

EXCELLENCE IN  
HOSPITALITY

17<sup>th</sup>  
ANNUAL  
REPORT  
2015



**Apollo Sindoori**  
Excellence in Hospitality





41, Anugraha , Nungambakkam High Road, Next to Taj, Nungambakkam, Chennai - 600 034.

Phone - 044 - 4206 4306 | Email - [skech@apollosindoori.com](mailto:skech@apollosindoori.com)



# SURUCHI

**A unit of Apollo Sindoori**

Old No. 717 New No. 238, Pathari Road, Thousand Lights, Anna Salai, Chennai - 600 002.

Phone - 044 - 4502 2221 | Email - [suruchi@apollosindoori.com](mailto:suruchi@apollosindoori.com)

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# APOLLO SINDOORI HOTELS LIMITED

CIN:L72300TN1998PLC041360

## Corporate Information

Chairman	P.Vijayakumar Reddy
Managing Director	Sucharitha Reddy
Directors	Dr.Prathap C.Reddy (up to 21.09.2014) Suneeta Reddy Shobana Kamineni (up to 13.03.2015) Sindoori Reddy V.J.Chacko (up to 07.01.2015) Suresh R.Madhok G.Venkatraman George Eapen

## Management Team

Chief Operating Officer	S.T.Nithyanandam
Vice President	Srilatha Reddy
Chief Financial Officer	M.Ramakrishnan
Company Secretary	R.Sathishkumar

Bankers	HDFC Bank Ltd., ITC Centre, Anna Salai Indian Bank, Nungambakkam Axis Bank Ltd., Dr.Radha Krishnan Salai,
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Statutory Auditors	R.Subramanian and Company Chartered Accountants New No.6, (36),Krishnaswamy Avenue Mylapore, Chennai – 600 004
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Internal Auditors	M/s.Karra & Co., Anugraha,No.28, Murray's Gate Rd, Alwarpat, Chennai - 600 018.
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## Board Committees

### Audit Committee

G.Venkatraman - Chairman  
Suresh R.Madhok  
George Eapen

### Shareholders/Investor Grievance Committee

Suresh R. Madhok - Chairman  
Sindoori Reddy  
George Eapen

### Nomination & Remuneration Committee

G.Venkatraman - Chairman  
Suresh R.Madhok  
George Eapen

Secretarial Auditor	Mr.Gouri Shanker Mishra, IInd Floor, 76, P S Sivaswamy Salai, Mylapore, Chennai- 600 004.
Registrar & Share Transfer Agents	M/s.Cameo Corporate Services Limited “Subramanian Building”, V <sup>th</sup> Floor, No.1, Club House Road, Chennai – 600 002. Phone: 044 2846 0390 e-mail: <a href="mailto:cameo@cameoindia.com">cameo@cameoindia.com</a> Web: <a href="http://www.cameoindia.com">www.cameoindia.com</a>
Registered Office	19-B, Anugraha Apartments, 41, Uthamar Gandhi Salai, Nungambakkam, Chennai – 600 034. Phone:91 44 43084849 e-mail: <a href="mailto:info@apollosindoori.com">info@apollosindoori.com</a>
Administrative Office	150/62, Greams Road, Thousand Lights, Chennai – 600 006. Phone:91 44 49045000 e-mail: <a href="mailto:info@apollosindoori.com">info@apollosindoori.com</a>
SKETCH - The Café	SKETCH - The Café 19-B, Anugraha Apartments, 41, Uthamar Gandhi Salai, Nungambakkam, Chennai – 600 034.
WebSite	<a href="http://www.apollosindoori.com">www.apollosindoori.com</a>
Listed at	National Stock Exchange of India Limited, Mumbai. Symbol:APOLSINHOT



# APOLLO SINDOORI HOTELS LIMITED

CIN:L72300TN1998PLC041360

Registered Office: 19-B Anugraha Apartment  
41, Uthamar Gandhi Salai, Nungambakkam, Chennai – 600 034.

## NOTICE TO MEMBERS

Dear Shareholder(s)

Notice is hereby given that the Seventeenth Annual General Meeting of the Shareholders of Apollo Sindoori Hotels Limited will be held on Wednesday the 12<sup>th</sup> August, 2015 at Narada Gana Sabha - Mini Hall, 314 (Old No.254), T.T.K. Road, Alwarpet, Chennai-600 018 at 3.30 P.M, to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, Profit and Loss Account for the year ended 31st March 2015 and together with the Reports of the Board of Directors and the Auditors thereon.
- 2) To declare dividend on equity shares.
- 3) To appoint a director in place of Mrs.Suneeta Reddy (DIN 00001873) Director who retires by rotation and being eligible offers herself for re-appointment.
- 4) To appoint a director in place of Mr.P.Vijayakumar Reddy (DIN 01097295) Director who retires by rotation and being eligible offers himself for re-appointment.
- 5) To appoint auditors of the Company and to fix their remuneration.

"RESOLVED 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, M/s.R.Subramanian & Company, Chartered Accountants (Firm Regn. No.004137S), be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company. The retiring Auditors, M/s. R. Subramanian & Company, Chartered Accountants are eligible for re-appointment and have given a written certificate as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the Remuneration of the Auditors".

### SPECIAL BUSINESS:

#### 6). Re-Appointment of Mrs.Sucharitha Reddy, as a Managing Director of the Company

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

RESOLVED THAT pursuant to the provisions of sections 196, 197, 198, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and the



Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, and other applicable rules, if any, approval of the Members of the Company be and is hereby accorded for the re-appointment of Mrs. Sucharitha Reddy (DIN 00003841) as the Managing Director of the Company, who holds the position of a whole time Key Managerial Personnel and whose term expires on 20th August, 2015, for a period of Five years effective from 21st August, 2015 on the following terms of Remuneration as approved by the Nomination and Remuneration Committee.

### **Terms of Appointment:**

Basic Salary: ₹ 1,00,000/- (Rupees One Lakh only) per month

Contribution to provident fund, superannuation fund to the extent these are either singly or put together are not taxable.

Gratuity at the end of the tenure at the rate of 15 days of salary for each completed year of service.

Leave with fully pay allowances as per Company's rule.

Provision of car for use for company's business and provision of land line and mobile telephone for which the company will bear the call and other charges.

Reimbursement of entertainment expenses at actual incurred in the course of company's business.

Encashment of unavailed leave at the end of the tenure.

“RESOLVED FURTHER THAT in the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, benefits and perquisites payable or extended to Mrs. Sucharitha Reddy shall be in accordance with the provisions of Section II of Part II of Schedule V to the Act, as may be in force from time to time.”

“RESOLVED FURTHER THAT in the event of any Statutory modification or amendments or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule V to the Companies Act, 2013 the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites etc., within such prescribed time and to do all acts, deeds, matters and things, as it may, at its absolute discretion consider necessary, expedient or desirable to give effect to the above resolution or otherwise considered by it to be in best interest of the company.”

### **7). TO INCREASE THE BORROWING POWER OF THE COMPANY**

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

"RESOLVED THAT pursuant to Section 180(1) (C) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accords its consent to the Board of Directors for borrowing any sums of money from time to time from any one or more persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or stock-in trade (including raw materials, stores, spare parts and component





in stock or in transit) and work-in-progress or all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, but, so, however, that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of ₹100 Crores (Rupees Hundred Crores only).”

By Order of the Board,  
For Apollo Sindoori Hotels Limited

R.SATHISHKUMAR  
Company Secretary and  
Compliance officer  
Registered office: 19-B,  
Anugraha Apartments,  
41, Uthamar Gandhi Salai,  
Nungambakkam,  
Chennai – 600 034  
CIN: L72300TN1998PLC041360  
Website: [www.apollosindoori.com](http://www.apollosindoori.com)  
Email: [secretary@apollosindoori.com](mailto:secretary@apollosindoori.com)  
Ph: +91 44 4308 4849

Place: Chennai  
Date : 29/05/2015

## Notes

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the special business under item No.6 and 7 of the Notice, is annexed hereto.
2. **A Member entitled to attend at the meeting is entitled to appoint a Proxy to attend instead of himself and the Proxy need not be a Member of the Company.** A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed in the last page of this Annual Report. Proxies in order to be effective must be received at the Registered office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. During the period beginning 24 hours before the time fixed of the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of the notice in writing is given to the Company.
4. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

5. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for year 2014-15 are being sent to all the Members whose E-mail IDs are registered with the Company / Depository Participants(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to Members for whom the E-Mail IDs are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website – **www.apollosindoori.com** for their download.
6. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the member at the AGM.
7. The Register of Members and Share Transfer Book will remain closed from 06.08.2015 to 12.08.2015 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended 31 March 2015 and the AGM.
8. Subject to the provision of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose name appear on the Register of Members as on AGM.
9. Members whose shareholding is in the electronic mode are requested to direct change of address notification and update of Saving Bank Account details to their respective Depository Participant(s). Members are encouraged to utilize the Electronic Clearing System (ECS) for receive dividends.
10. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, Cameo Corporate Services Limited, (Unit: Apollo Sindoori Hotels Limited), by writing to them at Subramanian Building, No.1, Club House Road, Anna Salai, Chennai – 600 002, or by E-Mail to **investor@cameoindia.com**.
11. The Securities and Exchange Board of India (SEBI) had mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding in physical form shall submit their PAN details to the Company.
12. All documents referred to in the Notice will be available for inspection at the Company Registered Office during normal business hours on working days up to the date of AGM.
13. Road map layout of the AGM Hall is detailed in back side of the Attendance slip.



**A brief profile of directors, who are proposed to be re-appointed/appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below:**

### **1. Mrs.Suneeta Reddy**

A member of the founding family, Mrs.Suneeta Reddy joined the Apollo Hospitals Group in 1989. As Executive Director Finance, she was instrumental in taking the organization to the international equity markets through a successful GDR and subsequently bringing the First Foreign Direct Investment into Healthcare in India. It has been her deep domain knowledge and foresight that has guided Apollo's emergence as a formidable, financially sound hospital enterprise.

Managing a dual responsibility of Global Projects, Mrs.Suneeta Reddy led Apollo's Greenfield Hospital projects, introduced the management of hospitals as a business models in India, and was pivotal in growing the organization's footprint. On May 27, 2011, on the milestone 200th Board Meeting of Apollo Hospitals Enterprise Limited, she was elevated to the position of Joint Managing Director.

Suneeta Reddy's financial acumen has been the key factor in the group's dramatic growth and profitability. Her insights have played an instrumental role in encouraging medical value travellers to Apollo Hospitals and to India at large. With a guiding principle to align Apollo's growth strategy in keeping with the needs of the nation, she led the Apollo Reach Hospitals model to fruition. Commended by World Bank, it is an innovation redefining both healthcare and healthcare design as it takes quality care to the soul of India- it's villages.

On July 2, 2014, she was elevated to the position of the Managing Director. Going forward, Mrs.Suneeta Reddy will lead the corporate strategy, corporate finance, funding and investments and will leverage M&As to achieve the organizational objectives of an accelerated pace of growth and in optimizing profitability. She will be steering the hospitals vertical of the Group, as well as oversee the branding and marketing portfolio.

Mrs. Suneeta Reddy is a Director on the Board of Apollo Munich Health Insurance Company Ltd and she also serves on the Board of several Apollo Hospitals' Group companies. Through her close involvement, effort and patience, she has guided these companies on a path of growth and profitability.

A key influencer in the Indian healthcare industry, Mrs. Suneeta Reddy is a widely recognized for her contributions and has held leadership positions including Co-Chairperson of Healthcare Sub Committee - Confederation of Indian Industry (CII) and is a member in National Committee on Healthcare. She is also a member of the Harvard Business School India Advisory Board (IAB).

Mrs. Suneeta Reddy received her Bachelor of Arts degree in Public Relations, Economics and Marketing from Stella Maris College in Chennai. She holds a Diploma in Financial Management from the Institute of Financial Management and Research, Chennai and has completed the Owner / President Management Program at Harvard Business School (HBS), Boston, USA.

