoming Annual General Meeting of the company along with her brief profile.

The Key Managerial Personnel of the company presently are Mr. A. Ravikumar Reddy, Managing Director, Mr. N. S. Mohan, Company Secretary and Mr. CH Mahesh Kumar, Chief Financial Officer.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

On the basis of internal financial controls and systems relating to compliance maintained by the company, work done by the internal, statutory and secretarial auditors, the reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the company's internal financial controls were adequate and effective during the financial year 2020-21.

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, and based on the representations received from the management, the directors hereby confirm that:

- i. In the preparation of the Annual Accounts for the year 2020-21, the applicable accounting standards have been followed and there are no material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2021 and of the loss of the company for that period;
- iii. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating properly;
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **INTERNAL CONTROL & SYSTEM**

The Company has internal control and systems commensurate with the size of the complexity of the business operations and it has well defined internal audit functions. For the purpose of independence, the internal audit dept. reports to Chairman of the Audit Committee and the Board of Directors.

## **VIGIL MECHANISM**

The company had established Vigil Mechanism for its Directors & employees to report their genuine concerns or grievances.

## **SECRETARIAL STANDARDS**

The company has complied with Secretarial Standards I & II issued by ICSI.

## **SECRETARIAL AUDITOR**

M/s. A.K.Jain Associates, Company Secretaries have been appointed as the Secretarial Auditor to carry out the Secretarial Audit for the year 2020-21. The Secretarial Audit Report given by them shall form part of this report.

## **STATUTORY AUDITORS**

In accordance with the provisions of Section 139 and 142 of the Companies Act, 2013, and the rules framed there under, M/s. S.Venkatram & Co., LLP, Chartered Accountants, 218 TTK Road, Chennai 600 018 were appointed as statutory auditors of the company for a period of 5 years to hold the office from the conclusion of the 48th Annual General Meeting of the company held on 11.08.2017 till the conclusion of the 53rd Annual General Meeting (AGM) on the remuneration as may be fixed by the Board of Directors of the company.

## **SIGNIFICANT AND MATERIAL ORDERS**

There were no significant and material orders passed by the regulators or courts or tribunals affecting the going concern status and future operations of the company during the year under review.

Further, the Bombay Stock Exchange Limited had withdrawn the fine of Rs.5,31,000/- levied on the company relating to non-compliance of the Board Composition under Regulation 17 of SEBI (LODR) Regulations, 2015, based on the submissions made by the company relating to compliance.

## **INDEPENDENT DIRECTORS DECLARATION**

Mr. A. Sudhakar Reddy and Mr. S. Sridhar Rao who are independent directors, have submitted a declaration that each of them meets the criteria of independence as provided in sub-section (6) of section 149 of the Act. Further, there is no change in their status as independent director during the year.

## **STATUTORY AND SECRETARIAL AUDITORS REPORT**

There are no qualifications, reservations or adverse remarks or disclaimers in the Statutory Auditors and Secretarial Auditors Report.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

The company has not borrowed any loan, has not given any guarantee and has not made any investment during the year under review

### **TRANSACTIONS WITH THE RELATED PARTIES**

All related party transactions that were entered into during the financial year were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations 2015.

Further all contracts or arrangements with related parties entered into during the financial year ended 31-3-2021 were on an arm's length basis and in the ordinary course of business. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 are furnished in Form AOC-2.

### **RISK MANAGEMENT**

The Board takes responsibility in overseeing the risk management plan for the company. The Risk Management Policy facilitates in identifying the risks associated with the operations of the company and in giving suitable measures/solutions to mitigate the same. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

### **CORPORATE SOCIAL RESPONSIBILITY.**

The CSR Policy of the company and the details about the initiatives taken by the company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in Annexure 1 to this Report. Further details of composition of the Corporate Social Responsibility Committee and other details are provided therein. During the year under review, the CSR Committee meetings were held on 29.06.2020, 13.08.2020, 10.11.2020 and 12.02.2021. The said CSR Policy is available in the Company's website and the link is [https://www.saverahotel.com/wp-content/uploads/2021/06/CSR\\_Policy.pdf](https://www.saverahotel.com/wp-content/uploads/2021/06/CSR_Policy.pdf) and [https://www.saverahotel.com/wp-content/uploads/2021/06/CSR-Members\\_.pdf](https://www.saverahotel.com/wp-content/uploads/2021/06/CSR-Members_.pdf).

### **NOMINATION AND REMUNERATION POLICY**

The company's policy on directors appointment and remuneration and other matters provided in section 178(3) of the Companies Act, 2013 has been disclosed in the corporate governance report, which forms part of the directors' report.

### **BOARD EVALUATION**

The performance evaluation of the Board as a whole, Board Committees, performance of non independent directors, and the performance of the Board Chairman were conducted and the same based on the questionnaire and feed back from all directors on the Board.



While undertaking the Board evaluation, the company also followed the required principles covered under the Guidance note issued by SEBI.

Important key criteria for performance evaluation are as follows.

### **DIRECTORS PERFORMANCE EVALUATION**

Attendance at Board or Committee Meetings

Contribution at Board or Committee Meetings

Guidance/support to management outside Board/Committee meetings.

Performance evaluation of Board and Committees

Structure of the Board and Board composition

Establishment and delineation of responsibilities to Committees.

Effectiveness of Board processes, information and functioning.

Board culture and dynamics

Quality of relationship between Board and management.

Efficacy of communication with external stakeholders.

### **LISTING**

The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE). and the listing fee is regularly paid by the company.

### **CORPORATE GOVERNANCE**

In terms of Regulation 34 (2) & (3) of SEBI (LODR) Regulations 2015, a report on Corporate Governance, the Practicing Company Secretary certificate on the compliance of conditions of Corporate Governance and the report on Management Discussion and Analysis form part of the Annual Report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The information required under Section 134 (3) (m) of the Act, read with the companies (Accounts) Rules 2014 is furnished hereunder.

For the eco practices, the company has changed almost 99% of its lighting with LED lights reducing power consumption by 85% and the heat emission energy becomes very low, thereby through the STP, the sewerage and sewage water is treated and the treated water is recirculated for flushing system, cooling towers and gardens.

The company also installed rain water harvesting system for collecting the rain water.

The company also installed organic waste convertor machine in which the organic wastes

are converted into composite manure.

Hotel being a service industry, technology absorption, transfer etc., are not applicable. The company had successfully implemented the GST E-invoicing for B2B companies. The company's IT wing did zero downtime resulting in fluid process at every level of operations. The company undertook measures to harden the IT infrastructure and design efficient work flow. The company is working tirelessly for clients to get seamless experience.

There were no earnings in convertible foreign exchange for the year. (Previous year Rs. 405.46 lakhs). Expenditure in Foreign Currency is Rs. 10.43 lakhs (Previous Year Rs. 56.67 lakhs).

### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has in place an Anti-Sexual harassment Policy in line with the requirement of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual and trainees ) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2020-21.

Number of complaint received during the year	– NIL
Number of Complaint disposed of during the year	– NIL

### **THE ANNUAL RETURN**

A copy of the Annual Return 2019-20 is placed on the website of the company and can be accessed via weblink [https://www.saverahotel.com/Form\\_MGT7.pdf](https://www.saverahotel.com/Form_MGT7.pdf).

### **PARTICULARS OF EMPLOYEES**

The information required under section 197(12) of the Act, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in the Annexure 2 to this report

Your directors wish to place on record their appreciation for the good services rendered by the employees at all levels of the company.

### **DETAILS IN RESPECT OF FRAUDS.**

There are no frauds as reported by the Statutory Auditors in Sl. No. 10 of Annexure 'A' to the Independent Auditors Report.

**GENERAL :**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

Issue of equity shares with differential rights as to dividend, voting or otherwise

Issue of shares (including sweat equity shares) to employees of the company under any scheme.

**ACKNOWLEDGEMENTS**

The directors would like to thank the Central Bank of India, and other financial institutions for extending their financial support. They further express their thanks to the Central Government, State Government and other stakeholders for their patronage, support and guidance.

FOR AND ON BEHALF OF THE BOARD

CHENNAI  
28<sup>th</sup> June, 2021

**A.Ravikumar Reddy**  
Managing Director

**A.Nina Reddy**  
Joint Managing Director

## AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

- 1 Details of Contracts or arrangements or transactions not at arm's length basis : Nil
- 2 Details of Materials Contracts or arrangements or transactions at arm's length basis :

(a)	Names of the related party and nature of relationship	M/S. Shyam Hotels & Restaurants, a partnership Firm. - Promoter Directors are interested	M/s. Amaravathi Restaurants Pvt Ltd. - Promoter Directors are interested	M/s. Amaravathi Restaurants Pvt Ltd. - Promoter Directors are interested	M/s. Amaravathi Restaurants Pvt Ltd. - Promoter Directors are interested	M/s. Nivi Enterprises, Partnership Firm - Promoter Directors Mrs.A.Nina Reddy & Mrs.A.Nivruti are interested
(b)	Nature of Contract / arrangements / transactions	Renewal of Contract for supply of packaged drinking water to the company	Renewal of Franchise Contract using the Trade Mark "Malgudi" for the Restaurant of the company	The company took the various brands owned by the Amaravathi Restaurants Pvt Ltd on Franchise basis as a Master Franchisee to use the trade marks for its own use and also will look for the suitable franchisee for the franchise of such brands-	Uninterrupted supply and best quality of Pickles, Sweets, Food items and Bakery items to the company for the value not exceeding Rs. 40.00 lakhs per financial year.	Entering into a contract for the supply of the best quality of Fruits & Vegetables, Coco Nuts, Rice, Millets, Dhalls & Nursery plants and all other related items.
(c)	Duration of Contract / arrangements / transactions	Contract for a period of 3 years from 5.11.2020 to 4.11.2023	Franchise Contract for a period of 3 years from 5.11.2020 to 4.11.2023	Duration 10 years and renewable as may be decided by M/s. Amaravathi Restaurants Pvt Ltd.	Duration of 3 years from 12.11.2019 to 11.11.2022.	Contract for a period of 3 years with effect from 10.11.2020 to 09.11.2023

(d)	Salient terms of the contract / arrangements / transactions including the value, if any.	Supply of packaged drinking water to the company not exceeding Rs.45.00 lakhs in value per financial year	(1) Franchisee fee for use of the said trade mark is 3% on each month sales exclusive of GST but subject to deduction of tax at source  (2) On account of Covid 19 Pandemic situation, the company's (The Master Franchisee) restaurant business was affected badly and on the request of the Master Franchisee to the Brand Owner, the Brand Owner waived the royalty of 3% on sales for the use of "Maigudi" trade mark for the financial year 2020-21 and the Board of Master Franchisee approved the same at its meeting held on 12-02-2021.	<p>"The following was included as Clause 16 in the s Master Franchise Agreement dt. 21.12.2016 by entering supplementary agreement dt.21.01.2021 and the same was approved by the Board of Directors at their meeting held on 12.2.2021 <b>Clause 16 as included to the Master Franchise Agreement dated 21.12.2016</b> Clause 16: Notwithstanding anything contained in the prospective Franchisee, who does not require the services of Master Franchisee, desires to have a Franchise Agreement directly with the Brand Owner i.e. Amaravathi Restaurants Private Limited and also in cases where the Brand Owner desires to have Franchise Agreement directly with the prospective Franchisee, in both the cases, the Master Franchisee i.e. Savera Industries Limited has no objection for any Franchise Agreements to be entered into between the Franchisee and the Brand Owner on the terms and conditions mutually agreed between themselves.</p> <p>The existing clause relating to royalty in the said Master Franchise agreement was amended as follows by the Board of Directors at their meeting held on 12.2.2021. <b>REVISED CLAUSE:</b> The Royalty collected from the franchisee by the Master Franchisee shall be shared between the Master Franchisee and the Brand Owner in the ratio of 50 : 50 for another period from 1.3.2021 to 20.12.2021. Further, it is expressly clarified that where Savera Industries Limited is not a party to the agreement, no royalty is payable to Savera Industries Limited by Amaravathi Restaurants Pvt Ltd.</p>	The management of Savera Industries Limited in a regular course of business, is proposing to buy for its own use the Fruits & Vegetables, Coco Nuts, Rice, Millets and Dhalls & Nursery plants and all other related items. In this regard, M/s. Nivi Enterprises intends to sell the Fruits & Vegetables, Coco Nuts, Rice, Millets and Dhalls & Nursery plants and all other related items to the prevailing market price for the value not exceeding Rs.40.00 lakhs per financial year.	The management of Savera Industries Limited in a regular course of business, is proposing to buy for its own use the Fruits & Vegetables, Coco Nuts, Rice, Millets and Dhalls & Nursery plants and all other related items. In this regard, M/s. Nivi Enterprises intends to sell the Fruits & Vegetables, Coco Nuts, Rice, Millets and Dhalls & Nursery plants and all other related items to the prevailing market price not exceeding Rs.10 lakhs in value per financial year.
(e)	Justification for entering into such contracts / arrangements / transactions	Uninterrupted supply of the best quality water at a competitive rate prevailing in the market	In Restaurants Business the brand equity image is one of the main factors, which attract the public with pre-determined assumption of taste and service.	As this clause is beneficial to the both the parties, the Brand Owner and Master Franchisee agreed for the above additional clause included in the Master Franchise Agreement dt. 21.12.2016	Uninterrupted supply of the best quality Vegetables, Coco Nuts, Rice, Millets, Dhalls & Nursery plants and all other related items at a competitive rate prevailing in the market.	Uninterrupted supply of the best quality of Fruits & Vegetables, Coco Nuts, Rice, Millets, Dhalls & Nursery plants and all other related items at a competitive rate prevailing in the market.
(f)	Date of approval by the Board if any	10.11.2020	(1) 10.11.2020 (2) 12.02.2021	12.02.2021	14.11.2019	10.11.2020
(g)	Amount paid as advances, if any	NIL	NIL	NIL	NIL	NIL

Place : Chennai  
Date : 28.06.2021

**A.Ravikumar Reddy**  
Managing Director

**A.Nina Reddy**  
Joint Managing Director



## **ANNUAL REPORT ON CSR ACTIVITIES**

(included in the board's report for financial year ended 31.3.2021)

### **1. Brief outline on CSR Policy of the Company.**

The company's objective is to manage the business processes to produce an overall positive impact on our society and create wellness. Taking corporate social responsibility ('CSR') as a strategic social investment, the company aims to integrate its resources with society's development needs for better future. For achieving the company's objective, vision and mission, the CSR activities are being undertaken by the company independently. The activities are centred on education and skills development to the under privileged. The company's activities will be carried out in promoting education to the under-privileged. Besides, the company undertakes activities in the area

- 1) Relating to eradicating hunger, poverty and malnutrition (promoting health care including preventive health care) and sanitation including contribution to the Swach Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.
- 2) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 3) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- 4) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.
- 5) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts.
- 6) Measures for the benefit of armed forces veterans, war widows and their dependents.
- 7) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
- 8) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of

the Scheduled Castes, the Scheduled Tribes and other backward classes, minorities and women.

- 9) Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- 10) Rural development projects.
- 11) Slum area development.”
- 12) Giving coaching, training relating to the hospitality & hoteliering to the students who failed in 10th, 12th std., discontinued the diploma courses, discontinued undergraduates seeking knowledge in hospitality.(age limit is between 17 to 28).
- 13) Helping the poor & needy people for education, irrespective of the course.
- 14) Provides food and snacks to the students in schools & institutions.
- 15) Providing food for differently abled person
- 16) Disaster relief
- 17) Measures for reducing inequalities faced by socially & economically backward groups.
- 18) Helping for Covid 19 (promoting health care including preventing health care)

## 2. Composition of CSR Committee:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	A. Ravikumar Reddy	Managing Director	4	4
2.	A. Nina Reddy	Wholetime Director	4	3
3.	A. Sudhakar Reddy	Independent Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

[https://www.saverahotel.com/wp-content/uploads/2021/06/CSR\\_Policy.pdf](https://www.saverahotel.com/wp-content/uploads/2021/06/CSR_Policy.pdf)

[https://www.saverahotel.com/wp-content/uploads/2021/06/CSR\\_Members.pdf](https://www.saverahotel.com/wp-content/uploads/2021/06/CSR_Members.pdf)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach thereport).

Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.	2017-18	-	-
2.	2018-19	-	-
3.	2019-20	-	-
	<b>TOTAL</b>		

6. Average net profit of the company as per section 135(5). Rs.769.88 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5) Rs. 15.40 lakhs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. ----
- (c) Amount required to be set off for the financial year, If any, -----
- (d) Total CSR obligation for the financial year (7a+7b- 7c). Rs.15.40 lakhs
8. (a) CSR amount spent or unspent for the financial year 2020-21 - NIL

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
				Local area (Yes/No)	Location of the project						Name	CSR Registration number
				State	District							
1.	NA											
2.	NA											
3.	NA											
	TOTAL											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				Local area (Yes/No)	Location of the project			Name	CSR Registration number
				State	District				
1.	Promoting Health Care								
2.	Environmental sustainability								
	TOTAL								

## SAVERA INDUSTRIES LIMITED

- (d) Amount spent in Administrative Overheads -----
- (e) Amount spent on Impact Assessment, If applicable - -----
- (f) Total amount spent for the Financial Year-(8b+8c+8d+8e) -----
- (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	-----
(ii)	Total amount spent for the Financial Year	-----
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-----
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-----
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-----

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in lakhs.)	Amount spent in the reporting Financial Year (in lakhs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs lakhs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1.	2017-18	Nil	12.14				1.27
2.	2018-19	Nil	Nil				Nil
3.	2019-20	Nil	Nil				Nil
	TOTAL						

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing.
1.	NA							
2.	NA							
3.	NA							
	TOTAL							

10. In case of creation or acquisition of capital assets, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details) Not Applicable.
- (a) Date of Creation or acquisition of the capital asset(s) Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset Not Applicable
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135 (5) Spent 2% of the net profit

**A.Nina Reddy**  
Chairman of the CSR Committee

**A. Ravikumar Reddy**  
Managing Director



**ANNEXURE – 2****Particulars of Remuneration**

The information required under section 197 of the Act and the rules made thereunder in respect of employees of the company is as follows :

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.

Explanation (a) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of the finite list of numbers may be found by arranging all the observations from lowest value to higher value and picking the middle one : (b) if there is an even number of observations, the median shall be the average of the two middle values.

Mr. A. Ravikumar Reddy, Managing Director	Mrs. A. Nina Reddy, Joint Managing Director
1 : 77.31	1 : 77.31

- b) The percentage increase in remuneration of each Director, Chief Financial officer, Company Secretary if any in the financial year.

The percentage increase in remuneration of the Managing Director and Joint Managing Director during the financial year 2020-21 is furnished below :

<b>Name of the person</b>	<b>% decrease in remuneration</b>
Mr. A. Ravikumar Reddy	17.94%
Mrs. A. Nina Reddy	17.94%

The percentage decrease in remuneration of the Chief Financial Officer (CFO) is 38.21%. The percentage increase in the remuneration of the Company Secretary is 1.4%.