## Other Directorships

S.No.	Name of the Company/ LLP	Current Designation	Committee details	Position held
1.	Apollo Hospitals Enterprise Limited	Managing Director	Stakeholders Relationship Committee/Investment Committee	Member
2.	Kalpatharu Infrastructure Development Company Private Limited	Director	-	-
3.	Apollo Gleneagles Hospital Limited	Nominee Director	Nomination and Remuneration Committee	Member
4.	Sindya Builders Private Limited	Director	-	-
5.	Indraprastha Medical Corporation Limited	Director	Audit Committee/Corporate Social Responsibility Committee	Member
6.	Imperial Hospital And Research Centre Limited	Nominee Director	Nomination and Remuneration Committee	-
7.	Aircel Limited	Director	Nomination and Remuneration Committee	Member
8.	Dishnet Wireless Limited	Director	Nomination and Remuneration Committee	Member
9.	Aircel Cellular Limited	Director	Nomination and Remuneration Committee	Member
10.	Deccan Digital Networks Private Limited	Director	-	-
11.	Apollo Munich Health Insurance Company Limited	Director	Investment Committee	Chair Person
12.	Garuda Thermal Power Private Limited	Director	-	-
13.	Faber Sindoori Management Services Private Limited	Director	-	-
14.	Tharani Energy India Private Limited	Director	-	-
15.	Health Superhiway Private Limited	Nominee Director	-	-
16.	Garuda Energy Private Limited	Director	-	-
17.	Sirkazhi Port Private Limited	Director	-	-
18.	Helios Holdings Private Limited	Director	-	-
19.	Aircel Smart Money Limited	Director	Nomination and Remuneration Committee	Member

She is not hold Chairmanship/Membership of any Committee of our Board.

She holds 49935 Equity shares of ₹10/- each of the Company.

Suneeta Reddy is related to Mrs.Sindoori Reddy, Director and Mrs.Sucharitha Reddy, Managing Director.

Except Mrs.Suneeta Reddy, Mrs.Sindoori Reddy and Mrs.Sucharitha Reddy none of the Directors or Key Managerial Personnel (KMP) of the Company is concerned or interested, financial or otherwise in this resolution.

### 2.Mr. P.Vijayakumar Reddy

Mr.P.Vijayakumar Reddy is the founder of PPN Power Generating Company Private Limited which having the capacity of 330.5 MW, Gas cum Naphtha fired, Combined Cycle Power Plant at Villages Pillaiperumalnallur and Manickapangu, Tharangambadi Taluk, Nagapattinam District, Tamil Nadu.

Mr.P.Vijayakumar Reddy is also associated with Entertainment Electronics, Hospitality, Dry cell Batteries, Real estate, Home appliances, Generation of Electric Power, Healthcare, Info Tech, Infrastructure etc., Mr.P.Vijayakumar Reddy has completed Bachelor degree in Commerce.

S.no	Name of the Company/LLP	Current Designation	Committee details	Position held
1.	Preetha Investments Private Limited	Director	-	-
2.	PPN Holdings Private Limited	Director	-	-



He is not hold Chairmanship/Membership of any Committee of our Board.

He holds 25585 Equity shares of ₹10/- each of the Company.

Mr. P. Vijayakumar Reddy is related to Mrs. Sucharitha Reddy Managing Director of the Company.

Except Mr. P .Vijayakumar Reddy and Mrs. Sucharitha Reddy none of the Directors or Key Managerial Personnel (KMP) of the Company is concerned or interested, financial or otherwise in this resolution.

## VOTING THROUGH ELECTORNIC MEANS

Under Rule 18 of Companies (Management and Administration) Rules, 2014 Members holding shares in electronic mode who have not got their E-Mail addresses updated with the Depository Participants are requested to update their E-Mail address and any changes therein. Members holding shares in physical mode are requested to update their E-Mail address, quoting their Folio Number, to our Registrar and Share Transfer Agent, viz., Cameo Corporate Services Limited, (Unit: Apollo Sindoori Hotels Limited), by writing to them at Subramanian Building, No.1, Club House Road, Anna Salai, Chennai -600 002, or by E-Mail to [investor@cameoindia.com](mailto:investor@cameoindia.com).

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote at the Seventeenth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

### I. The instructions for e-voting are as under:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Select “APOLLO SINDOORI HOTELS LIMITED” from the drop down menu and click on “SUBMIT”
- (iv) Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on Login).
- (v) 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 voting of any company, then your existing password is to be used. If you are a first time user follow the steps given in points (vi) and (vii).
- (vi) Fill up the following details in the appropriate boxes:

For Members holding shares both in Demat Form and physical form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio



\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (Sequence number has been provided as Serial number in the address label and / or in the e-mail sent to Members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

#Please enter any one of the details in order to login. In case the details are not recorded with the depository and company please enter the Member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
  - (viii) Members holding shares in physical form will reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Set Password' 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.
  - (ix) For Members holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
  - (x) Click on the EVSN for Apollo Sindoori Hotels Limited.
  - (xi) 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.
  - (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
  - (xiii) 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.
  - (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
  - (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
  - (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).



- IV. **The e-voting period commences on 09th August 2015 (10:00 am) and ends on 11th August 2015 (5:00 pm). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 05th August 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
- V. **The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 05th August 2015.**
- VI. **Mr.Gouri Shanker Mishra, Practicing Company Secretary (Membership No: F6906), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.**
- VII. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The Results shall be declared after remote E-voting and physical ballot after the AGM of the Company and the resolutions will be deemed to be passed on the date of AGM of the Company subject to the receipt of requisite number of votes in favour of the resolution. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.apollosindoori.com](http://www.apollosindoori.com) and on the website of CDSL and communicated to the Stock Exchanges.

### **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

#### **Item No: 6**

The Board of directors has appointed Mrs. Sucharitha Reddy as a Managing Director of the Company for a period of five years from 21.08.2010. The term of office of such appointment will be expired on 20.08.2015. Further, Mrs.Sucharitha Reddy is having over two decades of rich experience particularly in hospital industry and the Company has shown significant progress in terms of business growth, operations and profitability during her tenure. In recognition of her contribution in the Company and based on the recommendation by the Nomination and Remuneration committee, the Board of directors at their Meeting held on 29.05.2015 has re-appointed Mrs.Sucharitha Reddy as a Managing Director of the Company subject to approval of members at the ensuing Annual General Meeting for a further period of five years with effect from 21.08.2015 to 20.08.2020.

Mrs. Sucharitha Reddy was appointed as the Managing Director of the Company for an initial period of five years from 21.08.2000. Thereafter, she was re-appointed for another five years for two terms and her re-appointments and the terms of remunerations were approved by the Members of the Company at the Annual General Meeting held on 20.09.2005 and 21.08.2010 respectively. The tenure of the said appointment expires on 20th August 2015. During her term of office, Mrs. Sucharitha Reddy has worked hard and improved the working of the Company and under her able leadership, the Company has made a steady growth and strengthened the financial position as evidenced in the financial results and her continuance is very much required for the Company, though she attained the age more than 70 years.

Hence in the interest of the Company, the Board of Directors re-appointed as the Managing Director of the Company for a period of five years from 21st August, 2015 and fixed a remuneration with the approval of the Nomination and Remuneration Committee subject to the approval of the Members of the Company at a General Meeting, the details of the remuneration being set out in the Resolution. The remuneration proposed is also reasonable considering her responsibilities. The approval of the Company in General Meeting is sought by this Special Resolution for the re-appointment of Mrs. Sucharitha Reddy as Managing Director of the Company and payment of remuneration to her. She also completed 76 years old. Hence this Special Resolution is placed before the Members of the Company for their approval. Mrs. Sucharitha Reddy, being an appointee, is interested or concerned in the Resolution. She holds 172130 Equity shares of ₹10/- each of the Company. Mrs. Sucharitha Reddy is related to Mr. P. Vijayakumar Reddy, Chairman and Mrs. Suneeta Reddy Director of the Company. Except Mrs. Sucharitha Reddy, Mr.P. Vijayakumar Reddy and Mrs. Suneeta Reddy none of the Directors or Key Managerial Personnel (KMP) of the Company is concerned or interested, financial or otherwise for her appointment.

#### Other Directorships:

S.no	Name of the Company	Current Designation	Committee details	Position held
1.	Lifetime Wellness Rx International Ltd.	Director	-	-
2.	Future Parking Private Limited	Director	-	-
3.	Apollo Health Foods Private Limited	Director	-	-
4.	Total Health (npl)	Director	-	-
5.	Indian Hospitals Corporation Limited	Additional Director	-	-
6.	Apollo Shine Foundation (npl)	Director	-	-

#### Item No.7

The Board of Directors of the Company envisages requirements of funds in future. As per the provisions of Section 180(1)(C) of the Companies Act, 2013, the Board can borrow money subject to the condition that the money to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed the aggregate, for the time being, of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose unless the Shareholders have authorized the Board to borrow the monies upto some higher limits.

Hence, it is proposed to empower and authorize the Board of Directors of the Company to borrow money from any Bank(s), Financial Institutions (FIs), Bodies Corporate or Business Associates or other any person or entity etc., in excess of paid up capital and free reserves of the Company by a sum not exceeding ₹100 crores (Rupees Hundred Crores only) for the purposes of business activities of the Company.

The resolution as set out at item no.7 of the notice is placed for your approval on the aforesaid limits of borrowing by the Board.



As per Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, approval of the members is sought by way of Special resolution.

Hence, the Board of Directors recommends passing of the enabling resolution mentioned at item No.7 in the notice.

None of the Directors or KMPs or their relatives is concerned or interested either financially or otherwise, in the resolution.

By Order of the Board,  
For **Apollo Sindoore Hotels Limited**

R.SATHISHKUMAR  
Company Secretary and  
Compliance officer

Registered office:

19-B, Anugraha Apartments,  
41, Uthamar Gandhi Salai, Nungambakkam,  
Chennai – 600 034.

CIN:L72300TN1998PLC041360

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

Email: [secretary@apollosindoori.com](mailto:secretary@apollosindoori.com)

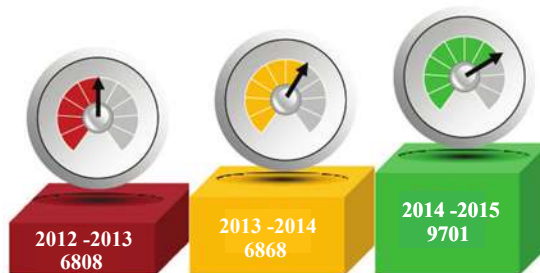
Ph: +91 44 4308 4849

Place: Chennai  
Date : 29/05/2015

## Comparison 2014 -2015

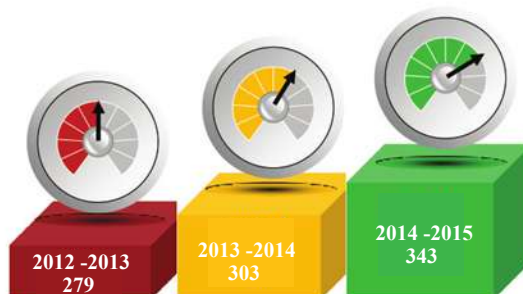
₹ In lacs

### Revenue



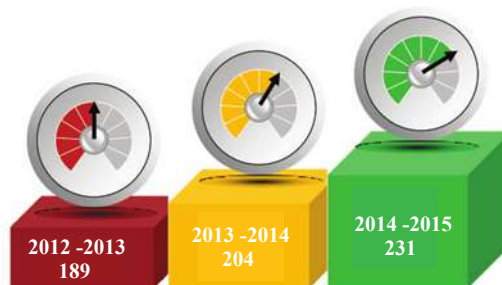
₹ In lacs

### PROFIT BEFORE TAX (PBT)



₹ In lacs

### PROFIT AFTER TAX (PAT)







## CHAIRMAN'S MESSAGE

Dear Members of Apollo family,

I extend a warm welcome to all of you to 17th Annual General Meeting

It is indeed to be reckoned as creditable achievement in the current scenario, of the operating results recorded during the year 2014-15.

It is no doubt a matter of great satisfaction of reflecting a steady growth over the years.

No doubt this would not have been possible, but for the dedicated efforts of all our employees and executives, customers and other stake holders.

### **Macro Economic Environment:**

Turning to external situation, the global economy has been under continuous strains due to legacy of global financial crisis resulting in emerging economics becoming less dynamic as compared to the past.

Growth in the immediate previous year namely 2013-14 was marginally higher as compared to the previous years. During the fiscal year 2015, the expected growth is pegged at 3.5%

### **Domestic Economic Development:**

In the emerging global economic environment, domestic reforms would be the key in improving both manufacturing and service sector. Such approach is vital to remain competitive in the global market.

India must recognize emerging challenges from various regional agreements and negotiations which the new Government has launched.

In a globalised world, India has to become a part of global chain. To achieve this, it is necessary for the country to grow in double digit and primarily focus on manufacturing sector with thrust "Make in India" which would complement the growth of service sector.

GDP growth of 7.3% in 2014-15 is encouraging and broadly in line with expectations.

The Government has progressively planned to record good economic performance and their efforts in improving "Ease of doing Business" has helped in creating a positive sentiments over the past one year.

Indian Government is prioritizing technology as an enabler for the transformation and development of the country. Government's programme of "Digital India" is excellent platform. With these and e-biz project approaches, we do expect GDP growth to be around 7.8% in the current fiscal year.