- c) The percentage increase in the median remuneration of employees in the financial year : -3.29%
- d) The number of permanent employees on the rolls of the company : 576

- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there any exceptional circumstances for increase in the managerial remuneration: The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 53.12% as compared to the decrease of 17.94% to the Managing Director and 17.94% to the Joint Managing Director. The increment given to each individual employee is based on the employees' profile, experience and also their performance and contribution to the company's growth over a period of time and also considering the inflationary conditions.
- f) Affirmation that the remuneration is as per the remuneration policy of the company.

It is affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees, approved and adopted by the company

- 
- (A) No employee had drawn remuneration during the year 2020-21 in excess of Rs.1,02,00,000/- (Rs.8,50,000/- per month) in pursuance of Rule 5 (2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.
-

(B) Statement showing the details of top 10 employees of the company in terms of remuneration drawn during 2020-21.

**TOP 10 EMPLOYEES OF THE COMPANY**

( In ₹ )

i	Name of the Employee	Nina Reddy. A	Ravikumar Reddy. A	Mohan. N. S	Radhish Kumar. B	Viveka nandan. K	B. Kumar	Mohana Krishnan. A.K	D Sampath Kumar	A. Jesu Santiagu Lambert	CH Mahesh Kumar
ii	Designation	Joint Managing Director	Managing Director	Company Secretary	GM-HR & Admn	GM - Operations	Corporate Purchase Manager	GM - Food - R & D	F & B Manager	Executive Chef	Chief Financial Officer
iii	Remuneration received in ₹	4185000	4185000	2234444	937576	791822	791487	766165	689466	588359	576568
iv	Nature of employment (whether contractual or otherwise)	Contractual	Contractual	Regular	Regular	Regular	Regular	Regular	Regular	Regular	Regular
v	Qualification and experience of the employee	B.A., D.D., DIC.&HK - 23 years	B.E. (Mechanical) 37 years	M.Com., MBA., FCS, BGL, PGDFM - 27 years	BA, PG D PM, PG D IR, BGL, MA - 32 years	B.Sc - 40 years	M.Com, MHRM - 30 Years	DHIMCT - 32 years	B.Sc - Hotel and Catering Management 23 years	DHIMCT, MB APGDHRM, BBA - 20 Years	B.Com - 21 Years
vi	Date of commencement of employment	28.10.2003	28.09.1999	06-05-2011	03-11-1993	01-10-2010	01-05-1993	01-10-1993	14-08-2006	02-11-2016	01-07-2004
vii	Age of the employee	61	64	57	53	57	52	52	44	40	40
viii	Last employment held by such employee before joining the company	-	-	Tamilnad Mercantile Bank Ltd	US Consulate, Chennai	Jayam Software	Surgical Company Rehaja Complex	Taj airport catering	Le Royal Meridian Hotel, Chennai	GRT Hotels	Anaravathy Enterprises
ix	Percentage of Equity shares held by the Employee in the company	17.57	13.45	-	-	-	-	-	-	-	-
x	Whether any such employee is a relative of any Director or Manager of the company and if so, name of such Director or Manager	Mrs.A.Nina Reddy is the mother of Ms.A.Nivruti, Director	Mr.A.Ravikumar Reddy is the father of Mr.A.Tarun Reddy, Director and brother-in-law of Mrs.A. Nina Reddy	No	No	No	No	No	No	No	No

**Form No. MR.3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021

[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]

To,  
The Members  
Savera Industries Limited  
146 Dr.Radhakrishnan Road,  
Mylapore, Chennai - 600 004.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAVERA INDUSTRIES LIMITED** [CIN: L55101TN1969PLC005768] (hereinafter called 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and rules made thereunder;
- (iii) The Depositories Act, 1996 and regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct and External Commercial Borrowings, if any.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
- (iv) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit period)**
- (v) The Securities and Exchange Board of India (Issue and Listing of debt securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
- (vi) 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;
- (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period)** and
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit period).**
- (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further report that the following are the other laws specifically applicable to the Company:

1. Food Safety and Standards Act, 2006 and the rules made thereunder.
2. Prevention of Food Adulteration Act, 1954.
3. Water Prevention and Control of Pollution Act, 1974.
4. Air Prevention and Control of Pollution Act, 1981.
5. Tamil Nadu Catering Establishment Act, 1958.
6. Contract Labour Act, 1970.
7. Trade Union Act, 1926.

We further report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under our audit as the same falls under the review of statutory audit and by other designated professionals.

We have also examined the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that:

- i) the board of directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and Independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii) 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 and other business which are not included in the Agenda are considered under any other matters.
- iii) all the decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- iv) 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.

We further report that the Company has received a communication from BSE Limited on 16.04.2021 withdrawing the fine levied by them for non-compliance of Regulation 17 of SEBI (LODR) Regulations, 2015 for the quarter ended 31.03.2019

We further report that during the audit period, there were no instances of:

- (i) Public / Right / Preferential issue of shares / debentures / sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Foreign technical collaborations.
- (iv) Merger/Amalgamation / Reconstruction, etc.

For **A K JAIN & ASSOCIATES**  
Company Secretaries

**PANKAJ MEHTA**

Partner

M.No.A29407

C.P. No. 10598

UDIN: A029407C000411371

Place: Chennai  
Date: 02.06.2021



## **ANNEXURE A to Form No. MR-3**

To,  
The Members  
Savera Industries Limited  
No. 146, Dr. Radhakrishanan Road,  
Mylapore, Chennai – 600004

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

1. 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 audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards are 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 the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For A K JAIN & ASSOCIATES**  
Company Secretaries

Place: Chennai  
Date: 02.06.2021

**PANKAJ MEHTA**  
Partner  
M.No.A29407  
C.P. No. 10598  
UDIN: A029407C000411371

## REPORT ON CORPORATE GOVERNANCE

*(Annexure to the Report of the Directors)*

1. The basic objective of Corporate Governance Policies adopted by the company, is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with the statutory requirement, but also to go beyond by putting in place procedures and systems, which are in accordance with best practices of governance. Your company believes that good corporate governance enhances the trust and confidence of all stakeholders. Good practice in corporate behaviour helps to enhance and maintain public trust in companies and stock market.

Your company reviews its Corporate Governance practices to ensure that they reflect the latest developments in the corporate arena and thus positioning itself to confirm to the best corporate governance practices. Your company is committed to pursue excellence in all its activities and maximise its shareholders wealth.

The company's Corporate Governance policies and practices focus on the following principles.

- 1) To recognise the respective roles and responsibilities of the Board and Management.
- 2) To achieve the highest degree of transparency by maintaining high degree of disclosure levels.
- 3) To ensure and maintain high ethical standards in its functioning.
- 4) To give the highest importance to investors relations.
- 5) To ensure a sound system of risk management and internal controls.
- 6) To ensure that employees of the company subscribe to the corporate values and apply them in their conduct.
- 7) To ensure that the decision making process is fair and transparent.
- 8) To ensure that the company follows globally recognised corporate governance practices.

The company reports the following compliance of Corporate Governance for the financial year 2020-21.

### **2. Board of Directors**

- a. The composition of the Board is broad based and comprises of Executive, Non-Executive and Independent Directors. Totally there are two independent directors and four promoter directors.

- b. Attendance of Directors at the Board Meeting held during financial year 2020-21 and last AGM is given below.

Sl. No.	Name of the Directors	No. of Board Meetings held	No. of Board meeting attended	Last AGM Present/ Absent
1	Mr. A. Ravikumar Reddy	4	4	Present at the Regd Office
2	Mrs. A. Nina Reddy	4	4	Present at the Regd Office
3	Mr. A. Tarun Reddy	4	4	Present through online
4	Mrs. A. Nivruti	4	4	Present through online
5	Mr. A. Sudhakar Reddy	4	4	Present at the Regd Office
6	Mr.S.Sridhara Rao	4	4	Present at the Regd Office

- c. Number of other Board of Directors or Committee in which a director is a member or Chairperson.

Sl. No.	Name of the Director	Other Companies Directorship	Other Companies Committees membership	Name of the Listed Entities where the person is a Director	Category in Saver Industries Ltd
1	Mr.A.Ravikumar Reddy	5	Nil	Savera Industries Limited	Executive
2	Mrs.A.Nina Reddy	4	NIL	Savera Industries Limited	Executive
3	Mr.A.Tarun Reddy	3	Nil	Savera Industries Limited	Non Executive
4	Mrs.A.Nivruti	2	NIL	Savera Industries Limited	Non Executive
5	Mr.A.Sudhakar Reddy	-	-	Savera Industries Limited	Non Executive - Independent
6	Mr.S.Sridhara Rao	-	-	Savera Industries Limited	Non Executive - Independent

- d. The Board of the Company has also the various specialised committees constituted by it. Totally four meetings of the Board were held and the gap between two meetings did not exceed one hundred twenty days. The date on which the said meetings were held on 29.06.2020, 13.08.2020, 10.11.2020 and 12.02.2021 during the financial year 2020-21.

## e. Disclosure of relationships between directors inter-se

Promoter Directors : Mr.A.Ravikumar Reddy, Managing Director is the father of Mr.A.Tarun Reddy who is also one of the directors of the company. Mrs.A.Nina Reddy, Joint Managing Director is the mother of Mrs.A.Nivruti, who is also one of the directors of the company. Mr.A.Ravikumar Reddy, Managing Director is the brother-in-law of Mrs.A.Nina Reddy, Joint Managing Director.

## f. Number of shares held by the Non Executive Directors.

Non - Executive Directors	No. of shares held
Mr. A. Tarun Reddy	432800
Mrs. A. Nivruti	291820
Mr. A. Sudhakar Reddy	580
Mr. S. Sridhara Rao	Nil

## g. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company.

## h. During the year a separate meeting of the independent directors was held inter-alia to review the performance of non-independent directors and the board as a whole, to review the performance of the Chairperson of the company taking into account the view of executive directors and non- executive directors and to assess the quality quantity and timeliness of flow of information between the company management and the board that is necessary for the board to effectively and reasonably perform their duties.

## i. The Board periodically reviews compliance of all laws applicable to the company.

## j. Chart setting out The Skills / Expertise / Competence of the Board of Directors.

S.No	Name of Directors	The Skills / Expertise / Competence
1	Mr.A.Ravikumar Reddy	Sri.A.Ravikumar Reddy is a qualified Engineer with an experience of 36 years in hotel industry. He is aged about 64 years. He devoted himself in the day today affairs of the management of the company. He is the present Managing Director of the company
2	Mrs.A.Nina Reddy	Mrs.A.Nina Reddy possesses BA., DID., DCI & HK and particularly specialization in Interior Decoration and House Keeping. She is the present Joint Managing Director of the Company and devoted herself in the day today affairs of the management of the company.
3	Mr.A.Sudhakar Reddy	Mr.A.Sudhakar Reddy, ia a Graduate and having rich experience in hoteliering business for more than two and half decades.
4	Mr.S.Sridhara Rao	Mr.S.Sridhara Rao is an eminent Chartered Accountant and he is in practice for more than two decades.

5	Mr.A.Tarun Reddy	Mr.A.Tarun Reddy is a B.Tech (Industrial Bio-Tech), PGDHM (S.H.M.S, Switzerland) is an Engineer and has good experience in hotel industry for more than 14 years. He is a dynamic and innovative person
6	Mrs.A.Nivruti	Ms A. Nivruti is a BSc Management (Hons) Graduate from Warwick Univeristy, London, UK and has a rich exposure in hotel industry for more than 14 years. She is a creative and energetic executive.

k. Confirmation :

The company confirms that in the opinion of the Board, the independent Directors fulfill the conditions specified in these regulations and are independent of the management.

- l. The required information is circulated to the Directors, including the non-executive directors who have actively participated in the deliberations of the Board.
- m. The company has two independent directors as at 31.3.2021 They are seniors and professionals knowing about the company, nature of industry and business model. The company has issued to them appointment order specifically defining their roles, rights & responsibilities in the company
- n. Independent Directors :

Independent Directors are not related to any director in any way

**3. Audit Committee**

The Company's Audit Committee is constituted in line with the regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It comprises entirely of Independent Directors and Non- Executive Director. Each member of the committee has the relevant experience in the field of finance and accounting. The Chairman of the Audit Committee is Mr.S.Sridhara Rao, Chartered Accountant. The primary objective of the Audit Committee is to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee are broadly as under :

Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

Recommendation for appointment, remuneration and terms of appointment of auditors of the company.

Approval of payment of statutory auditors for any other services rendered by the statutory auditors.

Reviewing with the management the annual financial statements and auditor's 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 the 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) Qualifications in the draft audit report.
  - Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
  - Reviewing with the management the statement of uses/application of funds raised through an issue (public, rights issue, preferential issue), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public and making appropriate recommendations to the Board to take up steps in this matter.
  - Reviewing and monitoring auditor's independence and performance and effectiveness of audits process;
  - Approval or any subsequent modification of transactions of the company with related parties.
  - Scrutiny of inter-corporate loans and investments.
  - Valuation of undertakings or assets of the company, wherever it is necessary.
  - Evaluation of internal financial controls and risk management systems.
  - Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - Discussion with internal auditors of any significant findings and follow up thereon.
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders ( in case of non-payment of declared dividends) and creditors.



- To review the functioning of the Whistle Blower Mechanism.
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc., of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The Audit Committee meetings held on 29.06.2020, 13.08.2020, 10.11.2020 and 12.02.2021 during the financial year 2020-21 The attendance of Members at the Audit Committee meeting held during financial year 2020-21 is furnished hereunder.

S. No.	Name of the members	Category	Number of meetings during the year 2020-21	
			Held	Attended
1	Mr.S.Sridhara Rao Chairperson	Independent & Non Executive	4	4
2	Mr.A.Sudhakar Reddy	Independent & Non Executive	4	4
3	Mr.A.Tarun Reddy	Non independent & Non Executive	4	4

#### 4 & 5 Nomination and Remuneration Committee

In line with the provisions of section 178 of the Companies Act, 2013, the company has the Nomination and Remuneration Committee with the following members, whose attendance was also furnished. The Nomination and Remuneration Committee meetings were held on 29.06.2020, 10.11.2020, 12.02.2021 during the financial year 2020-21.

S.No.	Name of the members	Category	No. of meeting held	Meeting attended
1	Mr.S.Sridhara Rao	Independent & Non Executive	3	3
2	Mr.A.Sudhakar Reddy	Independent & Non Executive	3	3
3	Mr.A.Tarun Reddy	Non Independent & Non Executive	3	3

The Chairman of the Nomination and Remuneration Committee is Mr.S.Sridhara Rao.

The terms of reference of the Committee include inter-alia the following.

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of independent directors and the Board.

- c) Devising a policy on Board diversity
- d) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

#### Extract of the Nomination and Remuneration Policy

The committee shall evaluate the performance of the Managing Director by setting his key performance indicators at the beginning of each financial year. The committee shall ensure that his key performance indicators are aligned with the goals of the Company. The committee shall also approve the compensation package of the Managing Director and Whole-time Director. The compensation structure shall include basic salary, perquisites, commission, etc. The committee shall ensure that the compensation packages are in accordance with applicable law, in line with the Company's objectives, shareholders' interest, with industry standards and have an adequate balance between fixed and variable component. All the recommendations of the committee shall be referred to the Board for approval. The committee shall evaluate the performance of the senior management personnel of the Company. The committee shall also provide an overview of the remuneration payable to key managerial persons as defined under the Act and senior management of the Company. The committee shall ensure that the remuneration to the key managerial persons and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Committee shall determine the Commission payable to the Non-Executive Directors after taking into the account their role for the decision making at meetings of the Board / Committees participation and time spent as well as providing major inputs and supporting highest level of Corporate Governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company as per the provisions of the Companies Act, 2013 and rules made thereunder,

The details of remuneration paid to the Executive and Non Executive Directors are given below :

S. No.	Name of the Directors	Category of Director	Salary Per annum	Bonus Stock Option, Pension Retirement Benefits etc	Sittings Fees for Board / Committee Meeting
1.	Mr. A. Ravikumar Reddy	MD - Executive	41,85,000	Nil	Nil
2.	Mrs. A. Nina Reddy	JMD - Executive	41,85,000	Nil	Nil
3.	Mr. A. Tarun Reddy	Non - Executive	Nil	Nil	30,000
4.	Ms. A. Nivruti	Non - Executive	Nil	Nil	20,000
5.	Mr. A. Sudhakar Reddy	Non - Executive	Nil	Nil	30,000
6.	Mr. S. Sridhara Rao	Non - Executive	Nil	Nil	45,000

Further, as required under the provisions of Schedule V of the Companies Act, 2013 in relation to revision in remuneration to Mr.A.Ravikumar Reddy, Managing Director and Mrs.A.Nina Reddy, Joint Managing Director which was approved by the Board in its meeting held on 29.6.2020 and approved by the shareholders in 51st AGM of the company on 21.09.2020 the following disclosures are furnished .

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors

The Board at its meeting held on 29th June, 2020 and the shareholders in 51st AGM of the company held on 21.09.2020 approved the revision in remuneration to Mr. A. Ravikumar Reddy, Managing Director, and Mrs. A. Nina Reddy, Joint Managing Director, of the sum not exceeding Rs.90 lakhs per financial year when the company has no profits or its profits are inadequate or the sum equivalent to 7.5% of the net profit of the company for each financial year computed in the manner prescribed under the provisions of section 198 of the Companies Act, 2013, whichever is higher for a period of three years with effect from 1-4-2020 to 31-03-2023. Other four directors are only paid sitting fees for attending the Board and Committee Meetings.

(ii) Details of fixed component. and performance linked incentives along with the performance criteria:

The remuneration being paid to Mr. A. Ravikumar Reddy, Managing Director and Mrs. A. Nina Reddy, Joint Managing Director is fixed component. There is no performance linked incentives for them.

(iii) service contracts, notice period, severance fees:

As far as service contract is concerned, the Managing Director Mr. A. Ravikumar Reddy, was appointed for a period of 5 years from 1-2-2019 to 31-01-2024 as per the Special Resolution which was passed by the members on 9th January 2019. Similarly, the Joint Managing Director Mrs.A.Nina Reddy was appointed for a period of 5 years from 28-10-2018 to 27-10-2023 as per the Special Resolution which was passed by the members on 9th January, 2019.

There is no notice period and severance fees for the Managing Director and Joint Managing Director.

(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

The company has not issued any stock option during the year under review.

## **6. Stakeholders Relationship Committee**

The company has the Stakeholders Relationship Committee (SRC) both in compliance with corporate governance requirements and section 178 (5) of the Companies Act, 2013. The committee consists of the following members. The meeting of the Stakeholders Relationship Committee (SRC) was held on 12.02.2021.

Sl. No.	Name of the Members	Category	No. of meetings held	No. of meetings attended
1	Mr. A. Tarun Reddy	Chairperson	1	1
2	Mr. A. Sudhakar Reddy	Member	1	1
3	*Mr. A. Ravikumar Reddy	Member	1	-
4	*Mrs. A. Nivruti	Member	1	-

\*Leave of absence was granted.

#### Roles and Powers:

The Stakeholders Relationship Committee shall consider and resolve the grievances of the security holders of the company including complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, regarding the matter on the issue of the duplicate share certificates

- i. Name of non-executive director heading the committee: Mr. A. Tarun Reddy,
- ii. Name and Designation of the Compliance Officer :Mr.N.S.Mohan, Company Secretary, and is also the Secretary to all the committees.
- iii. Number of shareholders complaints received so far.