## Hospitality sector:

Indian F&B Service Industry is one of the vibrant sectors that has seen unprecedented growth in the recent past and continues to expand rapidly. The investment scenario also looks bright for the sector. The establishment of “Brand – India” and the Government's e-visas initiatives have seen huge upsurge in demand on tourism and related activities.

Implementation of skill development programmes one Hundred “SMART CITIES” will widen the scope of hospitality industry.

The success of both “Make in India Campaign” and “Ease of doing business” will lend adequate opportunity to expand the horizon of hospitality sector. The State Governments are also beneficiaries of the additional revenue and domestic employment opportunities with the growth on hospitality sector. The Government should devote to improve the overall infrastructure and encourage more private investments.

## Performance of the Company

It gives me pride to share with you that your Company's turnover has increased from ₹ 69 Crores to ₹ 97 Crores, flaunting a healthy growth of around 40.58%. This growth in challenging circumstances is a testimony to the robustness of your Company's business strategy and innovative opportunities in service offerings that helped to capture untapped markets.

You will be pleased to note that profit Before Tax for 2014-15 is ₹343.34 Lacs as compared to ₹302.64 Lacs for the financial year 2013-14. Profit after Tax rose to ₹ 231.23 Lacs as compared with ₹204.45 Lacs for the last financial year, indicative of a PAT growth of 13.10%.

The Board of Directors have recommended a dividend of 30% on equity shares of the Company for the year 31st March 2015.

Your Company has invested in setting up a unit that centralized kitchen to rationalize the operating costs and the benefits of economies of scale. Your Company also planned to expand the number of Sketch outlets within Chennai city and other lucrative markets outside of Chennai. With the constant changes in lifestyle, F & B sector in general and catering operations in particular are bound to record an excellent growth.

Consequent to the sweeping lifestyle changes transpiring pan-India, we embarked on a number of long-term corporate initiatives to capitalise on growth priorities such as –brand image, margin expansion and investing in our people.

**Brand Image-** The intrinsic value of your company's offerings has been further strengthened by anchoring them upon clearly defined and carefully crafted, brand positions. Our flagship brand is, Sindoori and is supported by Sketch.

**Margin expansion** -During 2014-15, gross margins improved through better menu management, prudent pricing and product mix.



**Investing in our people-**Your Company provided quality employment and long term careers to more than 3500 youth as on March 31, 2015. For many of our employees, your Company is first employer, providing formal jobs opportunities that include benefits, medical coverage, training and flexibility. Our focus lies in nurturing and grooming fresh talent.

### **Future:**

We never rest with the current achievements. We have been constantly putting our team to expand the horizon of markets. Parallely we keep a close watch on cost aspects to remain competitive and to improve our profitability.

We also have distinguished amongst our competitors with our quality and performance.

With our Innovative approach to pricing mechanism and committed delivery, it has been possible to spread our wings gradually in different parts of our country and broad base the customers. Your Company is well positioned to growth and build up a “brand” for its quality and service.

### **Acknowledgement**

I express my sincere thanks and gratitude to the Company's valued customers, shareholders and well wishers for their valuable benefaction towards the progress of the Company and seek their extended support and co-operation.

I acknowledge the valuable guidance, support and co-operation received from the Directors on the Board of the Company and also thankful to the Banks.

I wish to place on record, the deep appreciation of the valuable contribution of the staff, at all levels, without which the progress achieved, would have been unattainable.

With Warm Regards

**Chairman**

## Directors' report to the Shareholders

### 1. Operations / State of the Company's Affairs

Apollo Sindoori Hotels Limited has delivered another year of strong performance despite challenging macro economic conditions prevailed across the Economy and Hospitality Industry.

Your Company's turnover has gone from ₹69 Crores to ₹97 Crores, flaunting a healthy growth of 40.58%. This growth in challenging circumstances is a testimony to the robustness of your Company's business strategy and innovative service offerings that helped capture new markets.

You will be pleased to note that profit Before Tax for 2014-15 ₹343.34 Lacs as compared to ₹302.64 Lacs for the financial year 2013-14. The growth of 13.45 % is exemplary and augurs well for the forthcoming year. Profit after Tax rose to ₹231.23 Lacs as compared with ₹204.45 Lacs for the last financial year, indicative of a PAT growth of 13.10%.

Your Company has invested in setting up a unit that centralized kitchen to optimise cost and benefit from economies of scale. Your Company also plans to expand the number of Sketch outlets within Chennai and other lucrative markets outside of Chennai.

In another important development, your Company Shares has been listed at National Stock Exchange of India Limited (NSE), Mumbai w. e. f. January 28, 2015.

(₹in Lacs)		
Details	2015	2014
<b>Income:</b>		
Income from sale	9637.03	6811.27
Other Income	63.86	56.99
<b>Total Income</b>	<b>9700.89</b>	<b>6868.26</b>
<b>Expenditure:</b>		
Less: Employee Cost & other expenses	9289.11	6506.82
Profit before Depreciation, Interest and Taxation	411.78	361.44
Less: Depreciation	45.96	42.72
Interest	22.48	16.08
<b>Profit for the year before Exceptional Item and Tax</b>	<b>343.34</b>	<b>302.64</b>
Less: Exceptional Item (pre-tax)	-	-
<b>Profit for the year before Tax</b>	<b>343.34</b>	<b>302.64</b>
Less: Provision for Tax – Current Tax	99.00	94.00
– Deferred tax (net)	13.11	4.19
<b>Net Profit for the year after tax</b>	<b>231.23</b>	<b>204.45</b>
Balance brought forward from earlier years	1071.06	932.65
<b>Appropriations:</b>		
General Reserve	-	20.40
Proposed Dividend on Equity Shares	39.01	39.01
Income Tax on Proposed Dividend	8.66	6.63
Depreciation adjusted with reserve	6.36	-
Surplus carried to Balance Sheet	1248.26	1071.06



## **2. Dividend**

Your Directors are pleased to recommend a dividend of ₹3/- per equity share of face value ₹10/-each for the financial year ended March 31, 2015. The dividend, if approved at the ensuing Annual General Meeting, will be paid to the shareholders whose names appear on the register of members of the Company as on the Book Closure Date. The equity dividend outgo for 2014-15, inclusive of tax on distributed profits would absorb a sum of ₹47.67 lakhs (as compared to ₹45.63 lakhs comprising the dividend of ₹3/- per equity share paid for the previous year).

## **3. Transfer to Reserves**

The Company does not propose to be transferred out of the current profits to the General Reserve.

## **4. Fixed Deposits**

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

## **5. Listing**

The Company was exclusively listed on Madras Stock Exchange. Since the SEBI has issued a notice to Non-operative Stock Exchanges to close their operation, the Company has filed a Listing Application with National Stock Exchange of India Limited and it also got an approval for Listing of 1300200 Equity shares of the Company.

Accordingly the Shares of the Company were listed on National Stock Exchange of India Limited, Mumbai and the trading was started on 28.01.2015 effectively.

The Company has also paid a listing fees to National Stock Exchange and Madras Stock Exchange Ltd for the financial year 2015-16.

Further the Madras Stock Exchange was closed their operation with effect from 14, May, 2015 vide the order issued by Securities and Exchange Board of India.

## **6. Share Capital**

The paid up equity share capital as on March 31, 2015 was ₹1,30,02,000. During the year under review, your Company did not issue shares with differential voting rights / sweat equity.

## **7. Significant or Material Orders Passed By regulators/Courts**

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## **8. Material Changes and Commitment Affecting Financial Position of the Company**

There are no material changes and commitments, affecting financial position of the Company which have occurred between the end of the financial year of the Company i.e March 31, 2015, and the date of the Directors' Report.

## **9. Corporate social responsibility**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having the net worth of ₹500 crores or more or turnover of ₹1000 crores or more or net profit of ₹5 crores or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

Accordingly the provisions of CSR activities under Companies Act 2013 do not apply to your company.



## **10. Corporate Governance**

Compliance with the provisions of Clause 49 shall not be mandatory as paid up equity share capital not exceeding ₹10 crores and Net Worth not exceeding ₹25 crores, as on the last day of the previous financial year as per circular of SEBI bearing number CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014.

## **11. Joint venture Company/Associates**

Faber Sindoori Management Services Private Limited

Apollo Sindoori Hotels entered into an MOU dated July 14, 2006 with Faber Medi-Serve SDN. BHD ("FMS") whereby FMS and Apollo Sindoori Hotels have agreed to form a joint venture company in Chennai for the purpose of setting up a project upon mutually agreed objectives in the domain of bio-medical engineering (maintenance), facility engineering (maintenance), cleansing, housekeeping, janitorial services and hospital support services (other than catering services) and management information services (other than patient information). It was agreed that FMS would hold 51% of the proposed joint venture company while Apollo Sindoori Hotels would hold 49%.

The said Joint Venture Agreement was entered into between FMS and Apollo Sindoori Hotels on June 25, 2007 whereby amongst other terms, it was recorded that a private limited company with the name "Faber Sindoori Management Services Private Limited" would be incorporated on 27/08/2007.

Financial position of Joint Venture Company has not been provided In accordance with the Notification issued by the Ministry of Corporate Affairs, Government of India, to amend the Companies (Accounts) Rules, 2014, Vide notification dated 14th October 2014, No. G.S.R. 723(E), in rule 6, after the existing proviso, of the Companies (Accounts) Rules, 2014.

## **12. Subsidiary**

The Company has no subsidiary as on date of this Balance Sheet.

## **13. Consolidation of Accounts**

In accordance with the Notification issued by the Ministry of Corporate Affairs, Government of India, to amend the Companies (Accounts) Rules, 2014, Vide notification dated 14th October 2014, No. G.S.R. 723(E), in rule 6, after the existing proviso, of the Companies (Accounts) Rules, 2014. As such Consolidation of Accounts is not applicable for the current financial year.

## **14. Related Party Transaction**

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. All the related party transactions are pre-approved by the Audit Committee. In view of this, disclosure in form AOC-2 has not been provided as the same is not applicable to the Company.

During the year, the Company has not entered into any contract/arrangement with related parties which could be considered materially significant related party transactions.

The details of the transaction with Related Party are provided in the accompanying financial statements.



### 15. Extracts of Annual Return

The details forming Part of the Extracts of Annual Return is annexed as per **Annexure 'A'**.

### 16. Composition of Board

The Board comprised with optimum combination of Executive and Non- Executive Directors. Board has One Executive Director, Three Non-Executive Director and Three Independent Director duly appointed as per the Provisions of the Companies Act, 2013.

### 17. Board Meetings

During the year, Four Board Meetings and Four Audit Committee Meetings were convened and held.

### 18. Composition of Audit Committee

The Board has constituted an Audit Committee, which comprises of Mr. G. Venkatraman as the Chairman and Mr. Suresh R. Madhok, Mr. George Eapen as the Members. More details about the Committee are given in **Annexure 'B'**.

### 19. Disclosure of Information as required under section 134 (3) (m) of the Companies Act, 2013 (ACT) read with the companies (Accounts) Rules, 2014

#### (i) CONSERVATION OF ENERGY

The Company values the significance of conservation of energy and hence continuous efforts are made for judicious use of energy at all levels of operations by utilising energy efficient systems and processes. Towards achievement of this objective, steps have been initiated including use of energy efficient LED lights and energy management systems at our kitchen/offices. Further, certain initiatives are being implemented for optimisation of electricity and LPG usage.

Some of the actions planned for next year include replacement of energy intensive pumps with high efficiency systems, replacement of energy intensive fans with energy efficient fans. Operational measures include close monitoring and control of energy consumption and frequent energy audits by the hotel Engineering Department.

Your Company remains focused on giving importance towards conservation of energy, which results in savings in consumption of electricity, a significant component of the energy cost, in an ongoing process.

#### (ii) Technical Absorption

The Company continues to absorb and upgrade modern technologies and advanced hotel management techniques in various guest contact areas, which includes wireless internet connectivity in all the Guest House.

#### (iii) Foreign Exchange Earnings and outgo

As required under Section 134(3) (m) of the Companies Act, 2013, read with rule 2 of the Companies( Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to foreign exchange earnings and outgo is hereunder.

Particulars	March 31, 2015 (₹)	March 31, 2014 (₹)
Used	14,73,846	6,46,773
Earned	Nil	Nil

## 20. Insurance

All insurable interests of the Company including buildings, furniture and fixtures and other insurable interest are adequately insured.

## 21. Auditors

### (i) statutory Auditors

M/s R. Subramanian and Company, Chartered Accountants, Auditors of the Company hold office until the conclusion of this AGM. They are eligible for re- appointment and have given their consent for re-appointment. Company has received a certificate under Section 139 from the retiring auditors regarding their eligibility for re-appointment as the Company's Auditors for the year 2015-16.

The Board of Directors recommend the re appointment of M/s R. Subramanian and Company as the Auditors of the Company for 2015-2016 to hold office till the conclusion of the next AGM.