Number of Complaints received during the year	Number of complaints solved to the satisfaction of shareholder	Number of pending complaints
-	-	-

#### (a) Share Transfer Committee

The transfer deed requests received by the company are processed and transferred within the stipulated period. No valid transfer request remained pending for transfer to the transferees as on 31.03.2021. All requests for dematerialisation of shares are processed and confirmed through the concerned depository. Attendance of Members at the Meetings of the Share Transfer Committee held during the financial year 2020-21 is furnished hereunder. No sitting fees were paid to the members of the Share Transfer Committee to attend the meeting.

Sl. No.	Name of the Members	No. of meetings held	No. of meetings attended
1	Mr.A.Ravikumar Reddy - Chairman	3	3
2	Mr.A.Sudhakar Reddy	3	3

**(b) Reconciliation of Share Capital Audit**

The reconciliation of share capital held in depositories and in physical form with the issued / listed capital of the company was carried out by M/s. A K Jain & Associates, Company Secretaries for the year 2020-21. The reconciliation of share capital audit report was placed before the Board and submitted to the stock exchanges where the company's shares are listed.

**7. General Body Meetings**

**Location and time for the last three Annual General Meetings and the details of the special resolutions passed :**

For the financial year	Venue	Date	Time	Special Resolutions
2017-18	The Music Academy, No.168, T.T.K. Road, Chennai - 600 014.	20.09.2018	03.00 PM	Nil
2018-19	The Music Academy, No.168, T.T.K. Road, Chennai - 600 014.	05.09.2019	03.15 PM	Re-appointment of Mr. A. Sudhakar Reddy as an Independent Director.
2019-20	Through Video Conferencing /Other Audio Visual Means	21.09.2020	3.00 PM	<ol style="list-style-type: none"> <li>1. Revision in remuneration of Mr. A. Ravikumar Reddy, Managing Director</li> <li>2. Revision in remuneration of Mrs. A. Nina Reddy, Joint Managing Director</li> </ol>

The Resolutions of 51st Annual General Meeting held on 21-09-2020 were passed by means of remote E-Voting and the e-voting cast by the members of the company at the time of the meeting. The resolutions were passed with requisite majority.

The Chairman of the Audit Committee Mr. S.Sridhara Rao attended the Annual General Meeting held on 21.09.2020.

**8. Details of Postal Ballot Process conducted during the year 2020-21**

During the year under review, the Company has not conducted any "Postal Ballot" under Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014.

As of now, there is no proposal to pass Special Resolution through Postal Ballot Process

### **Procedure of Postal Ballot.**

#### Procedure to be Followed for Conducting Business Through Postal Ballot

- a. To send a notice to all the shareholders, along with a draft resolution explaining the reasons therefor and requesting them to send their assent or dissent in writing on a postal ballot because postal ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice.
- b. The notice shall be sent either (a) by Registered Post or speed post, or (b) through electronic means like registered e-mail id or (c) through courier service for facilitating the communication of the assent or dissent of the shareholder to the resolution within the said period of thirty days.
- c. An advertisement shall be published at least once in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated, and having a wide circulation in that district, and at least once in English language in an English newspaper having a wide circulation in that district, about having dispatched the ballot papers and specifying therein, inter alia, the following matters, namely:-
  - i. a statement to the effect that the business is to be transacted by postal ballot which includes voting by electronic means;
  - ii. the date of completion of dispatch of notices;
  - iii. the date of commencement of voting;
  - iv. the date of end of voting;
  - v. the statement that any postal ballot received from the member beyond the said date will not be valid and voting whether by post or by electronic means shall not be allowed beyond the said date;
  - vi. a statement to the effect that members, who have not received postal ballot forms may apply to the company and obtain a duplicate thereof; and
  - vii. contact details of the person responsible to address the grievances connected with the voting by postal ballot including voting by electronic means.
- d. The notice of the postal ballot shall also be placed on the website of the company forthwith after the notice is sent to the members and such notice shall remain on such website till the last date for receipt of the postal ballots from the members.
- e. The Board of directors shall appoint one scrutinizer, who is not in employment of the company and who, in the opinion of the Board can conduct the postal ballot voting process in a fair and transparent manner.
- f. The scrutinizer shall be willing to be appointed and be available for the purpose of ascertaining the requisite majority.
- g. Postal ballot received back from the shareholders shall be kept in the safe custody of the scrutinizer and after the receipt of assent or dissent of the shareholder in writing on a postal ballot, no person shall deface or destroy the ballot paper or declare the identity of the shareholder.

- h. The scrutinizer shall submit his report as soon as possible after the last date of receipt of postal ballots but not later than seven days thereof;
- i. The scrutinizer shall maintain a register either manually or electronically to record their assent or dissent received, mentioning the particulars of name, address, folio number or client ID of the shareholder, number of shares held by them, nominal value of such shares, whether the shares have differential voting rights, if any, details of postal ballots which are received in defaced or mutilated form and postal ballot forms which are invalid.
- j. The postal ballot and all other papers relating to postal ballot including voting by electronic means, shall be under the safe custody of the scrutinizer till the chairman considers, approves and signs the minutes and thereafter, the scrutinizer shall return the ballot papers and other related papers or register to the company who shall preserve such ballot papers and other related papers or register safely.
- k. The assent or dissent received after thirty days from the date of issue of notice shall be treated as if reply from the member has not been received.
- l. The results shall be declared by placing it, along with the scrutinizer's report, on the website of the company.

#### **9. Means of Communication :**

Financial results, quarterly/half yearly results, are published within the stipulated period in English and vernacular newspapers. Address of our official website is [www.saverahotel.com](http://www.saverahotel.com) where the above information is also displayed. E-Mail ID for the Investor Grievance is [cs@saverahotel.com](mailto:cs@saverahotel.com). The Shareholders can send their grievances to this exclusive E-Mail ID. And also shareholders can send their grievances through <http://scores.gov.in> Sebi COmplaints REdress System.

The company presents all the relevant information to the Stock Exchanges from time to time as stipulated under the SEBI (LODR) Regulations, 2015.

#### **10. General shareholder information**

- a) 52nd Annual General Meeting of the Company for the financial year 2020-21 will be held on Friday, the 24th September, 2021 at 2.45 p.m. through Video Conferencing Mode.

#### **b) Financial Calendar for the year 2021-22 (Tentative)**

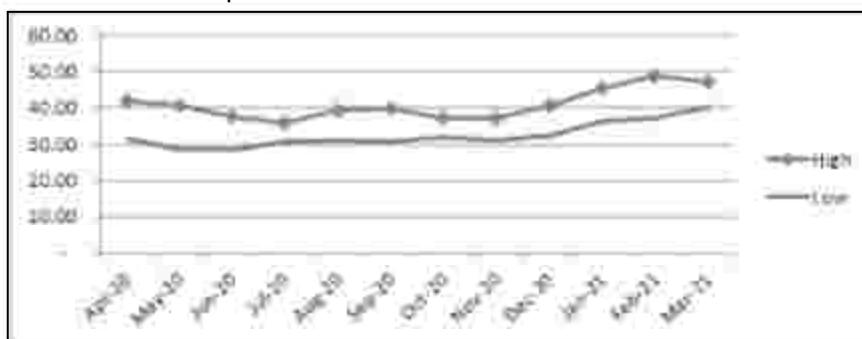
<b>Results for the quarter ended</b>	<b>Tentative date</b>
JUNE 2021	Before Second Week of August, 2021
SEPTEMBER, 2021	Before Second week of November, 2021
DECEMBER, 2021	Before Second week of February, 2022
MARCH, 2022	Before 30th May, 2022



- c) Date of Book Closure –18.09.2021 to 24.09.2021 (both days inclusive).
- d) Your company's shares are listed / traded in the following stock exchanges:  
Bombay Stock Exchange Ltd., Phiroze Jeejeebhai Towers Dalal Street, Mumbai 400 001.  
The Listing Fees for the financial year 2021-22 has been paid to the Bombay Stock Exchange Ltd.
- e) Stock Code of the Company  
Bombay Stock Exchange : 512634  
ISIN No. of the company : INE104E01014
- f) Market price data - The highest price traded in Bombay Stock Exchange Limited, Mumbai per share was Rs.48.95 and the lowest price per share was Rs.28.30 during the year.

Month	Open Price ₹	High Price ₹	Low Price ₹	Close Price ₹	No. of shares	No. of Trades	Total Turnover
Apr-20	37.00	41.90	31.45	34.30	53,140	538	19,50,307
May-20	34.10	40.80	28.30	30.30	1,35,554	593	41,24,794
Jun-20	31.90	37.45	28.35	33.50	52,953	529	17,24,171
Jul-20	34.70	35.95	30.80	32.15	2,49,549	411	82,30,315
Aug-20	34.00	39.35	31.10	35.30	1,26,772	617	42,16,054
Sep-20	39.60	39.60	30.60	34.00	68,481	420	23,51,532
Oct-20	34.05	37.25	32.00	34.25	25,218	209	8,86,135
Nov-20	35.60	36.95	31.30	34.50	1,45,135	583	48,78,653
Dec-20	34.75	40.80	32.60	38.90	1,39,693	645	51,08,338
Jan-21	38.90	45.45	36.30	40.45	49,126	444	20,04,427
Feb-21	40.45	48.95	37.00	42.90	1,54,689	324	62,73,642
Mar-21	41.20	46.95	40.35	43.40	50,066	276	21,18,730

- g. Performance in comparison to broad based indices such BSE sensex. Is as follows:



h. The securities are not suspended from trading.

**i.& J. Registrars & Share Transfer Agents and Share Transfer System**

The Company has already appointed M/s. Cameo Corporate Services Limited, Chennai as the Share Transfer Agents. Whenever the company receives the share transfers, transmission, split, duplicate certificates, etc., the same are done within the stipulated period. For any assistance regarding demat, remat, share transfers, transmission, duplicate share certificates, change of address and other matters, please write to the Share Transfer Agents at the address given in the "address for correspondence column", quoting your folio number/client ID and DP ID.

**k. Distribution of share holdings as on 31.3.2021**

Total Nominal Value	Rs.11,92,80,000
Nominal value of each equity share	Rs.10/- each
Total number of shares	11928000
Distinctive Nos.	1 to 11928000

**Distribution of share holdings as on 31.3.2021**

Share holding	No. of holders	% to total No. of shareholders	Nominal value of shares (₹)	% to capital
1 - 100	3809	63.19	83282	0.70
101 - 500	1674	27.77	405266	3.40
501 - 1000	228	3.78	184018	1.54
1001 - 2000	112	1.86	182873	1.53
2001 - 3000	47	0.78	120234	1.00
3001 - 4000	23	0.38	82163	0.69
4001 - 5000	17	0.28	81671	0.68
5001 - 10000	41	.68	293924	2.46
10001 - above	77	1.28	10494569	87.98
<b>Total</b>	<b>6028</b>	<b>100.00</b>	<b>11928000</b>	<b>100.00</b>

**I. shareholding Pattern as on 31.03.2021 (PAN Based)**

Category of Share holders	No. of shareholders	Total No. of shares	No. of shares held in dematerialised form	% to capital
Promoter and Promoter Group	13	7268765	7268765	60.94
FI / Banks	-	-	-	-
Body Corporate	37	831640	826440	6.97
Individual shareholders holding nominal share capital up to Rs.2 lakh	4835	1617530	1241049	13.56
Individual shareholders holding nominal share capital in excess of Rs.2 lakh	24	1766982	1766982	14.81
Clearing member	8	1765	1765	0.01
HUF	146	242352	242352	2.03
NRIs	28	37887	37887	0.32
Unclaimed Suspense Account	1	53140	53140	0.45
IEPF	1	107939	107939	0.90
Total	5093	11928000	11546319	100.00

**m. Dematerialisation of Shares and liquidity**

The equity shares of the company shall be traded compulsorily in dematerialised form only. The company has already entered into agreements with the Depositories NSDL and CDSL so as to provide the members to hold the shares in dematerialised form.

Around 96.80% of the shareholdings of the Company have already been dematerialised as on 31st March, 2021.

**n. UNIT LOCATION**
**SAVERA HOTEL**

No.146 Dr. Radhakrishnan Road,  
Chennai - 600 004,  
Tamil Nadu  
Phone : 044 - 28114700

**o. Address for Correspondence**

Shareholders may correspond at the address given below, quoting folio number/Client ID and DP ID:

<b>Company's Registered Office &amp; Secretarial Dept.</b>	<b>Company's Registrars &amp; Share Transfer Agents</b>
Company Secretary M/s. Saveria Industries Limited New No.146, Dr. Radhakrishnan Road, Chennai - 600 004. Tamilnadu  Tel. No. 044-28114700 Fax No. 044-28113475 Email: cs@saverahotel.com	M/s. Cameo Corporate Services Ltd., UNIT: Saveria Industries Limited 'Subramanian building' No.1, Club House Road Chennai - 600 002 Tamilnadu  Tel No. 044-28460390 Fax No. 044-28460129 Email: cameo@cameoindia.com

**Foreign Exchange Risk :**

Foreign Exchange can influence the company as follows:

Drop in exchange rates can affect the:

- amount realized when the bills are paid in forex.
- cost of machinery imported when paid in forex.

**Credit Ratings :** Agency Name : CRISIL

Long Term loan – CRISIL BBB/Stable

Short Term Loan– CRISILA3+

**11. Other Disclosures**

- a. There is no material significant related party transactions that may have potential conflict with the interest of the company at large (as per the SEBI (LODR) Regulations, 2015. The policy for related party transactions has been posted on the Company's website www. saverahotel.com. The related party transactions were recommended by the Audit Committee and placed before the Board for its approval. If the threshold limit exceeds, the company shall seek the members approval.
- b. (i) There has been no instance of non-compliance by the company on any matter related to Capital Markets during the last three financial years and hence SEBI, the Stock Exchanges had not imposed penalties.  
 (ii) Further, the Bombay Stock Exchange Limited had withdrawn the fine of

Rs.5,31,000/- levied on the company relating to non-compliance of the Board Composition under Regulation 17 of SEBI (LODR) Regulations, 2015, based on the submissions made by the company relating to compliance.

c. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. The company affirms that no person has been denied access to the chairman of the audit committee. The Whistle blower policy has been posted on the Company's website [www.saverahotel.com](http://www.saverahotel.com)

d. Compliances of Mandatory / Non-mandatory Requirements

#### Mandatory Requirements

The company has complied with all the mandatory requirements of Corporate Governance norms as enumerated under SEBI (LODR) Regulations 2015. The company has not adopted any non mandatory requirements.

e. Policy on Material subsidiary :

Though the company has framed a policy on material subsidiary and posted the same on its website : [www.saverahotel.com](http://www.saverahotel.com), presently there is no subsidiary for the company.

f. Risk Management Committee

The provisions of Risk Management Committee shall not apply to our company. However as per the Companies Act, 2013, the company has policy on Risk Management and is mitigating risks periodically.

g. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). : N.A.

h. 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. : YES

i. Where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof : -

j. Total fees for all services paid by the company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part : Total amount paid to the Statutory Auditor is Rs. 4,40,000/- ( for Statutory audit fee Rs. 4,40,000/- and for other services -- Nil)

k. Disclosures in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

No. of Complaints filed during the financial year	:	Nil
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No. of complaints disposed of during the financial year	:	Nil
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No. of complaints pending as on end of the financial year : Nil

12. Non compliance of any requirement of Corporate Governance report – fully complied.

13. Extent to which discretionary requirements are adopted.

a) The Board : The composition of the Board of Directors, Committees of the Board are in line with the provisions of SEBI (LODR) Regulations 2015, and other applicable laws.

b) Shareholders Rights :

The company is publishing the financial results in English and Tamil Newspapers and also posting its financial results on its website [www.saverahotel.com](http://www.saverahotel.com). Hence quarterly / half yearly declaration of financial performance is not being sent to each shareholder individually.

c) Modified opinion in audit report.

There is no such modified opinion in the audit report.

d) Separate posts of Chairperson & Chief Executive Officer.

In the meeting of the Board of Directors of the company held on 29th May 2019, Mr.A.Sudhakar Reddy, an Independent and Non Executive Director was appointed as the regular Chairman for the Board for a period of three years from 29th May,2019.

e) Reporting of Internal Auditor.

The internal Auditor is directly reporting to the Audit Committee and the Board of Directors.

14. a. Report on Corporate Governance:

The Company regularly submits the report on corporate governance to the Stock Exchanges within the prescribed period on quarterly, half-yearly and yearly basis. A certificate from the Practicing Company Secretary of the company on Corporate Governance is attached as an annexure to this Report.

b. MD / CFO Certification :

As required under regulation 17 (8) of SEBI (LODR) Regulations 2015, the Managing Director & Chief Financial Officer have furnished the necessary certificate to the Board of Directors with respect to the Financial Statements and the Cash Flow Statement for the year ended 31-3-2021.

c. Code of Conduct ; The members of the Board and Senior Management Personnel have affirmed the compliance with the code applicable to them during the year ended 31-03-2021. The Annual Report of the company contains a certificate issued by the Managing Director in this report.

d. Unclaimed suspense account :

The company has transmitted 53140 unclaimed bonus shares in the name of “Savera Industries Limited-Unclaimed Suspense Account” on 14th December, 2020 and kept the same in demat form with Stock Holding Corporation of India Limited. The details are furnished hereunder.

- (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year --- NIL
- (b) Number of shareholders who approached the company for transfer of shares from suspense account during the year --- NIL
- (c) Number of shareholders to whom shares were transferred from suspense account during the year --- NIL
- (d) Aggregate number of shareholders and outstanding shares in the suspense account lying at the end of the year --- 313 nos. of shareholders and 53140 nos. of shares.
- (e) It is further stated that voting rights on these shares remained frozen till the rightful owner of such shares claim the shares.

e. Dissemination of information on Company’s website :

The company has posted the following information as required under SEBI (LODR) Regulations 2015 on the company’s website.

- Terms and conditions of appointment of Independent Directors.
- Composition of various committees of Board of Directors.
- Code of conduct of Board of Directors and Senior Management Personnel.
- Details of establishment of vigil mechanism / Whistle Blower Policy.
- No payment is made to the non executive director, other than sitting fees for attending the Board & Committee meeting.
- Policy on dealing with related party transactions
- Policy for determining ‘material’ subsidiaries.
- The two Independent Directors of the company are seniors and professionals knowing about the company, nature of industry and business model. The company has issued to them appointment order specifically defining their roles, rights & responsibilities in the company. Hence no familiarization programmes required for the Independent Directors and no details have been posted in the website.



**SECRETARIAL COMPLIANCE REPORT  
OF M/s. SAVERA INDUSTRIES LIMITED  
FOR THE FINANCIAL YEAR ENDED 31.03.2021**

We, AK JAIN & ASSOCIATES, have examined:

- a) all the documents and records made available to us and explanation provided by M/s. SAVERA INDUSTRIES LIMITED (“the listed entity),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2021 in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2016; (Not applicable to the Company during the Audit period)
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit period)
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit period)
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)

- g) Securities and Exchange Board of India (Issue and Listing of Non-convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Company during the Audit period)
  - h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations / Remarks of the Practicing Company Secretary
None			

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of Action taken E.g. fines, warning letter, debarment, etc.	Observations/Remarks of the Practicing Company Secretary, if any
Nil				

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended. (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Nil				

\* The Company has received a communication from BSE Limited on 16.04.2021 withdrawing the fine levied by them for non-compliance of Regulation 17 of SEBI (LODR) Regulations, 2015 for the quarter ended 31.03.2019

Place: Chennai  
Date: 14.05.2021

For **A K JAIN & ASSOCIATES**  
Company Secretaries

**PANKAJ MEHTA**  
Partner  
M.No. A29407  
C.P. No. 10598  
UDIN: A029407C000301481

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015)*

To,  
The Members  
SAVERA INDUSTRIES LIMITED  
No. 146, Dr. Radhakrishanan Road,  
Mylapore, Chennai – 600004

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of M/s. SAVERA INDUSTRIES LIMITED having CIN L55101TN1969PLC005768 and having Registered Office at No.146, Dr. Radhakrishanan Road, Mylapore, Chennai – 600004 (hereinafter referred to as ‘the Company’), 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.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its Officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of the Director	DIN	Date of appointment in Company
1.	Mrs.A NINA REDDY	00144797	30.01.1999
2.	Mr. A RAVIKUMAR REDDY	00145372	01.09.1994
3.	Mrs. A NIVRUTI	00576167	31.01.2007
4.	Mr. A TARUN REDDY	01521977	21.01.2004
5.	Mr. A SUDHAKAR REDDY	01898228	06.06.2008
6.	Mr. S SRIDHARA RAO	06927991	13.08.2014

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

For **A K JAIN & ASSOCIATES**  
Company Secretaries

Place: Chennai  
Date: 02.06.2021

**PANKAJ MEHTA**  
Partner  
M.No.A29407  
UDIN: A029407C000411426

**Declaration by the Managing Director under Regulation 26 (3)  
of SEBI (Listing Obligations and Disclosures Requirements)  
Regulations 2015 regarding adherence to the code of conduct.**

To  
The Members of  
Savera Industries Limited

Pursuant to Regulation 26 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, I, A.Ravikumar Reddy, Managing Director of the company, hereby confirm that all the members of the Board and the Senior Management Personnel of the company, have confirmed the compliance to the Code of Conduct of the Company, during the year ended 31st March, 2021.

Place : Chennai  
Date : 28.6.2021

A.Ravikumar Reddy  
Managing Director

## CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

SAVERA INDUSTRIES LIMITED

1. We have examined the compliance of conditions of corporate governance by M/s. Savera Industries Limited ("the Company") for the year ended 31st March 2021, as prescribed in regulation 17 to 27, clauses of regulation 46 and paras C, D and E of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")
2. We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring 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
3. 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 as stipulated in the aforesaid provisions of LODR.
4. 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 A K JAIN & ASSOCIATES  
Company Secretaries

PANKAJ MEHTA  
Partner

M.No.A29407

UDIN:A029407C000530699

Place: Chennai  
Date: 28.06.2021

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Development

The travel and tourism industry is the largest industry in the world. The structure of the tourism industry is quite complex, involving many components of tourism. There are six major components of tourism, These are: tourist boards, travel services, accommodation services, conferences and events, attractions and tourism services. With many different types of tourism and types of businesses operating within the tourism industry, from private companies to charities and NGOs, the structure of the tourism industry is made up of many different segments and components. The components of tourism make up the entire tourism system. There are several integral components of tourism. Without these components, the tourism industry would struggle to function. This was demonstrated, for example, during the period of Coronavirus pandemic, which halted air travel around the world. Travel services are a vital component of tourism and without these services being operational, the tourism industry struggled to survive!

### Impact of Pandemic Covid19 on Tourism Industry in India

COVID has left behind an unprecedented impact on the global economy. Tourism and hospitality is coming to the terms with the corona virus epidemic.

Hospitality and Tourism are one of the biggest and fastest-growing sectors which have been considered as a vulnerable industry. The hotel bookings have been severely hit because travel has come down drastically. The change in the perception of travellers is important to bring their confidence back to travel.

The number one consideration post COVID will be on health and safety. The key is to provide physical evidence of the hotel's concern for health and safety.

There were expectations that the domestic demand will start to pick up during the end of 2020, but with re-imposed lockdowns, the travelers have held back their plans due to renewed fear.

As per hotel consultancy firm HVS Anarock, the hotel occupancy rates stayed at about 26 per cent across India in September 2020 - rising from just 10 per cent in April this year.

As per industry experts, occupancy and Average Daily Rate (ADR) are expected to reach pre-COVID levels by 2022 & 2023 respectively - assuming that a vaccine is in place and becomes widely available before the end of the year.

### Opportunities and Outlook

The hospitality sector in India primarily thrives on tourism, which is an important source of foreign exchange and employment. The government has taken several initiatives which play a major role in the growth of the hotel industry.



India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists. In the Independence speech from Red Fort, Hon'ble Prime Minister Mr. Narendra Modi urged people to visit 15 domestic tourist destinations in India by 2022 to promote tourism. India ranked 34 in the Travel & Tourism Competitiveness Report 2019 published by the World Economic Forum.

The Ministry of Tourism launched the NIDHI portal to understand the geographical spread of the hospitality sector, its size, structure and existing capacity in the country. NIDHI will serve as a common data repository for the Ministry of Tourism, State Departments of Tourism and Industry; this will enable the Central and State Governments to deliver better support and services including policies and strategies for the tourism sector.

The launch of several branding and marketing initiatives by the Government of India such as 'Incredible India!' and 'Athiti Devo Bhava' has provided a focused impetus to growth. The Indian Government has also released a fresh category of visa - the medical visa or M-visa, to encourage medical tourism in the country. The Government is working to achieve 1% share in world's international tourist arrivals by 2021 and 2% share by 2025.

Amid the relaxation provided by the government after the covid lockdown, the Indian Association of Tour Operators (IATO) has urged the government to finalise a roadmap for resumption of international flights and facilitate e-visas and tourist visas. The Indian Railway Catering and Tourism Corporation (IRCTC) runs a series of Bharat Darshan tourist trains aimed at taking people to various pilgrimages across the country.

Subsequently in November end, India introduced a graded relaxation of its visa and travel restrictions for more categories of foreign nationals and Indian nationals.

### **Outlook**

Post pandemic crisis, the Government plans to tap into regional tourism by opening doors for South Asian country tourists.

The Government is also making serious efforts to boost investment in the tourism sector. In the hotel and tourism sector, 100% FDI (Foreign Direct Investment) is allowed through the automatic route.

Increasing Foreign Tourist Arrivals and domestic tourists, rise in household incomes, fast-growing internet and smartphone penetration are some factors that encourage growth of the industry. Tourists are likely to demand more personalization and customization, especially in the case of millennials. This is expected to increase the tourism industry's reliance on technology start-ups.

Tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary sectors of industry.

### **Threats, Risks & Concerns**

The hospitality industry has struggled in the past year and will continue to recover and grow in 2021.

Hospitality businesses are continually faced with many challenges regarding trends and customer expectations; the industry is rapidly growing, and organisations are struggling to keep up with the demand.

Employee management is a major challenge faced by the industry. The attrition rate has gone up due to the lack of workforce quality and increased competition for trained employees from competing service sectors, such as aviation.

#### **Lack of Infrastructure:**

Over the past year technology has ramped up within the hospitality industry; self check-ins, contactless service, online ordering and payment via apps has become the new norm.

It's a challenge for the industry to provide a good customer experience with a mix of human and tech-enabled interactions; customers crave experience thus the company must be doing everything they can to adhere to this. If the technology system is not in place at all or is down it can stop the whole production system, thus organisations need to have back-up plans in place to be prepared for any issue thrown at them with the world of technology.

#### **Environmentally Friendly Practices**

Environmental pressures continue to shape today's hospitality industry, over the past 10 years and it has been a key focus for all organisations to invest in. Sustainable practices make hospitality companies stand out, consumers want to know that the business they purchase from follow environmentally, socially and culturally sound practices. Especially evident with Millennials and Generations Z'ers, consumers will pay more for products that don't harm the environment or affect wildlife.

A complete overhaul of the organisations systems and products to follow sustainable measures will become expensive and won't last, whereas small steps over time to adhere to socially responsible guidelines will have a lasting effect on your customers and the environment, increasing the company's reputation. A massive challenge that businesses will continue to face in the future as sustainability is becoming a way of life to the public and organisations.

#### **Personalising Customers Experience**

Customers today have grown to expect to be recognised and treated as individuals, rather than a steam-lined operations system. While consumers expect a greater level of personalization, businesses still struggle to translate data and insights into actions.

This information provides companies with customers past buying habits and their interests, enabling the hospitality industry to tailor their offers and promotions to specific customers.

The industry needs to continually find new and unique ways to personalise a customer's experience to keep a competitive edge.

### **Loyalty Programs**

Loyalty programs are one of the top-level marketing strategies to obtain returning customers and most individuals expect a loyalty system when purchasing from a business. The hospitality industry battles each other to attract a loyal customer base and provide the best deals / product to consumers.

There are multiple challenges companies face when implementing a loyalty program mainly inaccessibility and confusion, as some customers will not participate in a system that has complex accessibility or that people do not understand. Furthermore, loyalty programs that are unappealing and obsolete to consumers are also extremely unsuccessful.

### **IMPACT OF COVID-19 DURING 2020-21 TO OUR HOTEL**

The business has been impacted during the period on account of COVID-19. The Company witnessed softer revenues due to the lockdown imposed by the government. With the unlocking of restrictions in a phased manner, the Company expects the business to gradually improve. The Company has ensured the liquidity position and taken steps to meet its working capital requirements. Further, steps for cost optimisation at operational levels have been implemented. Accordingly, the financial results of the Company have been prepared on a going concern basis.

The Company has also assessed the possible impact of COVID-19 in preparation of the financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. Based on the current estimates, the Company does not expect any significant impact on the carrying values of its assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

Adequate safety measures are taken at our hotel units based on the guidelines issued by the Central/ State/Municipal authorities such as sanitisation, social distancing, mandatory mask wearing, thermal check at the gate, and maintaining proper hygiene at the work place. The company has taken proper precautionary measures to ensure the safety and health of our employees and in-house guests.

### **SEGMENT WISE PERFORMANCE :**

The company has only one segment viz. hoteliering. Accordingly the performance is furnished hereunder.

Total turnover for the year ended 31st March, 2021 amounted to Rs. 2076.69 lakhs decreased by Rs. 4713.37 lakhs as compared to the previous year turnover of Rs. 6790.06 lakhs. Total expenditure for the year ended 31st March, 2021 amounted to Rs. 2487.77 lakhs decreased by Rs. 3689.32 lakhs as compared to the previous year. The profit (EBITDA) before depreciation, finance cost and tax for the year ended 31st March, 2021

amounted to Rs. 5.61 lakhs as against the profit of Rs. 1126.58 lakhs over the corresponding period last year. The deferred tax for the year ended 31st March, 2021 amounted to Rs. -43.97 lakhs. The Loss after deferred tax for the year ended 31st March, 2021 stood at Rs. -409.80 lakhs as against profit of Rs. 427.74 lakhs.

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

Your company has in place an adequate internal control system. The internal controls are designed to 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, protecting the assets from unauthorized use of losses. The internal controls are supplemented by the programme of internal audit.

#### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE / BUSINESS PERFORMANCE.**

(Rs. in Lakhs)

<b>Particulars</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>% of change</b>
Food and Beverages	745.77	3247.9	-77.04
Rooms	989.24	2625.17	-62.32
Banquets Halls	9.50	81.22	-88.30
Spa Collections	44.91	142.06	-68.39
Gym Collections	138.37	439.13	-68.49
Franchise	4.80	99.19	-95.16
Other Services	29.78	93.77	-68.24
Other Income	114.32	61.60	85.58
Overall Income	2076.69	6790.06	-69.42
Occupancy (%)	44.4%	77%	-42.34

Overall income decreased by Rs. 4713.37 lakhs from Rs. 6790.06 lakhs to Rs. 2076.69 lakhs. Occupancy decreased by 42.34% from 77% to 44.4%

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT.**

Your company sincerely believes that its employees are its vital assets and hence in order to keep its employees motivated and changed, your company provides them a good working environment so that they are able to leverage their full potential. The HR department updates its HR policies, SOP practice, and processes so as to enable and empower its employees.

Your company provides the following welfare, employee health-conscious, HR activities and training to the company's employees.

- Blood Donate Camp
- Christmas Carol Singing
- Hygiene rate classes and auditing the rate of hygiene.
- First Aid Class
- Food Handlers Medical Checkup as per FSSAI Act
- Food Hygiene Awareness
- Food Safety Certificate Program
- Food Wastage Awareness
- Bajan and Yoga class
- Safety & Preventive Maintenance Training
- Covid preventive class
- Zoom class for health awareness
- Women's Day celebration
- Carona test camp for all
- Vaccinated more than 45 years age staff
- Food presentation and plating techniques classes to all chef.
- Cook without fire competition along with IOC.
- Making pizza: class conducted by Mr. Ciroze (foreign chef)
- Train the trainer programme.

By giving these schemes, caring, supporting and training programmes, the employees become loyal to the company and thereby the employee attrition rate is minimized.

The training focuses on improving high-quality services based on the concept of customer delight. All employees should attend the training programme specially framed for 96 hours of training for each and it is mandatory.

<b>Key Financial Ratios</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	<b>Difference</b>
Debtors Turn Over	10.28	17.28	-7.00
Inventory Turnover	12.99	48.76	-35.77
Interest Coverage Ratio	-9.10	11.65	-20.75
Current Ratio	1.08	1.38	-0.30
Debt Equity Ratio	0.05	0.01	0.04
Operating Profit Margin (%)	4.22%	28.20%	-23.98
Net Profit Margin (%)	-20.88%	6.36%	-27.24
Return on Network	-0.07%	0.07%	-0.14

**Explanation for change in the key financial ratios :**

Debtors Turn Over	:	Change is due to decrease in receivables
Interest Coverage Ratio	:	Change is due to decrease in lease liabilities
Current Ratio	:	Change is due to decrease in current assests
Debt Equity Ratio	:	No change

**CAUTIONARY STATEMENT :**

The information contained in the Management Discussion and Analysis regarding company's estimates, expectations, projections, guidance are based on assumptions and expectations of future events. The company takes no responsibility on such statements since the company exercises no control over the events that take place in future. The actual results may differ from those expressed or implied. The changes in the domestic and global economic conditions and Government regulations, tax laws and other statutes may affect the hospitality industry.

## INDEPENDENT AUDITORS' REPORT

**To the members of Saveria Industries Limited**

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

### **Opinion**

1. We have audited the accompanying Financial Statements of **M/s. Saveria Industries Limited** (the "Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the Significant Accounting Policies and other explanatory information (herein after referred to as "financial statements").
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 31st March 2021, and its **Loss**, changes in equity and its cash flows for the year ended on that date.

### **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 on the financial statements.

### **Emphasis of Matter**

4. We draw attention to Note 43(viii) to the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the Management.
5. Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of



how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Refer Note 43(viii) to the financial statements – “Estimation related to COVID-19” of the financial statements</b></p> <p>On 11th March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government/State Government has imposed lockdowns across the country from 22nd March 2020 which has continued in the whole of the financial year 2020-21 albeit certain relaxations during the latter part of the year. These lockdowns and restrictions due to COVID-19 pandemic have posed significant challenges to the businesses of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. The evaluation of Management's assessment of going concern assumption and basis of accounting used by the management of the Company in</p>	<p>Our procedures in relation to evaluation of Management's assessment of the appropriateness of going concern assumption included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process followed by the Management for the going concern evaluation which includes preparation of cash flow forecasts and liquidity analysis. Evaluated the design and implementation of relevant controls and the operating effectiveness of such internal controls which inter-alia includes reasonableness of the input data considered and assumptions used in preparing the cash flow forecasts for the immediate future.</li> <li>• Compared the forecasted statement of profit and loss and cash flows with the Company's business plan approved by the board of directors</li> <li>• Obtained an understanding of key assumptions adopted by the Company in preparing the forecasted statement of profit and loss and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Company's business</li> <li>• Assessed the forecasted statement of profit and loss and cash flow by considering plausible changes to the key assumptions adopted by the Company.</li> <li>• Obtained the cash flow forecasts prepared by</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p>the preparation of its standalone financial statements is identified as a key audit matter considering the significant impact of COVID-19 pandemic on the hospitality industry in general and the Company.</p>	<p>the Management and tested the inputs and assumptions used in the cash flow forecasts with reference to historical performance, internal and external sources of information about the hospitality industry and the Company's strategy. Further, tested the reasonableness of the cash flows prepared by the Management with reference to various measures undertaken by the Company considering the COVID-19 pandemic. Also performed sensitivity analysis on the key input variables used in cash flow forecasts to assess the impact of change on the overall cash flows and if the same are within the tolerable limits.</p> <p>Performed the following procedures as mitigating factors:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of borrowing facilities available to the Company subsequent to the year-end;</li> <li>• Assessed impact of Government's announcement to lift the lockdown restrictions phased manner and Company's plan in relation to the same;</li> <li>• Assessed disclosures made in the financial statements with regard to the above.</li> </ul>
<p><b>Impairment assessment of Property, Plant and Equipment (PPE)</b></p> <p>In view of the losses made by the Company and due to significant management and auditor judgement involved in impairment testing, we identified this matter as a Key Audit Matter.</p> <p>At the end of each year, management reviews the carrying amount of the assets to determine if there is any indication of impairment loss.</p>	<p>We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's review process over impairment testing of property and equipment, including controls over management's review of the significant assumptions. Our testing of the Company's impairment assessment included, among other procedures:</p> <ul style="list-style-type: none"> <li>• Understanding the management's and those charged with governance (TCWG)'s process for estimating the recoverable amount of the assets.</li> <li>• Evaluating the significant assumptions and testing the completeness and accuracy of the</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p>The estimation of the recoverable amount of the assets involves management judgements and is dependent on certain assumptions and significant inputs including estimated revenues, which are affected by expected future market or economic conditions of the hospitality industry.</p> <p>If any such indication exists, management assesses the recoverable amount of those assets.</p>	<p>underlying data used by the Company to develop the expected future cash flows, if applicable, for their properties.</p> <ul style="list-style-type: none"> <li>• Evaluating the historical accuracy of the management's assessment by comparing the past estimates to the current year actual performance of the company.</li> <li>• Comparing the significant assumptions used by management to current industry and economic trends, changes to the Company's strategy and other relevant factors.</li> <li>• Validating key assumptions used and the rationale adapted for those assumptions</li> </ul>

### Information Other than the Financial Statements and Auditor's Report Thereon

7. The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon.
8. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
9. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
10. 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.

### Responsibility of Management and Those Charged with Governance for Financial Statements

11. The Company's Management and Board of Directors are 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 Indian Accounting Standards (Ind AS) 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.

12. In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
13. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

14. 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.
15. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - a. 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.
  - b. 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 system in place and the operating effectiveness of such controls.
  - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
  - d. 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.