### (ii). Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, the Company has appointed M/s. Karra & Co, Chartered Accountants as an Internal Auditors to undertake the Internal Audit of the Company.

### (iii). Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.Gouri Shanker Mishra, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **Annexure 'C'**.

With respect to the observation made in the secretarial audit report:

- 1.The Company has belatedly filed form CHG – 1 for modification of charges under Section 77, MGT – 10 for change in shareholding under Section 93, MGT – 14 for fling of resolution and agreements under Section 117, DIR – 12 for changes in directors under Section 170 of the Act and MGT – 15 for report of Annual General Meeting under Section 121;
- 2.The Company has received the notice from Ministry of Corporate Affairs for non filing of 5 INV in financial year 2011-12 and has thereafter filed the requisite form during the audit period;
- 3.The Company has appointed Company Secretary w.e.f. 16th February 2015 and Chief Financial Officer w.e.f. 12th February 2015;
- 4.The Company has formed Nomination and Remuneration Committee and Stakeholders Relationship Committee only from 12th February 2015 as required under Section 178 of Act;
5. Company was not required to comply with the Clause 49 of the listing agreement based on Circular of SEBI bearing number SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October 2004 and revised listing agreement w.e.f. 1st October 2014 vide circular of SEBI bearing number CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014;



Apart from the above observation, there are no qualifications, reservations or adverse remarks made by Mr. Gouri Shanker Mishra, Practising Company Secretary, Secretarial Auditors of the Company in their secretarial audit report.

## **22. Internal control systems and their adequacy:**

The Company has an internal Control System, commensurate with size, scale and complexity of its operations. The scope and authority of the internal Audit function is well defined in the organization. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the control. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

## **23. Directors' Responsibility Statement**

Pursuant to Section 134 (5) of the companies Act, 2013, The Board of Directors of the company hereby state and confirm that:

- a) In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true & fair view of the state of affairs of the company at the end of the financial year 31st March 2015 and of the Profit and loss of the Company for that period;
- c) The Directors have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities;
- d) The Directors had prepared the Annual Accounts on a going concern basis; and
- e) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

## **24. Directors**

### **Appointment of Independent Directors:**

During the year the Company has appointed Mr.G.Venkatraman, Mr.Suresh R.Madhok and Mr.George Eapen as Independent Directors as per Section 149(4) of Companies Act, 2013 for a period of Five Consecutive years with effect from 16th Annual General Meeting. The terms of appointment of Independent directors also placed in website of the Company at <http://apollosindoori.com/pdf/directors-appointment.pdf>.

### **Appointment of Key Managerial Personnel:**

During the Year the Company has appointed Mr.M.Ramakrishnan as a Chief Financial officer and Mr.R.Sathishkumar, as a Company Secretary and Compliance officer on 12.02.2015 and 16.02.2015 respectively and those appointment was made under the section 203(1)( Appointment of Key Managerial Personnel) of the Companies Act, 2013.

### **Re-appointment of Managing Director**

Subject to the approval of the members in the ensuing AGM, the Board of Directors re-appointed Mrs. Sucharitha Reddy as a Managing Director of the Company with effect from 21.08.2015 for a period of 5 years as per the terms specified in the draft resolution to be placed before the ensuing AGM.

### **Directors seeking for Re-appointment:**

In terms of the provisions of Section 152 (6) (d) of the Companies Act, 2013 Mr. P. Vijayakumar Reddy and Mrs.Suneeta Reddy directors of the Company are retire by rotation at this Annual General Meeting as per the provisions of the Articles of Association of Company and being eligible offer themselves for re-election.

The brief resume of these directors proposed to be appointed and re-appointed and other relevant information have been furnished in the Notice convening the AGM. Appropriate resolution for the appointment/re-appointment is being placed for approval of the members at the AGM.

The board, therefore, recommends their appointment/ re-appointment as Directors of the Company.

### **Resignation of Directors:**

During the year Dr.Prathap C. Reddy, and Mrs.Shobana Kamineni have resigned from the Board on 22.09.2014, and 14.03.2015 respectively. The Board places on record its sincere appreciation for the valuable services rendered by them.

### **Demise of Independent Director Mr. V.J. Chacko**

Mr. V.J. Chacko Director of the Company has expired on 08/01/2015. Board condoled the demise of the Director Mr. V.J. Chacko. Board also said that they had conveyed heart-felt condolences to the bereaved family, on behalf of the company. The Board placed on record the invaluable contributions of Mr. V.J. Chacko towards the progress of the Company.

### **Independent Directors Declaration:**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

### **25. Particulars of loans, guarantees or investments under section 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.





## **26. Vigil mechanism / whistle blower policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company shall establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said Whistle-Blower Policy has been hosted on the website of the Company at <http://apollosindoori.com/pdf/policy2.pdf>

## **27. Board evaluation**

Pursuant to the Provisions of the Companies Act, 2013, the Board has carried out an Annual Performance Evaluation of its own performance and that of its committees and Directors individually.

## **28. Human Resources**

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of its business. It considers people as its biggest assets. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. Your Company has a structured induction process at all its locations and management development programs to upgrade skills of managers.

## **29. Comments on auditors' report**

Necessary Provision/write back will be effected after the Arbitrator finalise his award.

## **30. Particulars of Employees**

The ratio of the remuneration of each director to the median employees' remuneration and other details in terms of Section 197(12) of the Act with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules"), forms a part of this Annual Report as **Annexure 'D'**

The Company had one employee who were employed throughout the year and were in receipt of Remuneration more than ₹60 lakhs Per Annum. In terms of Section 136 of the Act, the copy of the financial statements of the Company, the auditor's report and relevant annexures to the said financial statements and reports are being sent to the Members and other persons entitled thereto, excluding the information in respect of the said employees containing the particulars as specified in Rule 5(2) of the said Rules, which is available for inspection by the Members at the Company's Registered Office during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, he may write to the Company Secretary of the Company at its Registered Office. The financial statements, reports etc. of the Company are available on the website of the Company [www.apollosindoori.com](http://www.apollosindoori.com)

The Company has about 3783 employees in its roll. Since employees contribute in achieving the goal of the Company, periodical training programs are carried out to meet the challenges in providing services to the best of Customer Satisfaction.

### **31. Sexual Harassment of Women at Workplace (prohibition, prevention and redressal) Act, 2013**

The Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. During the year under review, the Company has not received any complaints under the Policy.

### **Acknowledgement**

Your Directors take this opportunity to thank the Company's customers, shareholders, suppliers, bankers, financial institutions and the Central and State Governments for their unstinted support. The Directors would also like to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

Place: Chennai

For and on Behalf of Board of Directors

Date: 29/05/2015

Sucharitha Reddy  
Managing Director

G. Venkatraman  
Director



**Annexure - A**  
**EXTRACT OF ANNUAL RETURN**

As on the Financial year ended 31.03.2015

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014

FORM NO.MGT-9

**I. Registration and other details**

CIN	L72300TN1998PLC041360
Registration Date	03/11/1998
Name of the Company	Apollo Sindoori Hotels Limited
Category / Sub – Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Anugraha, New No 41, Uthamar Gandhi Salai, Nungumbakkam, Chennai, - 600034, Tamil Nadu, India.
Whether listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited, No.1, Club House Road, Subramanian Building, Chennai-600002. Ph: 044 28460390 Mail: <a href="mailto:cameo@cameoindia.com">cameo@cameoindia.com</a> web: <a href="http://www.cameoindia.com">www.cameoindia.com</a>

**II. Principal Business Activities of the Company**

All the Business Activities contributing 10 % or more of the total turnover of the Company shall be stated:

S.No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Food & Beverages	55204	55.32
2.	Man power Services	74930	44.68

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE**

S.No.	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Faber Sindoori Management Services Private Limited	U85100TN2007PTC064527	Associate	49%	2(6)

## IV. SHAREHOLDING PATTERN ( Equity Share Capital Breakup as percentage of Total Equity)

### I Category-wise Shareholding

Sr. no.	Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
I)	(II)	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A)</b>	<b>Promoters</b>									
<b>1)</b>	<b>Indian</b>									
a)	Individual/Hindu Undivided Family	353720	49955	403675	31.05	584654	79907	664561	51.11	*
b)	Central Government	0	0	0	0	0	0	0	0	0
c )	State Government(s)	0	0	0	0	0	0	0	0	0
d )	Bodies Corporate	0	0	0	0	142000	0	142000	10.92	*
e )	Financial Institutions /Banks	0	0	0	0	0	0	0	0	0
f )	Any Other (Total)	0	61332	61332	4.71	0	84380	84380	6.49	*
	Directors and their Relative	0	61332	61332	4.71	0	84380	84380	6.49	*
	<b>Sub-Total (A)(1)</b>	353720	111287	465007	35.76	726654	164287	890941	68.52	*
<b>2)</b>	<b>Foreign</b>									
a)	NRI- Individuals	0	0	0	0	0	0	0	0	0
b)	Other – Individuals	0	0	0	0	0	0	0	0	0
c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
d)	Bank / Financial Institutions	0	0	0	0	0	0	0	0	0
e)	Any Other (Total)	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (A)(2)Total</b>	0	0	0	0	0	0	0	0	0
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	353720	111287	465007	35.76	726654	164287	890941	68.52	*



B	<b>Public shareholding</b>									
1	<b>Institutions</b>									
a	Mutual Funds	0	0	0	0	0	0	0	0	0
b	Financial Institutions/Banks	0	0	0	0	0	0	0	0	0
c	Central Government	0	0	0	0	0	0	0	0	0
d	State Government(s)	0	0	0	0	0	0	0	0	0
e	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f	Insurance Companies	0	0	0	0	0	0	0	0	0
g	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
h	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i	Others (Total)	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (B)(1)</b>	0	0	0	0	0	0	0	0	0
2	<b>Non-institutions</b>									
a	Bodies Corporate									
	i. Indian	150900	21800	172700	13.28	9257	21800	31057	2.39	10.89
	ii. Overseas	0	0	0	0	0	0	0	0	0
b	Individuals -									
	i. Individual Shareholders Holding Nominal Share Capital Up To Rs.1.00 Lakh.	49120	136330	185450	14.26	51573	132630	184203	14.17	0.09
	ii. Individual Shareholders Holding Nominal Share Capital In Excess of Rs.1.00 Lakh	230934	172309	403243	31.01	119936	-	119936	9.22	21.79
c	Others (Specify)									
c1	Clearing Members	0	0	0	0	1458	-	1458	0.11	0.11
c2	Hindu Undivided Families	700	0	700	0.05	505	-	505	0.04	0.01
c3	Non Resident Indians	0	43600	43600	3.35	-	43600	43600	3.35	0
c4	Overseas Corporate Bodies	0	28500	28500	2.19	-	28500	28500	2.19	0
c5	Other	0	1000	1000	0.07	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>	431654	403539	835193	64.23	182729	226530	409259	31.48	*
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	431654	403539	835193	64.23	182729	226530	409259	31.48	*
C	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
	<b>GRAND TOTAL A+B+C</b>	785374	514826	1300200	100	909383	390817	1300200	100	0

\*Since the Company was re-Classified the Shareholding pattern as at December 31, 2014 the changes occurred. There is no change in individual holding.

**(ii) Shareholding of Promoters**

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	% Change in Shareholding during the year

1.	Dr.PRATHAP C REDDY	183630	14.12	0	183630	14.12	0	0
2.	MRS.SUCHARITHA P REDDY	172130	13.24	0	172130	13.24	0	0
3.	MRS.SANGITA REDDY	0	0	0	151848	11.68	0	*
4.	PCR INVESTMENTS LIMITED	0	0	0	142000	10.92	0	*
5.	MRS.SHOBANA KAMINENI	0	0	0	79086	6.08	0	*
6.	MRS SUNEETA REDDY	49935	3.84	0	49935	3.84	0	0
7.	MR VIJAYAKUMAR REDDY P	25585	1.97	0	25585	1.97	0	0
8.	MRS MEENAKSHI REDDY	0	0	0	25000	1.92	0	*
9.	MRS ROHINI REDDY	0	0	0	25000	1.92	0	*
10.	MRS PREETHA REDDY	24432	1.88	0	24432	1.88	0	0
11.	MR.KARTHIK ANAND	5200	0.40	0	5200	0.40	0	0
12.	MS SINDOORI REDDY	3500	0.27	0	3500	0.27	0	0
13.	MS UPASANA KAMINENI	0	0	0	3000	0.23	0	*
14.	MR DWARAKANATH REDDY	585	0.04	0	585	0.04	0	0
15.	MR ANIL KAMINENI	10	0	0	10	0	0	0
	Total	465007	3576	0	890941	68.52	0	*

\*Since the Company was re-Classified the Shareholding pattern as at December 31, 2014 the changes occurred . There is no change in individual holding.