- e. 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.
16. 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.
  17. 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.
  18. 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**

19. As required by the Companies (Auditor's Report) Order, 2016 ("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 A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
20. 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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the Directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 the financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'.
- g. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in Note 43(i)(B) of its financial statements.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2021.

21. With respect to other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

**For S. Venkatram & Co. LLP,**  
Chartered Accountants  
FRN : 004656S/S200095

Place : Chennai.  
Date : 28th June, 2021

**R Vaidyanathan**  
Partner  
M.No. 18953  
UDIN: 21018953AAAABS8316

## **ANNEXURE A TO INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in our report to the members of Savera Industries Limited (the "Company") on the financial statements for the year ended 31st March 2021, we report based on the information and explanation produced/furnished to us by the Company and based on such checks we considered appropriate and necessary that:

### **1. In respect of Fixed Assets:**

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. There is a regular program of physical verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c. With respect to immovable properties of acquired land and buildings that are freehold, the title deeds of immovable properties are held in the name of the Company.
2. Inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
  3. The Company has not granted any loan, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause (iii) of paragraph 3 of CARO 2016 are not applicable to the Company.
  4. The Company has complied with the provisions of 186 of the Act, in respect of making investments. The Company has not given any loan or guarantee or provided any security to any party covered under Section 185 and 186 of the Act.
  5. In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Therefore, the provisions of clause (v) of Paragraph 3 of the CARO 2016 are not applicable to the Company.
  6. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause (vi) of paragraph 3 of the CARO 2016 is not applicable to the Company.
  7. In respect of Statutory Dues:
    - a. The Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax and any other material statutory dues with the appropriate authorities during the year and there are no undisputed statutory dues as at 31st March, 2021, for a period of more than six



months from the date they became payable.

- b. There are no dues of Income-tax or Sales tax or Service tax or duty of Customs or duty of Excise or Value added tax or Goods and Services tax have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

(i) **Income Tax Matters**

Nature of Due	Amount Disputed net of amount paid under dispute (Rs. in lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax	19.38	AY 2018-19	Commissioner of Income Tax (Appeals), Chennai

(ii) **TDS Traces:** TDS outstanding as per TRACES amounting to Rs. 0.56Lakhs

8. The Company has not defaulted in repayment of loans or borrowings to any financial institution or banks. The Company has not taken any loan from the Government or debenture holders.
9. The Company has not raised monies by way of Initial Public Offer or further public offer during the FY2020-21. The term loans have been applied by the Company for the purposes for which they were raised.
10. No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. The Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
12. As the Company has neither carried on the business of Nidhi nor reported as a Nidhi company, paragraph 3(xii) of the Order is not applicable.
13. The Company has complied with provisions of section 177 and section 188 of the Companies Act, 2013 and disclosed all transactions with related parties in the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The Company has not entered any non-cash transactions with its directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. As the Company is not carrying on the business of Non-Banking Finance, the Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

**For S. Venkatram & Co. LLP,**  
 Chartered Accountants  
 FRN : 004656S/S200095

**R Vaidyanathan**  
 Partner  
 M.No. 18953  
 UDIN: 21018953AAAABS8316

Place : Chennai.  
 Date : 28th June, 2021



## **ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT**

**Report on the Internal Financial Controls with reference to aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

***(Referred to in paragraph (2)(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)***

1. We have audited the internal financial controls with reference to financial statements of **M/s. Saveria Industries Limited** (the "Company") as of 31st March, 2021 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 and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statement, 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 were established and maintained and whether 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 judgment, 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 internal financial controls system with reference to financial statements of the Company.

**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 include those policies and procedures that; (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls 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 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2021, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Place : Chennai.  
Date : 28th June, 2021

**For S. Venkatram & Co. LLP,**  
Chartered Accountants  
FRN : 004656S/S200095

**R. Vaidyanathan**  
Partner  
M.No : 18953  
UDIN: 21018953AAAABS8316

### Balance Sheet as at 31st March, 2021

Particulars	Note No.	As at 31.03.2021 Rs. in Lakhs	As at 31.03.2020 Rs. in Lakhs
<b>ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Property, Plant & Equipment	1	5,318.38	5,624.61
(b) Right of Use Assets	2	165.10	241.02
(c) Capital Work in Progress	3	-	-
(d) Investment Property		-	-
(e) Other Intangible Assets	4	2.23	2.98
(f) Financials Assets		-	-
(i) Investments	5	242.17	150.39
(ii) Loans	6	113.44	112.98
(iii) Other Financial Assets	7	144.76	22.20
(g) Other Non-Current Assets		-	-
<b>Sub Total - A</b>		<b>5,986.08</b>	<b>6,154.18</b>
<b>2 Current Assets</b>			
(a) Inventories	8	22.14	26.17
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade receivables	9	62.71	109.74
(iii) Cash and Cash Equivalents	10	132.48	254.79
(iv) Bank balances (other than above)	10	486.14	516.24
(v) Loans	11	43.48	76.03
(vi) Other Financials Assets	12	25.95	49.10
(c) Current tax Assets (Net)	13	32.68	7.82
(d) Other Current Assets	14	64.88	87.43
(e) Contract Assets	43 ii.B.	7.75	2.81
<b>Sub Total - B</b>		<b>878.21</b>	<b>1,130.13</b>
<b>Total Assets (A + B)</b>		<b>6,864.29</b>	<b>7,284.31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	15	1,192.80	1,192.80
(b) Other equity	16	4,608.64	4,882.62
<b>Sub Total - A</b>		<b>5,801.44</b>	<b>6,075.42</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	5.84	22.30
(ii) Lease Liabilities	18	110.63	191.42
(iii) Other Financial Liabilities	19	35.84	34.80
(b) Provisions	20	95.43	97.85
(c) Deferred tax liabilities (net)	40	-	43.97
(d) Other non-current liabilities		-	-
<b>Sub Total - B</b>		<b>247.74</b>	<b>390.34</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	294.42	14.19
(ii) Trade Payables	22		
-Total outstanding dues of Micro Enterprises and Small Enterprises		3.74	2.63
-Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		89.93	116.92
(iii) Lease Liabilities	23	79.97	68.80
(iv) Other Financial Liabilities	24	201.53	295.04
(b) Current tax Liabilities (Net)	25	-	-
(c) Other Current Liabilities	26	5.21	91.79
(d) Contract Liabilities	43 ii.B.	89.09	153.72
(e) Provisions	27	51.22	75.46
<b>Sub Total - C</b>		<b>815.11</b>	<b>818.55</b>
<b>Total Equity and Liabilities (A + B + C)</b>		<b>6,864.29</b>	<b>7,284.31</b>

As per our attached Report of even date

For **S. VENKATRAM & CO. LLP**

Chartered Accountants

Firm Regd No.004656S/ S200095

R Vaidyanathan

Partner (M.No : 18953)

Place : Chennai

Date: 28th June 2021

For and on behalf of the Board

A. Ravikumar Reddy  
Managing Director (DIN : 00145372)N.S. Mohan  
Company SecretaryA. Nina Reddy  
Joint Managing Director (DIN: 00144797)CH Mahesh Kumar  
Chief Financial Officer

**Statement of Profit and Loss Account for the period ended 31st March 2021**

Particulars	Note	As at 31.03.2021 Rs. in Lakhs	As at 31.03.2020 Rs. in Lakhs
<b>INCOME</b>			
I Revenue from Operations	28	1,962.37	6,728.46
II Other Income	29	114.32	61.60
<b>III Total Income (I+II)</b>		<b>2,076.69</b>	<b>6,790.06</b>
<b>IV EXPENSES</b>			
Cost of Materials Consumed	30	293.39	1,050.53
Change in inventory of Stock-in-trade	31	20.45	102.59
Employee Benefit Expenses	32	815.04	2,045.75
Finance Cost	33	44.92	55.44
Depreciation & Amortization	34	371.77	458.17
Provision For Doubtful Debts		10.49	2.88
Operating and Other Expenses	35	931.71	2,461.73
<b>Total Expenses (IV)</b>		<b>2,487.77</b>	<b>6,177.09</b>
<b>V Profit /(Loss) before exceptional items and tax (III-IV)</b>		<b>(411.08)</b>	<b>612.97</b>
<b>VI Exceptional items</b>		<b>(42.69)</b>	<b>(22.59)</b>
<b>VII Profit/(Loss) before tax (V-VI)</b>		<b>(453.77)</b>	<b>590.38</b>
<b>VIII Tax expense</b>			
(i) Current Tax	36 (i)	-	212.45
(ii) Deferred Tax	36(ii)	(43.97)	(49.81)
<b>IX Profit /(Loss) for the period (VII-VIII)</b>		<b>(409.80)</b>	<b>427.74</b>
<b>X Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss:			
- Remeasurement of defined benefit plans		44.05	34.66
- Equity Instruments through Other Comprehensive Income		91.77	(60.04)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	6.39
B (i) Items that will be reclassified to profit or loss:			
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>XI Total Comprehensive Income for the period (IX + X)</b>		<b>(273.98)</b>	<b>408.75</b>
<b>XII Earnings per share</b>			
(1) Basic		<b>(3.44)</b>	<b>3.59</b>
(2) Diluted		<b>(3.44)</b>	<b>3.59</b>

As per our attached Report of even date

For **S. VENKATRAM & CO. LLP**

Chartered Accountants

Firm Regd No.004656S/ S200095

 R Vaidyanathan  
 Partner (M.No : 18953)  
 Place : Chennai  
 Date: 28th June 2021

For and on behalf of the Board

 A. Ravikumar Reddy  
 Managing Director (DIN : 00145372)

 N.S. Mohan  
 Company Secretary

 A. Nina Reddy  
 Joint Managing Director (DIN: 00144797)

 CH Mahesh Kumar  
 Chief Financial Officer

## Statement of Changes in Equity as at 31.03.2021 and 31.03.2020

### A. Equity Share Capital

Balance at 1st April, 2019	Change in Equity Share Capital during the year	Balance at 31st March, 2020	Change in Equity Share Capital during the year	Balance at 31st March, 2021
1,192.80	-	1,192.80	-	1,192.80

### B. Other Equity

Particulars	Reserves and Surplus		
	General Reserve	Retained Earnings	Other Comprehensive Income
Balance as at 01st April 2019	700.00	3,853.46	121.73
Profit for the year	-	427.74	-
Items that will not be reclassified to profit or loss - Remeasurement of defined benefit plans	-	-	34.66
Items that will not be reclassified to profit or loss -Fair value of financial assets through Other Comprehensive Income	-	-	(60.04)
Income tax on items that will not be reclassified to profit or loss	-	-	6.39
Transferred to General Reserve	-	-	-
Final and Interim Dividend Paid (including Dividend Distribution Tax)	-	(201.32)	-
<b>Balance as at 31st March 2020</b>	<b>700.00</b>	<b>4,079.88</b>	<b>102.74</b>
Profit for the year	-	(409.80)	-
Items that will not be reclassified to profit or loss - Remeasurement of defined benefit plans	-	-	44.05
Items that will not be reclassified to profit or loss -Fair value of financial assets through Other Comprehensive Income	-	-	91.77
Income tax on items that will not be reclassified to profit or loss	-	-	-
Transferred to General Reserve	-	-	-
Final and Interim Dividend Paid (including Dividend Distribution Tax)	-	-	-
<b>Balance as at 31st March 2021</b>	<b>700.00</b>	<b>3,670.08</b>	<b>238.56</b>

Opening Balance and Closing Balance of the Retained Earnings includes revaluation reserve existing prior to 1st April 2016 amounting to Rs. 13,34,85,521/- and to the aforesaid extent the balance in the said reserve cannot be distributed to the shareholders as dividend.

As per our attached Report of even date  
For **S. VENKATRAM & CO. LLP**  
Chartered Accountants  
Firm Regd No.004656S/ S200095  
  
R Vaidyanathan  
Partner (M.No : 18953)  
Place : Chennai  
Date: 28th June 2021

For and on behalf of the Board

A. Ravikumar Reddy Managing Director (DIN : 00145372)	A. Nina Reddy Joint Managing Director (DIN: 00144797)
N.S. Mohan Company Secretary	CH Mahesh Kumar Chief Financial Officer

### Statement of Cash Flows for the Year ended 31.03.2021 and 31.03.2020

The Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

Particulars	Year ended 31.03.2021 ₹ in lakhs	Year ended 31.03.2020 ₹ in lakhs
<b>Cash flow from Operating Activities</b>		
Net profit before tax, exceptional and extra ordinary items (excluding OCI)	(411.07)	612.97
Add/Less: Other Comprehensive Income before tax	135.82	(25.37)
Net profit before tax, exceptional and extra ordinary items (including OCI)	(275.25)	587.60
Add/Less: Exceptional and extra ordinary items	(42.69)	(22.59)
Net profit before tax and after exceptional and extra ordinary items (including OCI)	-	565.01
Adjustments for		
(Profit)/Loss on sale of fixed assets	(0.44)	(0.52)
Assets written off	42.69	24.57
Rent Concession received	(48.07)	(4.16)
Provision For Doubtful Debts	10.49	2.88
Bad Debts	7.34	0.28
Gain on Fair Valuation on Deposits	(4.50)	(8.75)
Gain on Lease Termination	(3.22)	-
(Gain)/Loss on Fair Valuation of Investments	(91.77)	60.04
Interest Expenses	21.90	21.01
Interest On Lease Liabilities	23.02	34.43
Dividend and Interest Income	(34.40)	(30.42)
Depreciation and Amortisation Expenses	371.77	458.17
	294.81	557.53
<b>Operating profit before working capital changes</b>	<b>(23.13)</b>	<b>1,122.54</b>
<b>Adjustments for Changes in Assets and Liabilities</b>		
(Increase)/Decrease in Inventories	4.03	(5.04)
(Increase)/Decrease in Trade Receivables	29.20	28.83
(Increase)/Decrease in Loans (Current)	32.55	(12.99)
(Increase)/Decrease in Other financial Assets (Non Current)	(122.56)	66.25
(Increase)/Decrease in Loans(Non Current)	4.05	59.07
(Increase)/Decrease in Other Non Current Assets	-	-
(Increase)/Decrease in Other Current Assets	22.53	26.77
(Increase)/Decrease in Contract Assets	(4.94)	7.98
Increase/(Decrease) in Contract Liabilities	(64.63)	(46.83)
Increase/(Decrease) in Other Financial Liabilities (Non Current)	1.04	-
Increase/(Decrease) in Other Financial Liabilities (Current)	(90.95)	(74.20)
Increase/(Decrease) in Trade Payable (Current)	(25.88)	(8.96)
Increase/(Decrease) in Other Current Liabilities	(86.59)	35.94
Increase/(Decrease) in Long Term Provisions	(2.42)	(17.88)
Increase/(Decrease) in Short Term Provisions	(24.25)	7.09
	<u>(328.82)</u>	<u>66.03</u>
<b>Cash generated from Operations</b>	<b>(351.95)</b>	<b>1,188.57</b>
Income taxes (paid)/Refund	(24.86)	(210.31)
<b>Net cash from Operating Activities (A)</b>	<b>(376.81)</b>	<b>978.26</b>

Particulars	Year ended 31.03.2021 ₹ in lakhs	Year ended 31.03.2020 ₹ in lakhs
<b>Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(27.69)	(78.16)
Purchase of Intangible Asset	-	(2.36)
Sale of Fixed Assets	0.21	6.63
(Increase)/Decrease in Other Financial Assets (Current)	23.15	31.52
(Increase)/Decrease in Other Bank Deposits	26.04	(308.41)
Dividend/ Interest Income Received	34.42	30.42
Net (Increase)/Decrease in Non- Current Investments	-	-
<b>Net cash used in Investing Activities (B)</b>	<b>56.13</b>	<b>(320.36)</b>
Cash flow from Financing Activities:		
Proceeds from Borrowings (Net)	-	-
Repayment of Borrowings	(14.97)	(252.50)
Payment of Lease Liabilities	(21.96)	(86.41)
Interest on Lease Liabilities	(23.02)	(34.43)
Dividend paid	-	(201.31)
Interest expense paid	(21.90)	(21.01)
<b>Net cash used in financial activities (C)</b>	<b>(81.85)</b>	<b>(595.66)</b>
<b>Net increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(402.53)</b>	<b>62.24</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>240.59</b>	<b>178.35</b>
<b>Cash and cash equivalents at end of the period</b>	<b>(161.94)</b>	<b>240.59</b>

### Cash and Cash Equivalents

Cash and Cash Equivalents consist of balances with banks. Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts

Particulars	AS ON 31.03.2021 ₹ in lakhs	AS ON 31.03.2020 ₹ in lakhs
- In Current Account (with Scheduled Banks)	47.32	219.28
- Cash on Hand	7.61	18.38
- Deposits with original maturity of less than 3 months	77.55	17.13
- Overdraft	(294.42)	(14.20)
<b>Total</b>	<b>(161.94)</b>	<b>240.59</b>

As per our attached Report of even date

For **S. VENKATRAM & CO. LLP**

Chartered Accountants

Firm Regd No.004656S/ S200095

R Vaidyanathan

Partner (M.No : 18953)

Place : Chennai

Date: 28th June 2021

For and on behalf of the Board

A. Ravikumar Reddy  
Managing Director (DIN : 00145372)

N.S. Mohan  
Company Secretary

A. Nina Reddy  
Joint Managing Director (DIN: 00144797)

CH Mahesh Kumar  
Chief Financial Officer

## NOTES TO FINANCIAL STATEMENTS

*Notes forming part of the Financial Statements for the year ended 31st March 2021*

### **Note 1: SIGNIFICANT ACCOUNTING POLICIES**

#### **A) Corporate Information:**

Savera Industries Limited (“the Company”) incorporated in November 1969, is engaged in the business of Hoteliering. Shares of the Company are listed in Bombay Stock Exchange Ltd (BSE).

#### **B) Statement of Compliance:**

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with relevant rules of the Companies (Indian Accounting Standards) Rules. The Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April 2017.

#### **C) Basis of Preparation:**

The Financial Statements have been prepared in accordance with historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these Financial Statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the Financial Statements, and the reported amounts of revenue and expenses during the year.

Estimates and the underline assumptions are reviewed on ongoing basis. The revision to the accounting estimates if material is recognized in the period in which the estimates are revised.

#### **D) Operating Cycle:**



All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1

– Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

**E) Policies:**

**a) Inventories**

Inventories of the Company comprise of food, beverages & operating supplies. Inventories are valued at lower of cost (calculated on weighted average basis) or net realizable value.

**b) Revenue Recognition:**

**(A) Income from Operations:**

Revenue is recognized when the Company satisfies a performance obligation by transferring control of the promised services/goods to a customer. The Company has identified its major sources of income from sale of rooms and other ancillary services, foods and beverages & other services, income from Gymnasiums and giving of franchisees. The basis of recognition of income is as detailed hereinunder:

**i. Sale of rooms and other ancillary services:**

The Company provides accommodation along with other ancillary related services to its hotel guests for which the Company is entitled to a fixed fee for the tenor of stay and additional revenue as and when the same is utilized by the guest. The fixed fee and fee for other ancillary services is payable on the departure of the guest. As the Company satisfies the performance obligations over time, and recognizes the revenue from room sales and from other guest services on a daily basis. The Company does not include the taxes in determining the transaction price as they are collected and remitted separately.