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change)**

S.No.	Shareholding at the beginning of the year		Cumulative during the year	Shareholding
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	465007	35.76	NIL	NIL
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.	NIL	NIL	NIL	NIL



Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
At the End of the year	890941	68.52	NIL	*

\*Since the Company was re-Classified the Shareholding pattern as at December 31, 2014 the changes occurred . There is no change in individual holding.

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Opening Balance	Date of Increase or decrease	Reason for Increase or decrease	No of Shares	% of total shares of the Company	Cumulative		Closing Balance	
					No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
VIJALAKSHMI	122309	20.02.2015	sale	200	0.001538	122109	0.93	
		27.02.2015	sale	1156	0.008891	120953	0.93	
		06.03.2015	sale	891	0.006853	120062	0.92	
		13.03.2015	sale	2646	0.020351	117416	0.90	
		27.03.2015	purchase	2520	0.019382	119936	0.92	
		31.03.2015	Closing Balance	-	-	-	-	119936 9.22
SULATHA BEEVI T S								
31000	31.03.2015	-	-	-	-	-	31000	2.38
ENUGA ENTERPRISE LTD								
28500	31.03.2015	-	-	-	-	-	28500	2.19
APOLLO SINDHOORI CAPITAL INVESTMENTS								
21700	31.03.2015	-	-	-	-	-	21700	1.66
MR SRINIRAM D								
10000	31.03.2015	-	-	-	-	-	10000	0.76



MOIZ PANCHA								
9600	31.03.2015	-	-	-	-	-	9600	0.73
HAMEED ABDUL KADER N M								
9500	31.03.2015	-	-	-	-	-	9500	0.73
ADITYA BIRLA MONEY LIMITED								
6600	20.02.2015	Purchase	100	0.000769	6700	0.05		
	27.02.2015	Purchase	1056	0.008122	7756	0.05		
	06.03.2015	Sale	556	0.004276	7200	0.05		
	06.03.2015	Purchase	24	0.000185	7224	0.05		
	13.03.2015	Sale	600	0.004615	6624	0.05		
	20.03.2015	Purchase	210	0.001615	6834	0.05		
	27.03.2015	Sale	209	0.001607	6625	0.05		
	31.03.2015	Sale	50	0.000385	6575	0.05		
	31.03.2015	Closing balance	-	-	-	-	6575	0.50
VINUBHAI GOHEL								
5400	31.03.2015	-	-	-	-	-	5000	0.38
DR GOPALAKRISHNA N G*								
5000	31.03.2015	-	-	-	-	-	5000	0.38
APOLLO HEALTH ASSOCIATION**								
5000	31.03.2015	-	-	-	-	-	5000	0.38

\* Exit from top ten shareholder w.e.f.27.03.2015

\*\*Admitted as a Top ten shareholder w.e.f.27.03.2015

### (v) Shareholding of Directors and Key Managerial

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
	At the beginning of the year				
1.	Dr.Prathap C Reddy*	183630	14.12	183630	14.12
2.	Mrs.Sucharitha P Reddy	172130	13.24	172130	13.24
3.	Mrs Suneeta Reddy	49935	3.84	49935	3.84
4.	Mr. Vijayakumar Reddy P	25585	1.97	25585	1.97
5.	Ms. Sindoori Reddy	3500	0.27	3500	0.27
6.	Mrs.Shobana Kamineni*	79086	6.08	79086	6.08
7.	Mr.G.Venkatraman	0	0	0	0
8.	Mr.George	0	0	0	0
9.	Mr.Suresh R Madhok	0	0	0	0
10.	Mr.V.J.Chacko*	0	0	0	0
11.	Mr.M.Ramakrishnan				
	Chief Financial Officer	0	0	0	0
12.	Mr.R.Sathishkumar				
	Company Secretary	0	0	0	0
	Cumulative Shareholding during the year	NIL	NIL	NIL	NIL

\*Resigned from the Board.



## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in lakhs

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	195.55	-	-	195.55
ii) Interest due but not paid	0.85	-	-	0.85
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	194.70	-	-	194.70
Change in Indebtedness during the financial year				
i) Addition	250.00	-	-	250.00
ii) Reduction	-	-	-	-
Net Change	250.00			250.00
Indebtedness at the end of the financial year				
i) Principal Amount	250.00	-	-	250.00
ii) Interest due but not paid	427.92	-	-	427.92
iii) Interest accrued but not due	2.90	-	-	2.90
Total (i+ii+iii)	430.82			430.82

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl.NO	Particulars of Remuneration	Name of Managing Director	Total Amount(₹ )
		Mrs. Sucharitha Reddy	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	12,00,000  Nil  Nil	12,00,000  Nil  Nil
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please	-	-
	Total (A)	12,00,000	12,00,000
	Ceiling as per the Act		It is in accordance with the ceiling as specified under 197 of the Companies Act 2013

## B. Remuneration to other directors:

Sl.NO	Particulars of Remuneration	Name of Directors	Total Amount(₹)
1.	Independent Directors 1.Fee for attending board / committee meetings  2.Commission  3.Others, please specify	Mr.G.Venkatraman Mr.Suresh R.Madhok Mr.George Eapen  Nil  Nil	1,60,000 1,60,000 1,60,000  Nil  Nil
	<b>Total (1)</b>		4,80,000
2.	Other Non-Executive Directors 1.Fee for attending board / committee meetings  2.Commission  3.Others, please specify * Professional Charges	Mrs.Suneeta Reddy Mrs.Sindoori Reddy  Nil  Mrs.Sindoori Reddy	60,000 20,000  Nil  24,00,000
	Total (2)		24,80,000
	Total (B)=(1+2)		29,60,000
	Total Managerial Remuneration		41,60,000
	Overall Ceiling as per the Act		It is in accordance with the ceiling as specified under 197 of the Companies Act 2013

\*Mrs. Sindoori Reddy, Director, actively involved in the day to day activities of the Company and In order to still avail of her professional expertise relating to the Hospitality Industry the board feels that it is necessary to appoint her as a consultant for further three year term from 21/09/2014 to 20/09/2017 since earlier approval under section 297 (1) of the Companies Act, 1956 from Ministry of Corporate Affairs, Regional Director, Southern Region, will be expired on 20/09/2014 and same is continuing contract and there is no change in terms and conditions of the contract

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

Sl.NO	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (R.Sathishkumar)	CFO (M.Ramakrishnan)	Total Amount( ₹ )
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	90,000 *	14,44,622	15,34,622
		-	-	-	-
		-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
	specify	-	-	-	-
	Others, please	-	-	-	-
	Total	-	90,000	14,44,622	15,34,622

\* Mr. Sathishkumar, Company Secretary joined on 16th February 2015 only. Hence his remuneration only on the corresponding months.



## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

TYPE	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A.Company</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B.DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

### Annexure - B COMPOSITION OF AUDIT COMMITTEE

S.NO	Name	Designation	Category	Meetings Held	Attendance
1.	V.J.Chacko*	Non-Executive Director	Independent	4	Nil
2.	Suresh R.Madhok	Non-Executive Director	Independent	4	4
3.	G.Venkatraman	Non-Executive Director	Independent	4	4
4.	George Eapen	Non-Executive Director	Independent	4	4

\*Demised on 08.01.2015, Hence his directorship was ceased.

**Annexure - C**  
**Gouri Shanker Mishra, B.Com, MBA, FCS, LLB**  
**Practicing Company Secretary**  
**M: +91 98842 53052; Email: gsmishra.1977@gmail.com**

**SECRETARIAL AUDIT REPORT**

For the Financial Year Ended 31st March 2015  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,  
Apollo Sindoori Hotels Limited  
Old No.19, New No.41,  
Uttamar Gandhi Salai,  
Nungambakkam,  
Chennai-600 034

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Apollo Sindoori Hotels Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;



- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi) The list of major heads/ group of Acts, Law and Regulations as applicable to the Company is given in Annexure I. In relation to these laws we have relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified hence not applicable during the audit period).
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and Madras Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has belatedly filed form CHG – 1 for modification of charges under Section 77, MGT – 10 for change in shareholding under Section 93, MGT – 14 for filing of resolution and agreements under Section 117, DIR – 12 for changes in directors under Section 170 of the Act and MGT – 15 for report of Annual General Meeting under Section 121;
2. The Company has received the notice from Ministry of Corporate Affairs for non filing of 5 INV in financial year 2011-12 and has thereafter filed the requisite form during the audit period;
3. The Company has appointed Company Secretary w.e.f. 16th February 2015 and Chief Financial Officer w.e.f. 12th February 2015;
4. The Company has formed Nomination and Remuneration Committee and Stakeholders Relationship Committee only from 12th February 2015 as required under Section 178 of Act;
5. Company was not required to comply with the Clause 49 of the listing agreement based on Circular of SEBI bearing number SEBI/CFD/DIL/CG/1/2004/12/10 dated 29th October 2004 and revised listing agreement w.e.f. 1st October 2014 vide circular of SEBI bearing number CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014;

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

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.

All decisions of the Board and Committee were unanimous and the same was captured and recorded as part of the minutes and hence no dissent is recorded in minutes.

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

**I further report that** during the audit period:

- a) The equity shares of the Company has got listed with National Stock Exchange of India Limited and same started trading with effect from 28th January 2015.

**Gouri Shanker Mishra**

**FCS No. 6906**

**C P No.: 13581**

Place: Chennai

Date : 28th May 2015

**Annexure I**

1. Labour Laws:
  - i. The Employees Provident Funds and Miscellaneous Provision's Act, 1952.
  - ii. Employees' State Insurance Act, 1948.
  - iii. Minimum Wages Act, 1946.
  - iv. Contract Labour (Regular and Abolition) Act, 1970.
  - v. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
  - vi. Maternity Benefit Act, 1960.
  - vii. Industrial Disputes Act, 1961.
  - viii. Payment of Bonus Act, 1965.
  - ix. Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988.
  - x. Child Labour (Prohibition & Regulation) Act, 1986.
  - xi. Equal Remuneration Act, 1976.
  - xii. Payment of Gratuity Act, 1979.
2. Industrial Employment (Standing Orders) Act, 1946
3. The Negotiable Instruments Act, 1881.
4. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.





## Annexure – D

### I. Information to be furnished as per Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

- i The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(₹ in Lacs)

Sl. No	Name of Directors/KMP and Designation	Remuneration of Directors/ KMP for financial year 2014-15	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mrs. Sucharitha Reddy, Managing Director	12.00	-	9.16	Profit Before Tax increased by ₹40.70 Lacs and reported Profit after Tax for the financial year 2014-15
2.	Mrs.Sindoori Reddy Director	24.20	2.11%	18.47	
3.	Mr.Ramakrishnan Chief Financial Officer	14.45	17.46%	11.02	
4.	*Mr.Sathishkumar Company Secretary	0.90*	-	0.69	

\* Mr. Sathishkumar, Company Secretary joined on 16th February 2015 only. Hence his remuneration only on the corresponding months.

- ii. The median remuneration of employees of the Company during the financial year 2014-15 was ₹1.31 Lakhs.
- iii. In the financial year, there was an increase of 1.02%, in the median remuneration of employees.
- iv. There were 3783 employees which includes the permanent staff, FTC's Contracted/outsourced staff/Deputed staff as on March 31, 2015.
- v. **Relationship between average increase in remuneration and company performance:-** The Profit Before Tax of ₹343.34 Lakhs, for the financial year ended March 31, 2015 is higher compared to previous year Profit before Tax of ₹302.64 Lakhs, whereas the increase in median remuneration was 1.02%. The average increase in median remuneration was in line with the performance of the Company and market condition.
- vi. Comparison of Remuneration of the Whole Time Directors and Key Managerial Personnel(s) against the performance of the Company:
  - a. The total remuneration of the Key Managerial Personnel increased (7.39%) from ₹48.00 Lacs to ₹51.55 Lacs in 2014-15 whereas the Profit Before Tax increased by ₹40.70 Lakhs in 2014-15.
- vii. Variations in the market capitalization of the Company. The market capitalization as on March 31, 2015 was ₹2657.60 Lakhs and there is no trading of our equity shares on previous year ended 31.03.2014 Since our company shares are listed only on Madras Stock Exchange Limited and there is no activity in Madras Stock exchange.
- viii. Price Earnings ratio of the Company was 11.50% as at March 31, 2015 and there is no trading of our equity shares on previous year ended 31.03.2014 Since our company shares are listed only on Madras Stock Exchange Limited and there is no activity in Madras Stock exchange.

- ix. Present increase over/decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year.

The Company has not made any public offer till date, since its incorporation. Its shares were listed on Stock Exchanges due to order of the Madras High Court dated April 16, 2000, a scheme of arrangement between Apollo Hospitals Enterprise Limited and Om Sindoori Hotels Limited, a company engaged in the hoteling and travel agency business in Chennai, was approved. The said scheme recorded that the said businesses of Om Sindoori Hotels Limited would be taken over by the company as a going concern. The name of the company was thereafter changed to “Apollo Sindoori Hotels Limited” on October 10, 2000.

- x. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e., 2014-15 was 1.02% and increase in the managerial remuneration for the same financial year was 7.39%
- xi. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee(NRC) as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- xii. The ratio of the remuneration of the highest paid director to that of the employee who are not directors but receive remuneration in excess of the highest paid director during the year-Mr.S.T. Nithyanandam – Chief Operating Officer receive remuneration in excess of the highest paid director during the year ended 31/03/2015.
- xiii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employee.

## **II. Remuneration to Non-Executive Directors:**

The Board, on the recommendation of the NRC, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

Non-Executive Directors shall be entitled to sitting fees for attending the meeting of the Board and the Committee thereof.

## **III. Remuneration to other employees;**

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

## **IV. NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

### **PRINCIPLE AND RATIONALE**

Section 178 of the Companies Act, 2013 require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to

-formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

- carry out evaluation of every director's performance.

- formulate the criteria for evaluation of Independent Directors and the Board.



Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of Apollo Sindoori Hotels Limited herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company as set out below:

## **COMPANY PHILOSOPHY**

Apollo Sindoori is an equal opportunities employer. The organization does not discriminate on grounds of age, gender, colour, race, ethnicity, language, caste, creed, economic or social status or disability. The global workforce spread across continents, which has over the years transformed Apollo Sindoori into a global organisation forms the backbone of the entity. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company and motivate them to do better in future.

Employee recognition schemes in the form of ESOPs/ ESPS have also been introduced as successful tools in acknowledging their contribution and making them partners in the wealth created by Apollo Sindoori.

The endeavour of the organisation is to acknowledge the contributions of its directors, key managerial personnel and other employees with best compensation and benefits that appropriately reward performance in line with the regulatory and industry best practices.

## **GUIDING PRINCIPLES**

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavored to ensure the guiding principles as prescribed u/s 178(4) of the Companies Act, 2013, summarized hereunder:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate human resource including directors of the quality required to run the company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) remuneration to directors, key managerial personnel and senior management reflecting short and long term performance objectives appropriate to the working of the company and its goals;
- d) facilitating effective shareholder participation in key Corporate Governance decisions such as the nomination and election of board members;

- e) aligning key executive and board remuneration with the longer term interests of the company and its shareholders;
- f) ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

## **NOMINATION OF THE DIRECTORS**

The Nomination and Remuneration Committee of the Board of Directors is dedicated to ensuring the continuance of a dynamic and forward-thinking Board and recommend to the Board qualified candidates for directorship.

Before recommending a nominee's candidature to the Board for being appointed as a Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors.

### **General Criteria**

- The background and qualifications of the Directors considered as a group should provide a significant breadth of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities.
- Directors should be selected so that the Board of Directors should remain as a diverse body, with diversity reflecting gender, ethnic background, country of citizenship and professional experience. Because a mix of viewpoints and ideas enhances the Board's ability to function effectively, the Committee shall consider the diversity of the existing Board when considering potential nominees, so that the Board maintains a body of directors from diverse professional and personal backgrounds.
- Potential nominees shall not be discriminated against on the basis of race, religion, national origin, sex, disability, or any other basis prohibited by law.
- Any nominee should be free of any conflict of interest which would violate any applicable law or regulation or interfere with the performance of the responsibilities of a director.
- Commitment of the nominee to understanding the Company and its industry, embracing the organisation's values to help shape its vision, mission and strategic direction including oversight of risk management and internal control.
- Commitment of the nominee to spending the time necessary to function effectively as a Director, including attending and participating in meetings of the Board and its Committees.

### **Specific Criteria**

- Demonstrated business acumen, experience and ability to use sound judgment and to contribute to the effective oversight of the business and financial affairs of a large, multifaceted, global organisation.



- The nominee reflects the right corporate tone and culture and excels at board-management relationships.
- Experience in strategic planning and managing multidisciplinary responsibilities, the ability to navigate among diverse professional groups and points of view, a track record of communicating effectively in a global environment, and high standards of integrity and professional conduct.
- Nominees understand and endeavour to balance the interests of shareholders and/ or other stakeholders and put the interests of the company or organisation above self-interest. He/ she has demonstrated a commitment to transparency and disclosure.
- He/ she is committed to superior corporate performance, consistently striving to go beyond the legal and/or regulatory governance requirements to enhance, not just protect, shareholder value.
- Nominee contributes to effective governance through superior, constructive relationships with the Executive Directorate and management.

## REMUNERATION OF THE DIRECTORS

The Company strives to provide fair compensation to directors, taking into consideration industry benchmarks, Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro economic review on remuneration packages of heads of other organisations.

The remuneration payable to the directors of the company, shall at all times be determined, in accordance with the provisions of the Companies Act, 2013.

### **Appointment and Remuneration of Managing Director and Whole-time Director:**

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013. Approval of the Central Government is not necessary if the appointment is made in accordance with the conditions specified in Schedule V to the Act.

In terms of the provisions of Companies Act, 2013, the Company may appoint a person as its Managing Director or Whole-time Director for a term not exceeding 5 (Five) years at a time.

The executive directors may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

While recommending the remuneration payable to a Managing/ Whole-time Director, the Nomination and Remuneration Committee shall, inter alia, have regard to the following matters:

- ♦ Financial and operating performance of the Company
- ♦ Relationship between remuneration and performance
- ♦ Industry / sector trends for the remuneration paid to executive directorate

Annual Increments to the Managing/ Whole-time Director(s) shall be within the slabs approved by the Shareholders.

Increments shall be decided by the Nomination and Remuneration Committee at times it desires to do so but preferably on an annual basis.

Insurance Premium as Part of Remuneration Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

However, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **Remuneration of Independent Directors**

Independent Directors may receive remuneration by way of

- ♦ Sitting fees for participation in the Board and other meetings
- ♦ Reimbursement of expenses for participation in the Board and other meetings
- ♦ Commission as approved by the Shareholders of the Company

Independent Directors shall not be entitled to any stock options.

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. Provided that the amount of such fees shall not exceed the maximum permissible under the Companies Act, 2013.

### **Remuneration to Directors in other Capacity**

The remuneration payable to the directors including Managing or Whole-time Director or Manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

- (a) the services rendered are of a professional nature; and
- (b) in the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.



## EVALUATION OF THE DIRECTORS

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually.

Section 178(2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every director's performance.

In developing the methodology to be used for evaluation on the basis of best standards and methods meeting international parameters, the Board / Committee may take the advice of an independent professional consultant.

## NOMINATION AND REMUNERATION OF THE KEY MANAGERIAL PERSONNEL (OTHER THAN MANAGING/ WHOLE-TIME DIRECTORS), KEY-EXECUTIVES AND SENIOR MANAGEMENT

The executive management of a company is responsible for the day to day management of a company. The Companies Act, 2013 has used the term “key managerial personnel” to define the executive management.

The KMPs are the point of first contact between the company and its stakeholders. While the Board of Directors are responsible for providing the oversight, it is the key managerial personnel and the senior management who are responsible for not just laying down the strategies as well as its implementation.

The Companies Act, 2013 has for the first time recognized the concept of Key Managerial Personnel. As per section 2(51) “key managerial personnel”, in relation to a company, means:

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-time Director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed.

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole-time Director(s), shall be governed by the Section on REMUNERATION OF THE DIRECTORS of this Policy dealing with “Remuneration of Managing Director and Whole-time Director”.

Apart from the directors, the remuneration of

- All the Other KMPs such as the company secretary or any other officer that may be prescribed under the statute from time to time; and
- “Senior Management” of the Company defined in the Listing Agreement with the Stock Exchanges i.e. personnel who are members of its core management team excluding the Board of Directors.



Senior executives one level below the Board i.e. President cadre shall be determined by the Human Resources Department of the Company in consultation with the Managing Director and/ or the Whole-time Director (Finance).

The remuneration determined for all the above said senior personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director and/ or the Whole-time Director (Finance) of the Company.

## **REMUNERATION OF OTHER EMPLOYEES**

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff. The Human Resources Department shall ensure that the level of remuneration motivates and rewards high performers who perform according to set expectations for the individual in question.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the HODs of various departments.

Decisions on Annual Increments shall be made on the basis of this annual appraisal.

## **GENERAL**

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the Listing Agreement on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors.



## INDEPENDENT AUDITOR'S REPORT

To :

The Members of  
APOLLO SINDOORI HOTELS LIMITED

### Report on Financial Statements

We have audited the accompanying financial statements of APOLLO SINDOORI HOTELS LIMITED which comprise of the Balance Sheet as at 31st March 2015, Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act, and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Basis for Qualified Opinion**

*We draw attention to Note 16 (3) on not providing for impairment of assets pending outcome of arbitration which involves certain claims towards the value of certain assets taken over by the landlord of the erstwhile leased premises. The additional provision if any required to be made on account of impairment of assets consequent to the arbitrator award is not ascertainable at this stage and not provided for and accordingly the impact if any is also not ascertainable.*

*Our opinion is qualified in respect of this matter.*

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act ***except for the effects of the matter described in the “Basis for Qualified Opinion”*** paragraph in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2015; and
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

- 1 As required by the Companies (Auditor's Report) Order 2015, ('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 statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 except for the effects of the matter described in the “Basis for Qualified Opinion” paragraph.



- (e) On the basis of written representations received from the directors as on 31st March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditors report in accordance with Rule 11 of the Companies ( Audits and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:-
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - (ii) There was no amount which was required to be transferred to the Investor Education and Protection Fund.
  - (iii) The company did not have any contracts including long term derivative contracts for which there were any material foreseeable losses.

For **R.SUBRAMANIAN AND COMPANY**

Chartered Accountants  
ICAI Regd. No. 004137S

**R.RAJARAM**

Partner  
M.No: 25210

Place : Chennai  
Date : 29th May 2015

**Annexure referred to in Paragraph 1 under the heading “Report on other legal and regulatory requirements” of our Report of even date to the members of APOLLO SINDOORI HOTELS LIMITED on the accounts of the company for the year ended 31st March, 2015 :**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
  - (b) As explained to us, these fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
- (ii) (a) Inventories have been physically verified by the Management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of accounts and were not material.
- (iii) The company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has not been noticed or reported.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government under sub-section (1) of Section 148 of the Act have been made and maintained. However, we are not required to and have not carried out any detailed examination of such records.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company has not been regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance Act, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India. Undisputed amounts payable in respect of Service Tax of ₹2,63,671/- and Labour welfare fund of ₹1,82,275/- was in arrears as at 31st March 2015 for a period of more than six months from the date they become payable.



- (b) According to the information and explanations given to us and based on the records of the company examined by us, the dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess and other material statutory dues as on 31st March 2015 which have not been deposited on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount ₹Lacs	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	13.93	Income Tax Appellate Tribunal

- (c) The no amount which was required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The company has no accumulated losses as at 31st March 2015. The company has not incurred cash losses in the financial year under report and in the immediately preceding financial year.
- (ix) The company has not defaulted in repayment of dues to banks.
- (x) The company has not given guarantees for loans taken by others from banks or financial institutions.
- (xi) The Term loans have been applied for the purpose for which they were obtained.
- (xii) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

For **R.SUBRAMANIAN AND COMPANY**  
Chartered Accountants  
ICAI Regd. No. 004137S

**R.RAJARAM**  
Partner  
M.No: 25210

Place : Chennai  
Date : 29th May 2015

## Balance Sheet as at 31st March, 2015

PARTICULARS	NOTE	31.03.2015	31.03.2014
<b>I. EQUITY AND LIABILITIES</b>		₹	₹
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	1,30,02,000	1,30,02,000
(b) Reserves and Surplus	4	14,28,61,102	12,51,40,881
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	1,54,37,063	11,29,679
(b) Other Long term Liability	6	3,27,170	3,27,170
(c) Long term provisions	7	3,26,73,603	2,62,17,527
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	8	2,69,51,899	1,77,13,337
(b) Trade Payables	9	5,93,01,215	3,05,29,328
(c) Other current liabilities	10	7,76,55,478	6,45,43,857
(d) Short-term provisions	11	1,38,66,645	1,24,33,507
<b>Total</b>		<b>38,20,76,175</b>	<b>29,10,37,286</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	12		
(i) Tangible assets		2,11,11,164	1,84,26,612
(ii) Intangible assets		-	-
(iii) Capital Work in progress		-	-
(b) Non-current investments	13	4,52,650	4,52,650
(c) Deferred tax assets (net)	14	48,83,500	61,94,916
(d) Long term loans and advances	15	1,50,00,938	1,41,65,852
(e) Other Non-Current Asset	16	4,11,89,365	2,80,90,554
<b>(2) Current assets</b>			
(a) Inventory	17	1,32,89,545	62,16,977
(b) Trade Receivables	18	23,95,44,379	16,97,85,365
(c) Cash and Bank Balances	19	2,81,09,400	2,99,40,247
(d) Short-term loans and advances	20	1,14,94,134	1,07,77,312
(e) Other current assets	21	70,01,100	69,86,801
<b>Total</b>		<b>38,20,76,175</b>	<b>29,10,37,286</b>