**ii. Collections from Gymnasiums (Gym):**

The Company bills and collects from the customer at the time of joining for the services to be rendered over a period of time. The Company recognizes the amount received in advance as a contract liability and recognizes as income on the satisfaction of the performance obligation.

**iii. Franchisee Income:**

The Company, for the use of its brands by third parties, is entitled to receive initial application fees and ongoing royalty fees usually under long-term contracts. The Company charges royalties as a percentage of turnover or a fixed fee on the basis of the terms of the agreement as defined in each contract. The Company recognizes the aforesaid income when the right to receive is established i.e. on accrual basis;

**iv. Foods & Beverages and Other Services:**

The revenue from the services as to foods and beverages and allied services are

recognized at the point at which the food and beverage and allied services relating to hotel operations are provided.

**(B) Interest & Dividend income:**

- i. Interest is accounted on accrual basis using the effective interest method.
- ii. Dividend is recognized when the right to receive payment of the dividend is established.

**c) Property, Plant and Equipment:**

- i. Property, Plant and Equipment are stated at cost (cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition including applicable borrowing costs for qualifying assets) and is net of accumulated depreciation and impairment losses, if any.
- ii. Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with these will flow to the Company over a period of time.
- iii. Depreciation is provided on straight line basis over estimated useful life. The estimated useful life of the assets is as follows:

Particulars of Asset	Useful life
Building	60 years
Plant and Machinery	10 years
Office Equipment	05 years
Computers	03 years
Furniture and Fixtures	08 years
Vehicles	08 years

- iv. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

**d) Long-term Investments:**

- i. Investments are initially recognized at cost which includes cost of acquisition, charges such as brokerage, fees and duties.
- ii. The Company treats its investments as a non-current only as they have been purchased not for trading.
- iii. Investments are individually measured at fair value and the gain or loss is recognized in "Other Comprehensive Income" as the Company has made an irrecoverable election to present the gains/loss due to changes in fair value between reporting dates in "Other Comprehensive Income".

**e) Intangible Assets:**

- i. Intangible Assets are initially measured at cost and amortized over a period of 10 years.
- ii. All Intangible Assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss.
- iii. Thus, after initial recognition, Intangible Assets are carried at its cost less accumulated amortization and/or impairment losses.

**f) Borrowing Costs:**

- i. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.
- ii. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**g) Impairment of Assets:**

As at the end of each Balance Sheet date, the carrying amount of assets is assessed as to whether there is any indication of impairment by considering assets as a Cash Generating Unit (CGU). If any such indication exists and if the estimated recoverable amount is found to be less than its carrying amount, the impairment loss is recognized and assets are written down to their recoverable amount.

**h) Financial Assets and Liabilities:**

The Company recognizes all Financial Assets and Liabilities at Fair Value on inception and subsequent measurements are done at amortized cost.

**i) Foreign Currency Transaction:**

- i. The functional and presentation currency of the Company is Indian Rupees.
- ii. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- iii. Monetary items denominated in foreign currency and outstanding at the Balance Sheet date are restated at the exchange rate ruling at the Balance Sheet date.
- iv. Exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise

**j) Segment Reporting:**

The Company's only business is Hoteliering and hence disclosure of segment wise information is not applicable under Ind AS 108 "Operating Segments". There is no Geographical segment to be reported since all the operations are undertaken in one geographical area.

**k) Earnings Per Share:**

- i. Earnings per Share is calculated by dividing the Profit after Tax /Loss for the year attributable to ordinary equity shareholders by the weighted average number of ordinary shares outstanding during the period.
- ii. Diluted Earnings per Share is calculated by dividing the Profit after Tax/Loss for the period after adjusting dividends, interest and other charges (net of taxes) relating to dilutive potential ordinary shares by the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares.

**l) Income Taxes:**

- i. Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961 (the "Act").
- ii. Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax Assets in excess of Deferred Tax Liability are recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred Tax Assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.
- iii. Deferred Tax Assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.
- iv. Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

**m) Employee Benefits:****(A) Short Term:**

- i. The Company's Provident Fund scheme is a defined contribution plan. The contribution paid/payable is recognized during the period in which the employee renders the related service.
- ii. The Company's Employee State Insurance scheme is a defined contribution plan. The contribution paid/payable is recognized during the period in which the employee renders the related service.
- iii. All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(B) Long Term:****i. Gratuity:**

- a. The Company has an arrangement with Life Insurance Corporation (LIC) for managing the Gratuity fund which is a defined benefit obligation.
- b. The cost of providing Gratuity benefits is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements is recognized immediately through other comprehensive income in the period in which they occur.
- c. The employees of the Company are entitled to be compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

**ii. Earned Leave:**

The expected cost of compensated absences is determined by the Company by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

**n) Leases:**

In the previous year, the Company has applied Ind AS 116 (as notified by the Ministry of Corporate Affairs on 30th March 2019) that is effective for annual periods that begin on or after 01st April 2019. Ind AS 116 'Leases' replaces Ind AS 17 'Leases'. The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for:

- i. Leases of low value assets; and
- ii. Leases with a duration of 12 months or less

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use

asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

At the date of transition to Ind AS 116, the Company measures right-to-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the Balance Sheet immediately before the date of transition to Ind AS.

In the comparative period, leases are recognized as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Company recognizes finance leases as assets and liabilities in the balance sheet at amount equal to the fair value of leased property. Such arrangements are such that the entire risks and rewards incidental to ownership of an asset is transferred whether or not title is transferred. Operating lease is recognized as an expense through statement of profit and loss on a straight-line basis over the period of lease.

In the current year, the Company has applied the amendments to Ind AS 116 (paragraph 46A and 46B of IND AS 116, notified by MCA vide its notification dated 24th July 2020) that are effective for an annual period that begins on or after 01st April 2020. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19- related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19- related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

**o) Provisions and Contingent Liabilities:**

- i. Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.
- ii. A provision is recognized, when the Company has the present obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made.
- iii. Where no reliable estimate can be made or when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources, disclosure is made as Contingent Liability.
- iv. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**p) Recent Indian Accounting Standards (Ind AS):**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01st April 2021.

**Note 1, 3, 4 : Property, Plant and Equipment, Capital Work In Progress, Intangible Assets**

₹ In lakhs

PARTICULARS	Gross Block				
	As at 31.03.2019	Additions	Withdrawals and Adjustments	As at 31.03.2020	As at 31.03.2021
<b>A. Property, Plant &amp; Equipment</b>					
Land	3,689.80	-	44.39	3,645.41	3,645.41
Buildings	921.09	-	-	921.09	921.09
Plant & Machinery	1,232.03	80.97	63.86	1,249.14	1,229.48
Office Equipment	24.62	11.51	-	36.13	30.72
Furniture & Fixtures	1,091.01	42.81	-	1,133.82	1,124.82
Vehicles	169.97	1.03	48.43	122.57	108.96
<b>Total</b>	<b>7,128.52</b>	<b>136.32</b>	<b>156.68</b>	<b>7,108.16</b>	<b>7,060.48</b>
<b>B. Capital Work In Progress</b>					
The Brew Room- VR Mall	13.77	-	13.77	-	-
<b>Total</b>	<b>13.77</b>	<b>-</b>	<b>13.77</b>	<b>-</b>	<b>-</b>
<b>C. Intangible Assets</b>					
Trademarks	0.01	-	-	0.01	0.01
Computer Software	0.61	2.36	-	2.97	2.97
<b>Total</b>	<b>0.62</b>	<b>2.36</b>	<b>-</b>	<b>2.98</b>	<b>2.98</b>
<b>Grand Total</b>	<b>7,142.91</b>	<b>138.68</b>	<b>170.45</b>	<b>7,111.14</b>	<b>7,063.46</b>
PARTICULARS	Depreciation and Amortisation				
	As at 31.03.2019	Additions	Withdrawals and Adjustments	As at 31.03.2020	As at 31.03.2021
<b>A. Property, Plant &amp; Equipment</b>					
Land	-	-	-	-	-
Buildings	74.87	24.96	-	99.83	123.53
Plant & Machinery	299.33	121.72	36.17	384.88	497.55
Office Equipment	11.75	5.09	-	16.84	20.39
Furniture & Fixtures	567.21	175.19	-	742.40	858.83
Vehicles	67.16	21.45	45.45	43.16	45.36
<b>Total</b>	<b>1,020.32</b>	<b>348.41</b>	<b>81.62</b>	<b>1,287.11</b>	<b>1,545.66</b>
<b>B. Capital Work In Progress</b>					
The Brew Room- VR Mall	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Intangible Assets</b>					
Trademarks	-	-	-	-	-
Computer Software	-	-	-	0.75	0.75
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.75</b>	<b>0.75</b>
<b>Grand Total</b>	<b>1,020.32</b>	<b>348.41</b>	<b>81.62</b>	<b>1,287.11</b>	<b>1,546.41</b>

**Note 1, 3, 4 : Property, Plant and Equipment, Capital Work In Progress, Intangible Assets**

₹ In lakhs

PARTICULARS	Impairment Loss		Net Block	
	As at 31.03.2019	For the period	As at 31.03.2020	As at 31.03.2021
<b>A. Property, Plant &amp; Equipment</b>				
Land	-	-	3,645.41	3,645.41
Buildings	-	-	821.26	797.56
Plant & Machinery	95.22	-	769.04	636.71
Office Equipment	0.36	-	18.93	9.97
Furniture & Fixtures	98.91	-	292.51	167.08
Vehicles	1.95	-	77.46	61.65
<b>Total</b>	<b>196.44</b>	<b>-</b>	<b>5,624.61</b>	<b>5,318.38</b>
<b>B. Capital Work In Progress</b>				
The Brew Room- VR Mall	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Intangible Assets</b>				
Trademarks	-	-	0.01	0.01
Computer Software	-	-	2.97	2.22
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2.98</b>	<b>2.23</b>
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>5,627.59</b>	<b>5,320.61</b>

**NOTE 5 : Non - Current Investments**

₹ In lakhs

PARTICULARS	31.03.2021		31.03.2020	
	Face Value	Quantity	Face Value	Quantity
<b>Non - Trade Investments</b>				
Investment in Quoted Equity Shares (Valued at Fair Value through Other Comprehensive Income)				
Oriental Hotels Limited	1	3,510	1	3,510
I.T.C. Limited	1	40,320	1	40,320
Indian Hotels Company Limited	1	5,998	1	5,998
Apollo Hospitals Limited	5	4,000	5	4,000
Central Bank of India	10	295	10	295
<b>TOTAL - A</b>		<b>211.71</b>		<b>119.93</b>
<b>Investment in Unquoted Equity Investments of Other Companies ( Valued at cost)</b>				
Clarion Wind Farms Private Limited	10	3,04,601	10	3,04,601
<b>TOTAL - B</b>		<b>30.46</b>		<b>30.46</b>
<b>TOTAL - A + B</b>		<b>242.17</b>		<b>150.39</b>

Particulars	31.03.2021		31.03.2020	
	Rs. in Lakhs	Quantity	Rs. in Lakhs	Quantity
Aggregate Market Value of Quoted Investments	211.71		119.93	



**Note 2: Right of Use Assets**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Right of Use Assets	165.10	241.02
<b>TOTAL</b>	<b>165.10</b>	<b>241.02</b>

**Note 6: Loans (Non Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Unsecured, Considered Good:</b>		
Rental Deposits (carried at amortised cost)	44.53	43.19
Security Deposit	67.77	68.65
Public Utility Deposits	1.14	1.14
<b>TOTAL</b>	<b>113.44</b>	<b>112.98</b>

**Note 7: Other Financial Assets (Non Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Deposits with Banks (refer note 7.1)	144.76	22.20
<b>TOTAL</b>	<b>144.76</b>	<b>22.20</b>

7.1. Deposits with Banks represents deposits having remaining maturity more than 12 months from the Balance Sheet date.

**Note 8: Inventories**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>(Valued at lower of cost and net realisable value)</b>		
Raw Materials		
Food & Beverages	11.02	11.28
Stock in trade (Goods purchased for resale)	-	-
Wine & Liquor	11.12	14.89
<b>TOTAL</b>	<b>22.14</b>	<b>26.17</b>

**Note 9: Current Trade receivables**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Unsecured Considered good	62.71	109.74
Unsecured & Doubtful	27.97	19.14
Less : Allowance for Doubtful debts	27.97	19.14
<b>TOTAL</b>	<b>62.71</b>	<b>109.74</b>

**Note 10: Cash and Cash Equivalents**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Cash and Cash Equivalents</b>		
Current Account	47.32	219.28
Cash on Hand	7.61	18.38
Deposits with original maturity of less than 3 months	77.55	17.13
	<b>132.48</b>	<b>254.79</b>
<b>Other Bank Balances</b>		
Dividend Account	30.70	34.75
Deposits (refer note 10.1 and 10.2)	455.44	481.49
	<b>486.14</b>	<b>516.24</b>
<b>TOTAL</b>	<b>618.62</b>	<b>771.03</b>

10.1 Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

**Note 11: Loans (Current )**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Unsecured, Considered Good:</b>		
Rental Deposits (carried at amortised cost)	25.46	45.94
Advances to Employees	18.02	30.09
<b>Unsecured, Doubtful:</b>		
Rental Deposits (carried at amortised cost)	12.21	13.61
Less : Allowance for Doubtful Deposits	12.21	13.61
<b>TOTAL</b>	<b>43.48</b>	<b>76.03</b>

**Note 12: Other Financials Assets (Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Interest Accrued on Fixed Deposits with Bank	25.95	49.10
<b>TOTAL</b>	<b>25.95</b>	<b>49.10</b>

**Note 13: Current tax Assets (Net)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Current Tax Assets (Net) (Refer note 13.1)	32.68	7.82
<b>TOTAL</b>	<b>32.68</b>	<b>7.82</b>

13.1 The closing balance of Current Tax Asset is net of Provision of tax.

**Note 14: Other Current Assets**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Advances other than capital advances:</b>		
Prepaid Expenses	46.87	57.58
Advance to suppliers	9.65	3.21
Advance paid to LIC	-	-
Balance with Revenue authorities	3.71	25.32
Amount Recoverable from Franchisee	-	-
Net Defined Benefit Assets	4.52	-
Others	0.13	1.32
<b>TOTAL</b>	<b>64.88</b>	<b>87.43</b>

**Note 15: Equity share capital**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Authorized Share Capital:</b>		
1,20,00,000 equity shares of Rs.10 /- each	1,200.00	1,200.00
<b>Issued, Subscribed and paid-up Share capital:</b>		
1,19,28,000 Equity Shares of Rs.10 /- each fully paid up	1,192.80	1,192.80
<b>TOTAL</b>	<b>1,192.80</b>	<b>1,192.80</b>

**15.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:****Equity Shares**

Particulars	31.03.2021 No. of Shares	31.03.2020 No. of Shares
At the beginning of the year	1,19,28,000.00	1,19,28,000.00
Add: Shares Issued during the year	-	-
<b>At the end of the year</b>	<b>1,19,28,000.00</b>	<b>1,19,28,000.00</b>

**15.2 Rights attached to Equity Shareholders:**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount, in proportion to their shareholdings.

**15.3 Shareholders holding equity shares more than 5 % of total issued Equity Share capital**

Name of the Shareholder	31.03.2021		31.03.2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
A. Nina Reddy	20,95,812.00	17.57	20,95,812	17.57
A. Ravikumar Reddy	16,03,840.00	13.45	16,03,840	13.45
A. Priyamvadha	6,87,600.00	5.76	6,87,600	5.76
<b>TOTAL</b>	<b>43,87,252.00</b>	<b>36.78</b>	<b>43,87,252</b>	<b>36.78</b>

**Note 16: Other equity**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>(i) General Reserve</b>		
As per last Balance Sheet	700.00	700.00
Add: Transfer from Retained Earnings	-	-
<b>Closing Balance (A)</b>	<b>700.00</b>	<b>700.00</b>
<b>(ii) Retained Earnings</b>		
As per Last Balance Sheet (Refer Note 16.1) (i)	4,079.88	3,853.46
Current Year Profit	(409.80)	427.74
<b>Less: Appropriations:</b>		
Transfer to General Reserve	-	-
Dividend (Interim)	-	143.14
Dividend Distribution Tax (Interim)	-	29.42
Dividend (Final)	-	23.86
Dividend Distribution Tax (Final)	-	4.90
<b>Total Appropriations during the current year</b>	<b>-</b>	<b>201.32</b>
Current Year Profit (net of appropriations) (ii)	<b>(409.80)</b>	<b>226.42</b>
<b>Closing Balance (B) (i) + (ii)</b>	<b>3,670.08</b>	<b>4,079.88</b>
<b>(iii) Other Comprehensive Income</b>		
<b>Fair Value through Other Comprehensive Income (FVOCI)</b>		
Opening Balance	102.74	121.73
Add: Additions during the year	135.82	-
Less: Deletions during the year	-	(18.99)
<b>Closing Balance (C)</b>	<b>238.56</b>	<b>102.74</b>
<b>TOTAL - (A)+(B)+(C)</b>	<b>4,608.64</b>	<b>4,882.62</b>

16.1. The Opening Balance and Closing Balance of the Retained Earnings includes a sum of Rs. 1,334.86 lakhs being revaluation reserve (created prior to 01st April 2016) and cannot be distributed to the shareholders as dividend.

**Note 17: Borrowings (Non - Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Secured:		
Long- term Finance lease obligations - Hire Purchase	22.30	37.27
Less: Current maturities of Long-term Finance Lease Obligations - Hire Purchase	16.46	14.97
<b>TOTAL</b>	<b>5.84</b>	<b>22.30</b>

**Security**

- (i) Towards "Cent Business Overdraft" is secured by First Charge on the entire Land & Buildings & Immovable Assets of the Company situated at No. 146, Dr. Radhakrishnan Road, Chennai - 600004.
- (ii) The terms of repayment for the Finance lease is:

Terms of Repayment	Maturity Date	Interest Rate	Security
Monthly installment	FY 2022-23	8.35% to 11%	Finance lease obligations are secured against assets taken on lease.

**Note 18: Lease Liabilities (Non - Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Lease Liabilities	110.63	191.42
<b>TOTAL</b>	<b>110.63</b>	<b>191.42</b>

**Note 19: Other Financial Liabilities (Non - Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Rental Deposit	5.74	4.70
Caution Deposit	30.10	30.10
<b>TOTAL</b>	<b>35.84</b>	<b>34.80</b>

**Note 20: Provisions (Non - Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Provision for Employee Benefits	95.43	97.85
<b>TOTAL</b>	<b>95.43</b>	<b>97.85</b>

**Note 21: Borrowings (Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Secured:</b>		
Loan repayable on Demand	294.42	14.19
<b>TOTAL</b>	<b>294.42</b>	<b>14.19</b>

21.1 The amount sanctioned by the Bank is Rs.5.00 Crore, towards "Cent Business Overdraft" vide central bank overdraft (Cent Business) agreement dated 20.07.2020 excluding the existing non fund based bank guarantee limit of Rs. 306 lakhs.