### Significant Accounting Policies and Notes on Accounts 1 to 36

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date

**For Apollo Sindoori Hotels Ltd.,**

**R. Subramanian and Company**

Chartered Accountants

**Sucharitha Reddy**  
Managing Director

**Suresh R Madhok**  
Director

**R. Rajaram**  
Partner

**G. Venkatraman**  
Director

Place: Chennai  
Date: 29.05.2015

**R. Sathishkumar**  
Company Secretary

**M. Ramakrishnan**  
Chief Financial Officer





## Statement of Profit and Loss for the year ended 31st March 2015

S.No	Particulars	Note	31.03.2015	31.03.2014
III.	<b>INCOME:</b>		₹	₹
	Revenue from operations	22	96,37,03,345	68,11,26,687
	Other Income	23	63,86,093	56,99,046
	Total Income		<b>97,00,89,438</b>	<b>68,68,25,733</b>
IV.	<b>EXPENDITURE:</b>			
	Consumption of Provisions & Stores	24	30,49,97,021	16,58,70,256
	Employee benefit expense	25	49,23,56,696	39,88,78,742
	Finance Cost	26	22,47,794	16,07,648
	Depreciation and amortization expense	12	45,95,996	42,71,676
	Other expenses	27	13,15,57,345	8,59,32,870
	Total Expenses		<b>93,57,54,852</b>	<b>65,65,61,192</b>
V.	<b>Profit before exceptional and extraordinary items and tax</b>	(III - IV)	<b>3,43,34,586</b>	<b>3,02,64,541</b>
VI.	Exceptional Items		-	-
VII.	<b>Profit before extraordinary items and tax</b>	(V - VI)	<b>3,43,34,586</b>	<b>3,02,64,541</b>
VIII.	Add: Extraordinary Items (net of tax)		-	-
IX.	<b>Profit before tax</b>	(VII - VIII)	<b>3,43,34,586</b>	<b>3,02,64,541</b>
X.	Tax expense: (1) Current tax (2) Deferred tax		99,00,000 13,11,416	94,00,000 4,19,494
XI.	<b>Net Profit(Loss) for the period</b>	(IX-X)	<b>2,31,23,170</b>	<b>2,04,45,047</b>
XII.	Earning per equity share: Earnings per share before Extra- ordinary item - Basic & Diluted EPS Earnings Per share after extra-ordinary item - Basic & Diluted EPS		17.78 17.78	15.72 15.72

### Significant Accounting Policies and Notes on Accounts 1 to 36

The schedules referred to above and the notes thereon form an integral part of the Profit & Loss Account

This is the Profit & Loss Account referred to in our report of even date

**R. Subramanian and Company**

Chartered Accountants

**R.Rajaram**

Partner

Place: Chennai

Date : 29.05.2015

**For Apollo Sindoori Hotels Ltd.,**

**Sucharitha Reddy**

Managing Director

**Suresh R Madhok**

Director

**G. Venkatraman**

Director

**R.Sathishkumar**

Company Secretary

**M.Ramakrishnan**

Chief Financial Officer

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. Background**

Apollo Sindoori Hotels Limited. (“the Company”), a company incorporated under the Indian Companies Act at Chennai. The Company is in the business of managing food outlets at hospitals and reputed organisations. The Company also undertakes Outdoor Catering Services etc.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **i) Basis of preparation of financial statements**

The financial statements of “the Company “ have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)/Companies Act, 1956 (“the Act 1956”), as applicable. The statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### **ii) Use of estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period, reported balances of assets and liabilities, and disclosure of contingent assets and liabilities as at the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **iii) Fixed assets and depreciation**

Fixed assets are stated at the cost of acquisition less accumulated depreciation. Cost is inclusive of freight, duties, taxes and other directly attributable costs incurred to bring the assets to their working condition for intended use.

Depreciation is provided on all fixed assets on the straight-line method in accordance with Schedule II to the Companies Act, 2013 adopting the useful life for assets as specified therein and reckoning the residual value at 5% of the original cost of the asset.

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to 1 April, 2014, the carrying amount as on 1 April, 2014 is depreciated over the remaining useful life based on an evaluation.

Intangible assets are amortized equally over the estimated useful life not exceeding three years.



#### **iv) Inventory**

Stocks of provisions, stores and other consumables are valued at cost.

Kitchen Utilities included in Inventories also includes cutlery and crockery and items of similar nature and are amortised over a period of three years.

#### **v) Investments**

Investments are classified as Long Term Investments and Current Investments and are valued in accordance with Accounting Standards on 'Accounting for Investments' (AS-13), issued by The Institute of Chartered Accountants of India. Current Investments are carried at lower of cost and market value/NAV, computed individually. Long Term Investments are stated at cost. Provision for diminution in the value of Long Term Investments is made only if such decline is other than temporary in the opinion of the management.

#### **vi) Leases**

Finance leases, which effectively transfers substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease and disclosed as assets taken on lease. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit interest rate or incremental borrowing rate as applicable. Finance charges are charged directly against income.

Lease payments under an operating lease, are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

#### **vii) Impairment of Assets**

An asset is treated as impaired when the carrying cost of such assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired, after considering adjustment if any already carried out.

#### **viii) Revenue Recognition**

Income from various services rendered is recognised on the basis of contract between the parties. Room revenue is recognised on time proportion basis.

#### **ix) Foreign exchange transactions**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at rates of exchange on the balance sheet date. Exchange differences arising on foreign currency transactions are recognised in the profit and loss account.

## **x) Taxation**

Income-tax expense comprise current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting that tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Current tax and deferred tax assets and liabilities are offset to the extent to which the Company has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

## **xi) Earnings per share**

Basic earnings per share amounts are computed by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

## **xii) Provisions and contingent liabilities**

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.

## **xii) Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.



## Notes to financial statements for the year ended 31st March 2015

Particulars	As at March 31, 2015 ₹		As at March 31, 2014 ₹	
<b>Shareholder's fund</b>				
<b>Note 3:</b>				
<b>SHARE CAPITAL</b>				
Authorised Capital				
50,00,000 Equity shares of Rs.10/- each		5,00,00,000		5,00,00,000
Issued, Subscribed & Paid up Capital				
13,00,200 Equity shares of Rs.10/- each		1,30,02,000		1,30,02,000
<b>Total</b>		<b>1,30,02,000</b>		<b>130,02,000</b>
<b>Reconciliation of share outstanding at the Beginning and at the end of the year.</b>				
<b>Equity Shares</b>	<b>Nos</b>	<b>₹</b>	<b>Nos</b>	<b>₹</b>
Shares outstanding at the beginning of the year	13,00,200	1,30,02,000	13,00,200	1,30,02,000
Shares issued during the year at face value Rs.10/-	-	-	-	-
Shares bought back during the year.	-	-	-	-
Shares outstanding at the end of the year	13,00,200	1,30,02,000	13,00,200	1,30,02,000
<b>Shareholders holding more than 5% shares</b>				
<b>Name of Equity Shareholder</b>	<b>Nos</b>	<b>% of holding</b>	<b>Nos</b>	<b>% of holding</b>
(Equity Shareholder holding more than 5 % of Equity share)				
Mr. Prathap C Reddy	1,83,630	14.12%	1,83,630	14.12%
Mrs. Sucharitha P Reddy	1,72,130	13.24%	1,72,130	13.24%
Mrs. Sangita Reddy	1,51,848	11.68%	1,51,848	11.68%
M/s PCR Investments Limited	1,42,000	10.92%	1,42,000	10.92%
Mrs. Vijayalakshmi S	1,19,936	9.22%	1,22,309	9.41%
Mrs. Shobana Kamineni	79,086	6.08%	79,086	6.08%
<b>Total</b>	<b>8,48,630</b>	<b>65.27%</b>	<b>8,51,003</b>	<b>65.45%</b>
<b>Note 4:</b>				
<b>RESERVES AND SURPLUS</b>				
<b>a. Capital Reserve</b>				
Opening Balance	73,52,676		73,52,676	
Closing Balance		<b>73,52,676</b>		<b>73,52,676</b>
<b>b. General Reserve</b>				
Opening Balance	1,06,82,000		86,42,000	
(+) Current Year Transfer	-		20,40,000	
Closing Balance		<b>1,06,82,000</b>		<b>1,06,82,000</b>
<b>C. Surplus</b>				
P&L - Opening balance	10,71,06,205		9,32,64,665	
(+) Net Profit / (Loss) for the year	2,31,23,170		2,04,45,047	
(-) Depreciation adjusted with reserve	6,36,305		-	
(-) Transfer to General Reserve	-		20,40,000	
(-) Proposed Dividend - Equity 30%	39,00,600		39,00,600	
(-) Tax on Proposed Dividend	8,66,045		6,62,907	
Closing balance		12,48,26,426		10,71,06,205
<b>Total</b>		<b>14,28,61,102</b>		<b>12,51,40,881</b>

## Notes to financial statements for the year ended 31st March 15

Particulars	31-03-2015 ₹	31-03-2014 ₹
<b>Note 5:</b> <b>LONG TERM BORROWINGS</b>		
<b>Secured:</b>		
Vehicle Loan from Bank (1)	4,37,063	11,29,679
Loan against deposit (Secured by fixed deposit)	1,50,00,000	-
<b>Total</b>	<b>1,54,37,063</b>	<b>11,29,679</b>
Current maturity of Long Term borrowing <i>(1)The Vehicle loan carries interest at the rate of 10% P.a And has to be repaid in 36 equal Installments from November 2013.Loan is secured against hypothecation of vehicle</i>		
<b>Note 6:</b> <b>OTHER LONG TERM LIABILITIES:</b>		
Security Deposit	3,27,170	3,27,170
<b>Total</b>	<b>3,27,170</b>	<b>3,27,170</b>
<b>Note 7:</b> <b>LONG TERM PROVISIONS:</b>		
<b>Provision for Employee Benefits:</b>		
Provision for Leave Encashment	1,22,02,771	1,04,02,879
Provision for Gratuity	2,04,70,832	1,58,14,648
<b>Total</b>	<b>3,26,73,603</b>	<b>2,62,17,527</b>
<b>Note 8:</b> <b>SHORT TERM BORROWINGS:</b>		
<b>Loan Repayable on Demand: (Secured)</b>		
Cash Credit with Bank (2)	2,69,51,899	1,77,13,337
<b>Total</b>	<b>2,69,51,899</b>	<b>1,77,13,337</b>
<i>(2)The Cash credit facility is secured by exclusive charge over Inventory, Trade Receivables and all the fixed assets of the company.</i>		
<b>Note 9:</b> <b>TRADE PAYABLES:</b>		
Creditors for Operations	5,93,01,215	3,05,29,328
<b>Total</b>	<b>5,93,01,215</b>	<b>3,05,29,328</b>
<b>Note 10:</b> <b>OTHER CURRENT LIABILITIES</b>		
Bank balance (Current Account)	14,21,719	43,42,048
Current maturities on vehicle loan (Refer note 5.1)	6,92,614	6,26,963
Creditors for Expenses	1,52,05,670	83,31,295
Statutory Dues	4,09,89,284	2,51,43,402
Employee Dues	1,70,08,606	2,13,83,871
Electricity expenses payable	-	5,12,656
Unpaid Dividend	19,36,165	15,21,085
Advance Receipts	11,265	39,447
Other liabilities	3,90,155	26,43,090
<b>Total</b>	<b>7,76,55,478</b>	<b>6,45,43,857</b>
<b>Note 11:</b> <b>SHORT TERM PROVISIONS:</b>		
<b>Provision for Employee Benefits:</b>		
Provision for Bonus	91,00,000	78,70,000
<b>Other Provisions:</b>		
Proposed Dividend	39,00,600	39,00,600
Dividend Tax Payable	8,66,045	6,62,907
<b>Total</b>	<b>1,38,66,645</b>	<b>1,24,33,507</b>