21.2 The rate of interest charged by the Bank (as at the date of the Balance Sheet) is 8.35% per annum.

**Note 22: Trade Payables (Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Total outstanding dues of Micro Enterprises and Small Enterprises	3.74	2.63
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	89.93	116.92
<b>TOTAL</b>	<b>93.67</b>	<b>119.55</b>

**Note 23: Lease Liabilities (Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Lease Liabilities (Current)	79.97	68.80
<b>TOTAL</b>	<b>79.97</b>	<b>68.80</b>

**Note 24: Other Financial Liabilities (Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Current maturities of Long-term Term Loans	-	-
Current maturities of Long-term Finance Lease Obligations - Hire Purchase	16.46	14.97
Creditors for expenses	79.20	119.15
Unclaimed dividend	30.70	34.75
Caution Deposits	0.32	1.30
Dues to Employees	74.85	124.87
<b>TOTAL</b>	<b>201.53</b>	<b>295.04</b>

**Creditors for expenses includes the following:**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Repairs and Maintenance	20.00	24.64
Electricity Charges	7.55	31.03
Advertisement and Sales Promotion	0.35	2.16
Lease Payable	6.56	7.68
Professional Charges	26.98	28.04
General Expenses	17.76	25.60
<b>TOTAL</b>	<b>79.20</b>	<b>119.15</b>

**Note 25: Current tax Liabilities (Net)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Current tax Liabilities (Net) (refer note 25.1)	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

25.1 The closing balance of Current Tax Liability is net of Advance tax and Tax Deducted at Source.

**Note 26: Other Current Liabilities**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Statutory Liabilities	5.21	91.79
Capital Advance received	-	-
<b>TOTAL</b>	<b>5.21</b>	<b>91.79</b>

**Note 27: Provisions (Current)**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Provision for Employee benefits	51.22	75.46
<b>TOTAL</b>	<b>51.22</b>	<b>75.46</b>

**Note 28: Revenue from Operations**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Foods & Beverages	745.77	3,247.91
Sale of rooms and other ancillary services	989.24	2,625.18
Gym Collections	138.37	439.13
Franchisee Income	4.80	99.19
Sanus Per Aquam (Spa) Collections	44.91	142.06
Banquets Halls	9.50	81.22
Other Services	29.78	93.77
<b>TOTAL</b>	<b>1,962.37</b>	<b>6,728.46</b>

**Note 29: Other Income**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Interest Income</b>		
Interest Income	28.61	27.68
<b>Dividend Income</b>		
Dividend from Investments	5.79	2.74
<b>Other Non Operating Income</b>		
Profit on sale of Assets	0.44	1.32
Foreign Exchange Fluctuations	-	0.03
Gain on Fair Value Adjustment	4.50	8.74
Miscellaneous Income	23.69	14.90
Rent Concession Received	48.07	4.16
Gain on Lease Termination	3.22	-
Insurance Claims	-	2.03
<b>TOTAL</b>	<b>114.32</b>	<b>61.60</b>

**Note 30: Cost of Materials Consumed**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Foods and Beverages</b>		
Opening Stock	11.28	9.49
Add: Purchases of Food and Beverages	290.65	1,036.77
	301.93	1,046.26
Less: Closing Stock	11.02	11.28
Cost of Food and Beverages consumed (A)	290.91	1,034.98
Purchase of Crockery and Cutlery (B)	2.48	15.55
<b>TOTAL - (A) + (B)</b>	<b>293.39</b>	<b>1,050.53</b>

**Note 31: Change in inventory of Stock-in-trade**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Wine and Liquor</b>		
Opening Stock	14.89	11.64
Add: Purchases	16.68	105.84
Less: Closing Stock	11.12	14.89
<b>TOTAL</b>	<b>20.45</b>	<b>102.59</b>

**Note 32: Employee Benefit Expenses**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Salary, Wages, Bonus and Allowances	695.15	1,700.17
Contribution to Provident and other Funds	73.49	155.29
Staff Welfare Expenses	46.40	190.29
<b>TOTAL</b>	<b>815.04</b>	<b>2,045.75</b>

**Note 33: Finance Cost**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Interest Expense	21.90	21.01
Interest On Lease Liabilities	23.02	34.43
<b>TOTAL</b>	<b>44.92</b>	<b>55.44</b>

**Note 34: Depreciation & Amortization**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
Depreciation and Amortization	292.22	348.41
Depreciation on Right of Use Assets	79.55	109.76
<b>TOTAL</b>	<b>371.77</b>	<b>458.17</b>



**Note 35: Operating and Other Expenses**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>Operating Expense:</b>		
Power and Fuel	220.65	460.20
Upkeep and Service Cost	92.08	264.04
Banquet Charges	8.98	61.53
Repairs and Maintenance		
- Plant and Machinery	71.04	175.37
- Buildings	22.17	56.56
- Others	16.96	49.10
- Vehicles	10.19	25.36
Commission	32.07	220.94
Parking Expenses	0.67	24.51
Spa Expenses	19.96	70.96
Short Term Leases	9.50	57.14
Security Services	15.16	55.23
Royalty	-	15.24
<b>Other Expenses:</b>		
Sales Promotion expenses	43.82	216.35
Rates & Taxes	142.87	272.17
Rental Expenses	-	-
Parking Charges	0.11	12.35
Short Term Leases	5.51	14.39
Professional Charges	83.90	137.42
Travel expenses	7.81	38.82
Postage and Telephone	32.96	44.44
Printing and stationery	9.00	36.62
Insurance	23.53	25.72
CSR Expenses	15.67	17.59
Subscription	9.10	9.16
Bank Charges	2.73	8.52
WDV of assets scrapped	-	24.57
Loss on Sale of Assets	-	0.80
<b>Audit Fees</b>		
Statutory Audit	4.40	8.80
Other Services	-	0.80
Directors Sitting Fees	1.25	2.68
Donation	1.95	5.20
Bad Debts	7.34	0.28
Sundry Expenses	20.33	48.87
<b>TOTAL</b>	<b>931.71</b>	<b>2,461.73</b>

**Note 36: Tax expense**

Particulars	31.03.2021 ₹ In lakhs	31.03.2020 ₹ In lakhs
<b>(i) Current Tax</b>		
In respect of the current year	-	211.67
In respect of the earlier years	-	0.78
	-	212.45
<b>(ii) Deferred Tax</b>		
In respect of the current year	(43.97)	(49.81)
In respect of earlier years	-	-
	(43.97)	(49.81)
<b>TOTAL</b>	<b>(43.97)</b>	<b>162.64</b>

## 37 Financial Instruments:

### i. Financial Risk Management:

The Board takes the responsibility in overseeing the risk management plan for the company. The Risk Management Policy facilitates in identifying the risks associated with the operations of the company and in giving the suitable measures/solutions to mitigate the same. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

The Financial Risks in a Business Entity can be classified as Market Risk, Credit Risk and Liquidity Risk. The status of these Risks at the Company is as brought out hereunder:

#### a) Market Risk :

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Market risk consists of Foreign Currency Risk and Interest rate Risk. The company is not exposed to Foreign Currency Risk. The interest rate risk is the risk from the possibility that changes in interest rates will affect future cash flows of a financial instrument, principally financial debt. As on 31st March 2021, the company has only Hire Purchase loan. The Company is not exposed to any interest rate risk as the interest rate on Hire Purchase loan is fixed and not a floating rate.

#### b) Credit Risk :

Credit risk arises from the possibility that customers or counter party to financial instruments may not be able to meet their obligations. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables. The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions. There are no significant concentrations of credit risk within the company. The debtors outstanding as at the Balance Sheet date is less than 180 days from the date of billing.

#### c) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation. In view of lock down on account of covid19 pandemic, the Company incurred huge cash losses. The Company is taking necessary steps to recover those losses by bringing in more business in the areas like restaurants, banquets, filling up the rooms in a phased manner by complying with the Central and State Govt regulations.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date 31.03.2021.\*

Particulars	Carrying value	Less than 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
	Rs in Lakhs	Rs in Lakhs	Rs in Lakhs	Rs in Lakhs	Rs in Lakhs
Borrowings	300.26	294.42	5.84	-	300.26
Trade Payables	93.67	93.67	-	-	93.67
Lease Liabilities	190.60	79.97	110.63	-	190.60
Other Financial Liabilities	237.37	201.53	35.84	-	237.37
<b>Total</b>	<b>821.90</b>	<b>669.59</b>	<b>152.31</b>	<b>-</b>	<b>821.90</b>

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date 31.03.2020.\*

Particulars	Carrying value	Less than 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
	Rs in Lakhs	Rs in Lakhs	Rs in Lakhs	Rs in Lakhs	Rs in Lakhs
Borrowings	36.49	14.19	22.30	-	36.49
Trade Payables	119.55	119.55	-	-	119.55
Lease Liabilities	260.22	68.80	158.26	33.16	260.22
Other Financial Liabilities	329.84	295.04	34.80	-	329.84
<b>Total</b>	<b>746.10</b>	<b>497.58</b>	<b>215.36</b>	<b>33.16</b>	<b>746.10</b>

## ii. Fair Values Hierarchy

**A.** Financial assets and Financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 - Quoted Prices (unadjusted) in active markets for financial instruments

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

### Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at 31st March 2021	Level 1 Rs. in Lakhs	Level 2 Rs. in Lakhs	Level 3 Rs. in Lakhs	Total Rs. in Lakhs
<b>Financial Assets:</b>				
<b>Investments</b>				
Equity Instruments				
Quoted (FVTOCI)	211.71	-	-	211.71
Unquoted (At Cost)	-	-	30.46	30.46
<b>Total Financial Assets</b>	<b>211.71</b>	<b>-</b>	<b>30.46</b>	<b>242.17</b>

### Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at 31st March 2020	Level 1 Rs. in Lakhs	Level 2 Rs. in Lakhs	Level 3 Rs. in Lakhs	Total Rs. in Lakhs
<b>Financial Assets:</b>				
<b>Investments</b>				
Equity Instruments				
Quoted (FVTOCI)	119.93	-	-	119.93
Unquoted (At Cost)	-	-	30.46	30.46
<b>Total Financial Assets</b>	<b>119.93</b>	<b>-</b>	<b>30.46</b>	<b>150.39</b>

**B. Valuation Techniques:**

- a. The Carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.
- b. Fair value of fixed interest rate financial assets and liabilities carried at amortised cost is determined by discounting the cash flows using a discounting rate equivalent to market rate applicable to similar assets and liabilities as at the balance sheet date.

C. There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

iii. **The carrying value and fair value of Financial instruments by each category as at 31st March, 2021 were as follows:**

Sl. No	Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total Carrying Value	Total Fair Value
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
<b>A.</b>	<b>Financial Assets</b>					
	(i) Investments	30.46	-	211.71	242.17	242.17
	(ii) Loans	156.92	-	-	156.92	156.92
	(iii) Other financial Assets	170.71	-	-	170.71	170.71
	(iv) Trade Receivables	62.71	-	-	62.71	62.71
	(v) Cash and cash equivalents	132.48	-	-	132.48	132.48
	(vi) Other Bank Balances	486.14	-	-	486.14	486.14
	<b>Total Financial Assets</b>	<b>1,039.42</b>	<b>-</b>	<b>211.71</b>	<b>1,251.13</b>	<b>1,251.13</b>
<b>B.</b>	<b>Financial Liabilities</b>					
	(i) Trade Payables	93.67	-	-	93.67	93.67
	(ii) Other financial Liabilities	237.37	-	-	237.37	237.37
	(iii) Lease Liabilities	190.60	-	-	190.60	190.60
	(iv) Borrowings	300.26	-	-	300.26	300.26
	<b>Total Financial Liabilities</b>	<b>821.90</b>	<b>-</b>	<b>-</b>	<b>821.90</b>	<b>821.90</b>

**The carrying value and fair value of Financial instruments by each category as at 31st March, 2020 were as follows.**

Sl. No	Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total Carrying Value	Total Fair Value
		Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
<b>A.</b>	<b>Financial Assets</b>					
	(i) Investments	30.46	-	119.93	150.39	150.39
	(ii) Loans	189.01	-	-	189.01	189.01
	(iii) Other financial Assets	71.30	-	-	71.30	71.30
	(iv) Trade Receivables	109.74	-	-	109.74	109.74
	(v) Cash and cash equivalents	254.79	-	-	254.79	254.79
	(vi) Other Bank Balances	516.24	-	-	516.24	516.24
	<b>Total Financial Assets</b>	<b>1,171.54</b>	<b>-</b>	<b>119.93</b>	<b>1,291.47</b>	<b>1,291.47</b>
<b>B.</b>	<b>Financial Liabilities</b>					
	(i) Trade Payables	119.55	-	-	119.55	119.55
	(ii) Other financial Liabilities	329.84	-	-	329.84	329.84
	(iii) Lease Liabilities	260.22	-	-	260.22	260.22
	(iv) Borrowings	36.49	-	-	36.49	36.49
	<b>Total Financial Liabilities</b>	<b>746.10</b>	<b>-</b>	<b>-</b>	<b>746.10</b>	<b>746.10</b>

**iv. Capital Management:**

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of Balance Sheet.

Management assesses the Company's capital management in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

**Dividends:**

The Company has not declared dividend for the year ended 31st March, 2021. The Company during the previous financial year (FY 2019-20), on 14th November 2019, has declared an Interim Dividend of Rs. 1.20/- per share. Accordingly a sum of Rs. 172.56 lakhs/- (including Dividend Distribution Tax of Rs. 29.42 lakhs/-) has been paid and considered in the accounts for the year ended 31st March 2020.

**38. Employee Benefits:**

The disclosure required by Indian Accounting Standard 19, "Employee Benefits" is as follows:

The Company's obligation towards Gratuity being Defined Benefit Plans have been actuarially valued, the details of which as on 31st March 2021 and 31st March 2020 are given below:

**I. GRATUITY:****A. Expense recognized in the statement of Profit and Loss:**

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Interest cost	25.12	24.71
Current service cost	20.95	37.57
Past Service Cost	-	-
Expected return on plan asset	(24.75)	(25.76)
<b>Expenses to be recognized in P&amp;L</b>	<b>21.32</b>	<b>36.52</b>

**B. Amount recognized for the current period in the statement of Other Comprehensive Income [OCI] on account of Gratuity**

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Actuarial (gain)/loss - obligation	(30.75)	16.98
Actuarial (gain)/loss - plan assets	3.58	1.79
<b>Total Actuarial (gain)/loss</b>	<b>(27.17)</b>	<b>18.77</b>

### C. Reconciliation of Present Value of the Obligation and the Fair Value of the Plan Assets

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Present value of the obligation at the end of the period	311.87	358.90
Fair Value of Plan Asset at the end of the Period	316.39	353.53
<b>Liability / (Asset) recognized</b>	<b>(4.52)</b>	<b>5.37</b>

#### Table showing changes in the Present Value of Obligations:

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Present value of the obligation at the beginning of the period	358.90	353.00
Interest cost	25.12	24.71
Current service cost	20.95	37.57
Past Service Cost	-	-
Benefits paid (if any)	(62.36)	(73.36)
Actuarial (gain)/loss	(30.75)	16.98
<b>Present value of the obligation at the end of the period</b>	<b>311.86</b>	<b>358.90</b>

#### Table showing changes in the Fair Value of Planned Assets:

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Fair value of plan assets at the beginning of the period	353.53	367.93
Expected return on plan assets	24.75	25.76
Contributions	4.04	35.00
Benefits paid	(62.36)	(73.36)
Actuarial gain/(loss) on plan assets	(3.58)	(1.79)
<b>Fair Value of Plan Asset at the end of the Period</b>	<b>316.38</b>	<b>353.54</b>

**D. The amount to be recognized in Balance Sheet**

Period	As at 31.03.2021 Rs. in Lakhs	As at 31.03.2020 Rs. in Lakhs
Present value of the obligation at the end of the period	311.87	358.90
Fair value of plan assets at end of period	316.39	353.53
Net liability/(asset) recognized in Balance Sheet	(4.52)	5.37
<b>Funded Status</b>	<b>4.52</b>	<b>(5.37)</b>

Movements in the liability recognized in the Balance Sheet	As at 31.03.2021 Rs. in Lakhs	As at 31.03.2020 Rs. in Lakhs
Opening net liability adjusted for effect of balance sheet limit	5.37	(14.93)
Amount recognised in Profit and Loss	21.33	36.52
Amount recognised in OCI	(27.17)	18.78
Contribution paid	4.04	35.00
<b>Closing Net Liability</b>	<b>(4.52)</b>	<b>5.37</b>

**E. The assumptions employed for the calculations are tabulated:**

Particulars	As at 31.03.2021	As at 31.03.2020
Discount rate	7.00 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

**ii. EARNED LEAVE****A. Expense recognized in the statement of Profit and Loss:**

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Interest cost	7.91	10.43
Current service cost	7.37	6.92
Expected return on plan asset	-	-
<b>Expenses to be recognized in P&amp;L</b>	<b>15.28</b>	<b>17.35</b>

**B. Amount recognized for the current period in the statement of Other Comprehensive Income [OCI] on account of Earned Leave**

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Actuarial (gain)/loss - obligation	(16.88)	(53.44)
Actuarial (gain)/loss - plan assets	-	-
<b>Total Actuarial (gain)/loss</b>	<b>(16.88)</b>	<b>(53.44)</b>

**C. Table showing Changes in Present Value of Obligations:**

Period	From 01.04.2020 to 31.03.2021 Rs. in Lakhs	From 01.04.2019 to 31.03.2020 Rs. in Lakhs
Present value of the obligation at the beginning of the period	112.95	149.04
Interest cost	7.91	10.43
Current service cost	7.37	6.92
Benefits paid (if any) -	-	-
Actuarial (gain)/loss	(16.88)	(53.44)
<b>Present Value of Obligation at the end of the period</b>	<b>111.35</b>	<b>112.95</b>

**D. The amount to be recognized in the Balance Sheet:**

Period	As at 31.03.2021 Rs. in Lakhs	As at 31.03.2020 Rs. in Lakhs
Present value of the obligation at the end of the period	111.35	112.95
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet	111.35	112.95
<b>Funded Status</b>	<b>(111.35)</b>	<b>(112.95)</b>

Movements in the liability recognized in the Balance Sheet	As at 31.03.2021 Rs. in Lakhs	As at 31.03.2020 Rs. in Lakhs
Opening net liability adjusted for effect of balance sheet limit	112.95	149.04
Amount recognised in Profit and Loss	15.28	17.35
Amount recognised in OCI	(16.88)	(53.44)
Contribution paid	-	-
<b>Closing Net Liability</b>	<b>111.35</b>	<b>112.95</b>



**E. The assumptions employed for the calculations are:**

Particulars	As on 31.03.2021	As on 31.03.2020
Discount rate	7.00 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.

**39 Micro and Small Enterprises :**

- A. (i) There is no interest paid/payable during the year by the company to the suppliers covered under Micro, Small, Medium Enterprises Development Act, 2006
- (ii) The above information takes into account only those suppliers who have responded to the enquiries made by the company for the purpose.

Particulars	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
<b>Principal amount remaining unpaid to any supplier as on</b>		
Trade Creditor	3.74	2.63
Capital creditor	-	-
Interest on above	-	-
The amount of principal paid beyond the appointed date	-	-
The amount of Interest paid beyond the appointed Date	-	-
Amount of Interest due and payable on delayed payments	-	-
Amount of interest accrued and due	-	-
<b>Total Outstanding dues of Micro Enterprises and Small Enterprises</b>	<b>3.74</b>	<b>2.63</b>

- B. Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, management does not expect any material financial impact on account of such pending confirmation/reconciliation.

**40 Disclosure pursuant to Ind AS 12 "Income Taxes":**

- i. **Break-up of Deferred Tax Liabilities and Assets are given below:**  
For the year ended 31st March, 2021

Particulars	Opening balance as at 01.04.2020	Additions/ (reversals) in Income statement	Additions/ (reversals) recognized in Equity	Closing Balance as at 31.03.2021
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
<b>Deferred Tax Liability</b>				
- Depreciation	48.80	(42.96)	-	5.83
<b>Total</b>	<b>48.80</b>	<b>(42.96)</b>	<b>-</b>	<b>5.83</b>
<b>Deferred Tax Asset</b>				
- Lease Liability	4.83	1.59	-	6.42
- Carry forward of losses	-	29.77	-	29.77
<b>Total</b>	<b>4.83</b>	<b>31.36</b>	<b>-</b>	<b>36.19</b>
<b>Net Deferred Tax Liability / ( Asset )*</b>	<b>43.97</b>	<b>(74.32)</b>	<b>-</b>	<b>(30.36)</b>

\*Net Deferred Tax Asset as at 31.03.2021 not recognised on account of prudence.

**For the year ended 31st March, 2020**

Particulars	Opening balance as at 01.04.2019	Additions/ (reversals) in Income statement	Additions/ (reversals) recognized in Equity	Closing Balance as at 31.03.2020
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
<b>Deferred Tax Liability</b>				
- Depreciation	93.78	(44.98)	-	48.80
<b>Total</b>	<b>93.78</b>	<b>(44.98)</b>	<b>-</b>	<b>48.80</b>
<b>Deferred Tax Asset</b>				
- Lease Liability	-	4.83	-	4.83
<b>Total</b>	<b>-</b>	<b>4.83</b>	<b>-</b>	<b>4.83</b>
<b>Net Deferred Tax Liability / ( Asset )</b>	<b>93.78</b>	<b>(49.81)</b>	<b>-</b>	<b>43.97</b>

- ii. **Reconciliation between the average effective tax rate and the applicable tax rate is as follows:**

A reconciliation of the income tax provision to the amount computed by applying the statutory tax rates

Particulars	31.03.2021 (Rs. in Lakhs)	31.03.2020 (Rs. in Lakhs)
Profit Before Taxes	(317.94)	565.01
Enacted Tax Rates	25.17%	25.17%
Expected Tax Expense/(Benefit)	(80.02)	142.20
<b>Effect of:</b>		
On Account of Disallowable expenditure	17.45	34.13
Income Not Taxable	(1.24)	(3.22)
On account of adjustment of Ind AS 116	-	0.99
On account of Depreciation	(10.52)	(18.62)
Deferred Tax Asset not recognised	30.36	-
Earlier Year Taxes	-	0.78
<b>Tax Expense*</b>	<b>(43.97)</b>	<b>156.26</b>

\* Tax expense is including tax effect on the components of Other Comprehensive Income

**41. Disclosure pursuant to Ind AS 33 - "Earnings Per Share":**

<b>Earnings Per Share has been computed as under:</b>	<b>31.03.2021 Rs. in Lakhs</b>	<b>31.03.2020 Rs. in Lakhs</b>
Profit/ (Loss) before Taxation as per Statement of Profit & Loss Account	(453.76)	590.38
Tax Expense	(43.97)	162.64
Profit/ (Loss) before Taxation as per Statement of Profit & Loss Account (A)	(409.80)	427.74
Number of Ordinary Shares outstanding Shares fully paid-up (Equity Shares of Rs. 10/- each) (B)	- 1,19,28,000	- 1,19,28,000
<b>Earnings Per Share - Basic and Diluted (Face value of Rs. 10/- per share) (A/B)</b>	<b>(3.44)</b>	<b>3.59</b>

**42. Disclosure Pursuant to Indian Accounting Standards 24 - Related Party Disclosures**

i.

<b>Name of the related Party</b>	<b>Nature of the Relationship</b>
Mr. A . Ravikumar Reddy	Key Managerial Personnel * - Managing Director
Mrs. A. Nina Reddy	Key Management Person - Joint Managing Director
Mr. A. Tarun Reddy	Key Management Person - Director
Mrs. A. Nivruti	Key Management Person - Director
Mr. S.Sridhara Rao	Key Management Person - Director
Mr. A.Sudhakar Reddy	Key Management Person - Director
Mr. N S Mohan	Key Managerial Personnel * - Company Secretary
Mr. D V M Sambasiva Rao (Retired on 31st July 2019)	Key Managerial Personnel * - Chief Financial Officer
Mr. C H Mahesh Kumar (Appointed on 1st August 2019)	Key Managerial Personnel * - Chief Financial Officer

\* As per Section 203 of the Companies Act, 2013 the following are Key Managerial Personnel:

- i) Mr. A . Ravikumar Reddy - Managing Director
- ii) Mr. N S Mohan - Company Secretary
- iii) D V M Sambasiva Rao - Chief Financial Officer
- iv) Mr. C H Mahesh Kumar - Chief Financial Officer

In respect of the following entities with whom the Company has transactions, Mr. A . Ravikumar Reddy,

Mrs. A. Nina Reddy, Mr. A. Tarun Reddy, Ms. A. Nivruti exercise significant influence:

- i) Amaravathi Restaurants Pvt. Ltd.
- ii) Shyam Hotels and Restaurants
- iii) Nivi Enterprises

**ii. The Table showing transactions with Key Managerial Personnel and entities over which they exercise significant influence for the year ended 31.03.2021**

Name of the Related Party	Nature of Transaction	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
Amaravathi Restaurants Private Limited	Royalty on Franchise	-	16.34
	Purchase of Goods	2.88	9.47
	Collection of amount on behalf	-	0.54
Shyam Hotels and Restaurants	Purchase of Water	12.63	27.65
Nivi Enterprises	Purchase of Goods	0.31	-
Mr. A. Tarun Reddy	Sitting Fees	0.30	0.45
	Sale of Banquet Services	-	8.10
Mrs. A. Nivruti	Sitting Fees	0.20	0.50
Mr. S.Sridhara Rao	Sitting Fees	0.45	0.98
Mr. A.Sudhakar Reddy	Sitting Fees	0.30	0.75
Mr. A . Ravikumar Reddy	Remuneration	41.85	51.00
Mrs. A. Nina Reddy	Remuneration	41.85	51.00
Mr. N S Mohan	Remuneration	22.22	22.54
	Loan	-	3.30
Mr. D V M Sambasiva Rao (Retired on 31st July 2019)	Remuneration	-	2.95
Mr. C H Mahesh Kumar (Appointed on 1st August 2019)	Remuneration	5.55	6.35

**Outstanding Balance with related parties as at the Balance sheet date:**

Name of the Related Party	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
<b>Trade Payable</b>		
Shyam Hotels and Restaurants	1.17	1.15
Amaravathi Restaurants Private Limited	0.42	1.31
<b>Salary Payable:</b>		
Mr. A . Ravikumar Reddy	4.15	6.89
Mrs. A. Nina Reddy	4.15	6.88
Mr. N S Mohan	1.17	0.75
Mr. C H Mahesh Kumar	0.72	0.68
<b>Loan Receivable:</b>		
Mr. N S Mohan	-	2.97

iii. Due to losses during the current financial year, the Company has paid Managerial Remuneration within the provisions of Section 197 read with Schedule V of the Companies Act 2013

Salaries, Wages and Other benefits include Managerial Remuneration under section 198 of the Companies Act, 2013, which are as follows:

Particulars	Managing Director Rs. in Lakhs	Joint Managing Director Rs. in Lakhs
Salaries and Perquisites (7.5 % on Net Profit) As on 31.03.2020	51.00	51.00

**43. Other Significant Disclosures****i. Disclosure pursuant to Ind AS 37, " Provisions, Contingent Liabilities and Contingent Assets"****A. Provision :**

Wherever any liability has been recognized by the Company, the necessary provisions were made in the books of accounts.

**Reconciliation of Provision for Doubtful Debts:**

Particulars	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
Opening Balance	32.75	30.56
Less: Provision reversed/adjusted	3.06	0.69
Add: Provision made during the year	10.49	2.88
<b>Closing Balance</b>	<b>40.18</b>	<b>32.75</b>

**B. Contingent Liabilities :**

The contingent liabilities are those which are not recognized as liability.

**(a) Income Tax Matters :****a) Income Tax**

Assessment year	Amount in Rs. (Lakhs)	Appeal pending before
2018 - 19	19.38	Commissioner of Income Tax (Appeals), Chennai

**b) TDS Traces**

The amount of TDS outstanding as per TRACES is Rs.0.56 lakhs (Previous year Rs.0.52 lakhs) The Company is in the process of addressing the same for necessary rectification. The Company does not expect any outgo in this regard.

**(b) Charges Payable to TANGEDCO :**

The Company had entered into an Energy Wheeling Agreement on 15th December 2014 with M/s. Clarion Wind Farm Private Limited (CWFPL) to draw power approximately 3,50,000 units per month @ Rs. 5.90 per unit. During the previous year, the Company has cancelled the earlier agreement and entered into a new Energy Wheeling Agreement on 30th November 2019 with M/s. Clarion Wind Farm Private Limited (CWFPL) to draw power approximately 2,77,500 units per month @ Rs. 6.00 per unit. Tamil Nadu Generating & Distributing Corporation Limited (TANGEDCO) issued a show-cause notice directing the company to furnish documents to substantiate the company's claim that the power drawn under the Energy Wheeling Agreement is under "captive consumer status" and the "captive generator status" to CWFPL failing which a cross subsidy surcharge would be levied on the company amounting to Rs.2,16,06,377 for the years 2014-15, 2015-16 and 2016-17.

The Company has responded to the show cause notice and submitted the necessary documents to prove its captive consumer status and also requested CWFPL to submit the necessary documents as required by the TANGEDCO to prove the Captive Generator Status. The Company has also obtained an undertaking from CWFPL vide their letter dated 26th April

2019 that the CWFPL would bear cross subsidy surcharge, if any imposed by the TANGEDCO on the Company, if the Captive Generator Plant norms are not complied with due to the default by CWFPL. In view of the undertaking by CWFPL there will not be any contingent liability on the Company, since liability if any would be borne by captive generator i.e. CWFPL.

**(c) Notice from the Director General Foreign Trade (DGFT) and Customs Department:**

During the financial year 2018-19, the Company had received notices from DGFT and Customs Department for alleged non-fulfilment of export obligations for the financial year 2007-08 and 2009-10 relating to import of Capital Goods. The Company is in the process of obtaining necessary clearances from the DGFT and the Company does not foresee any liability in this regard. Further, during the financial year 2019-20, the Company has received notices from DGFT and Customs Department for alleged non-fulfilment of export obligations for the years 2011 and 2012 relating to import of Capital Goods.

**ii. Disclosure pursuant to Ind AS 115:**

**A. Disaggregation of Revenue:**

The Company has disaggregated revenue into various categories in the following table which is intended to depict how the nature, amount, timing and uncertainty of revenue and cash flows affected by economic date. It has disaggregated by major services and timing of revenue recognition.

For the year ended 31st March 2021	Sale of rooms and other ancillary services Rs. in Lakhs	Food & Beverages Rs. in Lakhs	Other Allied Services Rs. in Lakhs	Gym Collections Rs. in Lakhs	Franchise Income Rs. in Lakhs
<b>Timing of Revenue Recognition</b>					
(i) Transferred over time	989.24	-	-	138.37	4.80
(ii) Transferred at a point in time	-	745.77	84.20	-	-
<b>Total</b>	<b>989.24</b>	<b>745.77</b>	<b>84.20</b>	<b>138.37</b>	<b>4.80</b>

For the year ended 31st March 2020	Sale of rooms and other ancillary services Rs. in Lakhs	Food & Beverages Rs. in Lakhs	Other Allied Services Rs. in Lakhs	Gym Collections Rs. in Lakhs	Franchise Income Rs. in Lakhs
<b>Timing of Revenue Recognition</b>					
(i) Transferred over time	2,625.17	-	-	439.13	99.19
(ii) Transferred at a point in time	-	3,247.91	317.06	-	-
<b>Total</b>	<b>2,625.17</b>	<b>3,247.91</b>	<b>317.06</b>	<b>439.13</b>	<b>99.19</b>

**B. Contract Balances**

The following table provides information about receivables and payables for contracts with customers.

Particulars	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
a) Receivables, which are included in Trade Receivables	62.71	109.74
b) Contract Assets	7.75	2.81
c) Contract Liabilities	89.09	153.72
d) Revenue recognised from opening balance of Contract Liabilities	153.72	200.54

**C. Practical Expedient used in the adoption of Ind AS 115:**

The Company has applied:

- (i) Para 63 (non-applicability of significant financing component) as the period between the Company's promise to transfer services to a customer and its payments is one year or less.
- (ii) Para 121 (non-disclosure of amount of transaction price for unsatisfied performance obligations) as the Company recognises revenue from the satisfaction of the performance obligation in accordance with paragraph B16.

**iii. Disclosures pursuant to Ind AS 116:****A. Movement of Right of Use Assets:**

Particulars	Land and Building	
	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
<b>As at 01st April 2020</b>	241.02	348.59
Additions	58.98	1.49
Depreciation	(79.55)	(109.76)
Effect of closure (or) modification to lease terms / consideration	(55.35)	0.70
<b>As at 31st March 2021</b>	<b>165.10</b>	<b>241.02</b>

**B. Movement of Lease Liabilities:**

Particulars	Land and Building	
	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
As at 01st April 2020	260.22	348.59
Additions	58.98	1.49
Interest expense	23.02	34.43
Effect of closure (or) modification to lease terms / consideration	(55.35)	0.70
Variable lease payment adjustment	(48.07)	(4.16)
Lease payments	(48.20)	(120.83)
<b>As at 31st March 2021</b>	<b>190.60</b>	<b>260.22</b>

**C. Maturity analysis of Lease Liabilities:**

Particulars	31.03.2021 Rs. in Lakhs
Less than one year	96.25
One to five years	119.41
More than five years	-
<b>Total undiscounted lease liabilities at 31st March 2021</b>	<b>215.66</b>
<b>Lease Liabilities included in the balance sheet at 31st March 2021</b>	
Current	79.97
Non-Current	110.63

Particulars	31.03.2020 Rs. in Lakhs
Less than one year	95.01
One to five years	202.68
More than five years	33.04
<b>Total undiscounted lease liabilities at 31st March 2020</b>	<b>330.73</b>
<b>Lease Liabilities included in the balance sheet at 31st March 2020</b>	
Current	68.80
Non-Current	191.42

**D. Amounts recognised in the statement of cash flows:**

Particulars	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
Total cash outflow for leases Net of Gain on Termination	(48.20)	(120.83)

**iv. Commitments**

Particulars	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
Estimated amount of contracts remaining to be executed and not provided for		
(i) On Capital Account	-	-
(ii) Other than (i) above	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**v. CSR Activities**

Particulars	31.03.2021 Rs. in Lakhs	31.03.2020 Rs. in Lakhs
Gross amount to be spent on CSR activities	15.40	15.70
Amount spent during the year on CSR activities -	-	-
Education	-	8.03
Environmental Sustainability	1.11	5.91
Protection of Art and Culture	-	0.50
Promotion Gender Equality	-	2.15
Disaster Management / Flood relief	5.34	-
Healthcare	9.22	1.00
	<b>15.67</b>	<b>17.59</b>
<b>Amount unspent</b>	<b>-</b>	<b>-</b>



**vi. Exceptional Items**

Exceptional items for the financial year 2020-21 is Rs. 42.69 lakhs relating to asset written off on account of closure of branches, whereas 2019-20 represents Rs. 22.59 lakhs, being loss on Compulsory Acquisition of Land at Oragadam.

**vii. Segment Reporting**

The Company's only business is Hoteliering and hence disclosure of segmentwise information is not applicable under Ind AS 108 "Operating Segments". There is no Geographical segment to be reported since all the operations are undertaken in one geographical area.

**viii Impact due to the Corona Virus (Covid-19) scare:**

"The business has been impacted during the period on account of COVID-19. The Company witnessed softer revenues due to the lockdown imposed by the government. With the unlocking of restrictions in a phased manner, the Company expects the business to gradually improve. The Company has ensured the liquidity position and taken steps to meet its working capital requirements. Further, steps for cost optimisation at operational levels have been implemented. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

The Company has also assessed the possible impact of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. Based on the current estimates, the Company does not expect any significant impact on the carrying values of its assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions. "

**ix. Figures are rounded off to nearest rupee.****x. Previous year figures have been rearranged or regrouped wherever necessary.**

As per our attached Report of even date  
For S. VENKATRAM & CO. LLP  
Chartered Accountants  
Firm Regd No.004656S/ S200095

For and on behalf of the Board

(R. Vaidyanathan)  
Partner

A. Ravikumar Reddy  
Managing Director (DIN : 00145372)

A. Nina Reddy  
Joint Managing Director (DIN: 00144797)

M.No : 18953  
Place : Chennai  
Date: 28th June, 2021

N.S. Mohan  
Company Secretary

CH Mahesh Kumar  
Chief Financial Officer

# Food Support to Govt Hospital During Pandemic



# FOUNDERS DAY



# Indian Oil Corporation - Save Oil Food Competition





# Indian Oil Corporation - Save Oil Food Competition



# RTPCR TEST CAMP ON PREMISES



# RTPCR TEST CAMP ON PREMISES





# SHIVRATIRI CULTURAL PROGRAMS





# SHIVRATIRI CULTURAL PROGRAMS



# STRAY DOG FEEDING DURING LOCKDOWN PERIOD



# TABLE MANNERS TRAINING PROGRAM



# Work Force Excellence - Cross Functional Training

Workforce Excellence -  
Cross Functional Training





# Work Force Excellence - Cross Functional Training



# CERTIFICATE



# इसााि

System for Assessment, Awareness and  
Training for Hospitality Industry

— An initiative towards Atmanirbhar Bharat —

## SELF CERTIFICATION

**SAVERA HOTEL**

(Unit Name)

**CHENNAI, CHENNAI, TAMIL NADU**

(Unit City/District/State)

**MOT281020184**

(NIDHI Registration Number)

**November 2, 2020 2:20 PM**

(Date of Self Certification)

This self-certification is governed by the declaration given by the organization while registering and is an assurance to ensure safety and hygiene at the workplace in order to mitigate COVID-19 risks. It does not imply any certification of compliance to the SOPs/Guidelines issued by the Government in respect of practice of these elements is a continuous process. This Certificate will not substitute any legal or other requirement for setting up or operating a hospitality business.



## **SAVERA INDUSTRIES LIMITED**

No.146, Dr. Radhakrishnan Road,  
Mylapore, Chennai - 600 004.

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