**Note: 12**  
**FIXED ASSETS**

Amount in Rupees

	ORIGINAL COST				DEPRECIATION				NET BOOK VALUE	
PARTICULARS	Cost as at 01.04.2014	Additions during the Year	Deletions during the Year	Cost as at 31.03.2015	As at 01.04.2014	For the Year	Depreciation adjusted with reserve	Deletions	As at 31.03.2015	As at 31.03.2014
TANGIBLE ASSETS										
Computers	67,41,061	27,72,068	-	95,13,129	53,31,629	8,55,331	2,41,619	-	64,28,579	14,09,432
Electrical Installations	31,57,465	5,33,587	46,200	36,44,852	20,21,005	1,47,843	-	-	21,68,848	11,36,460
Furniture & Fittings	55,97,203	13,52,605	-	69,49,808	29,18,708	3,10,217	-	-	32,28,925	26,78,495
Kitchen Equipments	1,49,59,959	21,36,409	1,57,934	1,69,38,434	59,12,732	24,99,922	3,94,686	-	88,07,340	90,47,227
Vehicles	35,38,971	13,52,600	2,40,438	46,51,133	5,92,458	4,94,862	-	2,14,156	8,73,164	29,46,513
Office Equipments	27,09,915	-	-	27,09,915	15,01,430	2,87,821	-	-	17,89,251	12,08,485
Plant & Machinery	45,29,435	-	-	45,29,435	45,29,435	-	-	-	45,29,435	-
Temporary Constructions	8,27,997	-	-	8,27,997	8,27,997	-	-	-	8,27,997	-
TOTAL	4,20,62,006	81,47,269	4,44,572	4,97,64,703	2,36,35,394	45,95,996	6,36,305	2,14,156	2,86,53,539	1,84,26,612
PREVIOUS YEAR (as on 31.03.14)	3,32,39,445	1,32,04,615	43,82,054	4,20,62,006	1,96,62,873	42,71,676	-	2,99,155	2,36,35,394	1,35,76,572

**Notes:**

The Company has revised its policy of providing depreciation on fixed assets effective 1 April, 2014. Depreciation is now provided based on the remaining useful life which has been revised based on an evaluation of the provisions of Schedule II of the Companies Act, 2013. The carrying amount of fixed assets as on 1 April, 2014 is depreciated over the revised remaining useful life. As a result of these changes, the depreciation charge for the year ended 31 March, 2015 of ₹45.95 Lacs and the effect of depreciation relating to assets whose useful life is nil as on 31.03.2014 and which has been adjusted in reserves is ₹6.36 Lacs. Hence the cumulative depreciation of assets of ₹52.31 Lacs is higher by ₹19.76 Lacs had the company continued the old method of depreciation.

## Notes to financial statements for the year ended 31st March 15

Particulars	31-03-2015 ₹	31-03-2014 ₹
<b>Note 13:</b> <b>NON-CURRENT INVESTMENTS:</b> <b>Investment in Equity Instruments:</b> <b>Investment in Joint Venture:</b> <b><u>At Cost, Unquoted</u></b> 45,265 equity shares of Rs. 10/ each fully paid up in Faber Sindoori Management Services (P) Ltd <b>Total</b>	     4,52,650 <b>4,52,650</b>	     4,52,650 <b>4,52,650</b>
<b>Note 14:</b> <b>DEFERRED TAX</b> <b>Deferred Tax Assets:</b> Timing difference on depreciation of assets Expenses allowable for tax purposes when paid <b>Gross Deferred tax asset</b>  <b>Gross Deferred tax liability</b> <b>Net Deferred tax asset/(liability)</b>	   4,75,209 44,08,291 <b>48,83,500</b>  - <b>48,83,500</b>	   5,80,595 56,14,321 <b>61,94,916</b>  - <b>61,94,916</b>
<b>Note 15:</b> <b>LONG TERM LOANS &amp; ADVANCES</b> Security Deposits (Unsecured, considered good) <b>Total</b>	  1,50,00,938 <b>1,50,00,938</b>	  1,41,65,852 <b>1,41,65,852</b>
<b>Note 16:</b> <b>OTHER NON-CURRENT ASSET</b> <b>(Unsecured but considered good)</b> Assets Handed Over to Lessor (3) TDS receivable Claims receivable <b>Total</b>	  51,50,684 1,42,82,777 2,17,55,904 <b>4,11,89,365</b>	  51,50,684 1,17,19,910 1,12,19,960 <b>2,80,90,554</b>

(3) On 31.03.2005 the Board of Directors decided to discontinue the operations of the company's hotel business. The company's hotel business was carried out at the leased premises situated at 26/27 Poonamallee High Road owned by Central Hotels (P) Ltd (Lessor). As per the decision of the Board of Directors the leased premises wherein the hotel business was carried out was vacated and the building including amenities created by the company have been handed over to the lessor pending final settlement of dues. As per the mutual agreement reached with the lessor an inventory of assets handed over to the lessor have been taken and the valuation of assets was carried out by the valuers appointed by the company as well as the lessor. There has been considerable difference in the valuation by both the parties which could not be bridged even after a review. This amount is included as part of the total claim filed before the arbitrator as per the lease agreement. Pending finalization of the value of assets being taken over by the lessor and the ultimate settlement thereof through arbitration as per the lease agreement, the company has provided an impairment loss of ₹30,58,874/- in respect of the above said assets, the WDV of the assets being ₹82,09,558 as on 31st March 2005. The net value of assets of ₹51,50,684/- after impairment is reflected under Other non current asset pending arbitration proceedings in accordance with the lease agreements. No additional provision for impairment is considered necessary at this stage as management is hopeful of recovering the entire amount from the landlord of erstwhile hotel premises through arbitration.

<b>Note 17:</b> <b>INVENTORY</b> Stock of Provision & Stores @ Cost Kitchen Utilites <b>Total</b>	  1,06,74,705 26,14,840 <b>1,32,89,545</b>	  62,16,977 - <b>62,16,977</b>
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Kitchen utilities includes Cutlery and Crockery and items of similar nature and/or amortized over a period of 3 years





## Notes to financial statements for the year ended 31st March 15

Particulars	31-03-2015 ₹	31-03-2014 ₹
<b>Note 18:</b>		
<b>TRADE RECEIVABLES</b>		
<b>(Unsecured Considered good)</b>		
From Related Parties (4)		
- Outstanding for More than Six Months	13,51,272	1,39,26,453
- Others	18,96,68,728	12,80,59,499
From Others		
- Outstanding for More than Six Months	14,14,825	44,14,407
- Others	4,71,09,554	2,33,85,006
<b>Total</b>	<b>23,95,44,379</b>	<b>16,97,85,365</b>
<b>(4)Trade Receivables from Related Parties Include Debts Due from:</b>		
Private Limited Company in which Directors are Directors	39,71,548	30,27,742
Private Limited Company in which Directors are Members	2,92,623	-
<b>Note 19:</b>		
<b>CASH AND BANK BALANCES:</b>		
<b>Cash and Cash Equivalents</b>		
<b>Cash on hand</b>	44,06,905	33,90,451
Balance with Bank in Current a/c	52,65,860	1,15,89,389
Balance with Bank in Deposit a/c	3,24,130	1,26,77,253
(Including interest accrued)		
<b>Other Bank Balance</b>		
Balance with Bank in Dividend a/c	19,36,365	15,21,085
Fixed Deposit (Including Interest accrued)		
Loan Secured against deposit	1,52,81,095	-
Under Lien to Bank towards Bank Guarantees	8,95,045	7,62,069
<b>Total</b>	<b>2,81,09,400</b>	<b>2,99,40,247</b>
<b>Note 20:</b>		
<b>SHORT TERM LOANS &amp; ADVANCES</b>		
<b>Other loans &amp; advances</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Advances recoverable in Cash or in kind	26,33,144	62,24,035
Staff Advance	50,08,843	24,01,256
Prepaid Expenses	38,52,147	21,52,021
<b>Total</b>	<b>1,14,94,134</b>	<b>1,07,77,312</b>
<b>Note 21:</b>		
<b>OTHER CURRENT ASSETS</b>		
Unbilled Revenue	2,51,100	6,36,801
Claims receivable (Bonus)	67,50,000	63,50,000
<b>Total</b>	<b>70,01,100</b>	<b>69,86,801</b>

## Notes to financial statements for the year ended 31st March 15

Particulars	31-03-2015 ₹	31-03-2014 ₹
<b>Note 22:</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Catering &amp; Management Service:</b>		
Sale of Food & Beverage	52,09,81,039	29,03,60,145
Management Service Charges	42,05,12,678	37,42,02,801
<b>Total(A)</b>	<b>94,14,93,717</b>	<b>66,45,62,946</b>
<b>Other Operating Revenue:</b>		
Room Revenue	2,22,09,628	1,65,63,741
<b>Total (B)</b>	<b>2,22,09,628</b>	<b>1,65,63,741</b>
<b>Grand Total C= (A+B)</b>	<b>96,37,03,345</b>	<b>68,11,26,687</b>
<b>Note 23:</b>		
<b>OTHER INCOME</b>		
Interest on Deposits with Bank	11,91,891	12,12,208
Dividend received	9,05,304	3,71,160
Creditors/Provision written Back	7,21,595	16,73,929
Profit on Sale of Asset	21,062	2,337
Miscellaneous Income *	35,46,241	24,39,412
<b>Total</b>	<b>63,86,093</b>	<b>56,99,046</b>
*Miscellaneous Income includes Gross rental Income of	30,00,000	29,52,684
Less : Related Expenses	22,92,144	16,55,129
<b>Net Income</b>	<b>7,07,856</b>	<b>12,97,555</b>
<b>Note 24:</b>		
<b>CONSUMPTION OF PROVISIONS &amp; STORES</b>		
Opening Stock	62,16,977	28,91,766
(+) Purchases	30,94,54,749	16,91,95,467
(-) Closing Stock	1,06,74,705	62,16,977
<b>Total</b>	<b>30,49,97,021</b>	<b>16,58,70,256</b>
<b>Note 25:</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	41,87,16,771	33,42,41,887
Director's Remuneration	12,00,000	12,00,000
Bonus	88,44,733	1,33,44,666
Contribution to PF and other funds	4,90,31,757	3,89,37,616
Leave Encashment	2,46,534	-
Other Allowances	68,55,553	58,13,358
Staff Welfare	74,61,348	53,41,215
<b>Total</b>	<b>49,23,56,696</b>	<b>39,88,78,742</b>



## Notes to financial statements for the year ended 31st March 15

Particulars	31-03-2015 ₹	31-03-2014 ₹
<b>Note 26:</b>		
<b>FINANCE COST</b>		
Interest on Cash Credit with Bank	10,03,981	15,18,832
Interest on WCDL with Bank	10,89,387	-
Interest on Car Loan	1,54,426	88,816
<b>Total</b>	<b>22,47,794</b>	<b>16,07,648</b>
<b>Note 27:</b>		
<b>OTHER EXPENSES</b>		
Advertisement & Business Promotion	21,09,765	13,06,909
Bank Charges	4,20,522	4,52,570
Communication Expense	23,37,240	16,63,267
Professional & Consultancy fee	83,11,432	75,00,638
Power & Fuel	3,62,05,248	2,43,20,050
Guest House Expense	3,75,477	4,13,592
Hiring Charges	4,85,856	3,41,874
House keeping Expenses	1,55,43,712	64,54,790
Interest on Delayed Remittance	15,54,182	7,54,276
Kitchen Utensils	12,89,513	15,60,378
Miscellaneous Expenditure	17,04,669	15,86,890
Listing Fees	1,40,000	-
Loss on sale of asset	-	2,73,971
Office Expenses	3,89,440	57,445
Printing and Stationary	33,55,911	26,41,268
Processing Fees	3,59,400	-
Rates & Taxes	20,18,584	10,30,309
Rent	2,16,13,870	1,19,75,840
Remuneration to auditors		
- Statutory Audit	5,85,435	5,85,435
- For Tax audit	88,725	88,725
Repairs & Maintenance - Others	27,99,437	33,26,406
Service Charges	52,92,911	43,94,990
Security Charges	8,92,606	2,07,627
Sitting Fee	5,60,000	2,90,000
Sitting Fee - Service Tax	69,216	35,844
Traveling & Conveyance	1,44,37,040	1,00,99,196
Transport Charges	22,72,441	18,12,003
Training Expenses	15,730	3,44,569
VAT Expenses	63,28,983	24,14,008
<b>Total</b>	<b>13,15,57,345</b>	<b>8,59,32,870</b>

**Note 28:****RELATED PARTY DISCLOSURE:**

List of Related Parties as declared by the Management:

Nature of Relation

Promoter

Name of Related Party

Dr. Prathap.C.Reddy

Mr. P.Vijayakumar Reddy

Mrs. Suneeta Reddy

Mrs. Shobana Kamineni

Mrs. Sucharitha Reddy

Mrs. Sindoori Reddy

Key Management Personnel

Mrs. Sucharitha Reddy

Joint Venture

M/s Faber Sindoori Management Services (P) Ltd

Enterprise over which promoter or  
Key Management Personnel exercise  
Significant influence

M/s Apollo Hospitals Enterprises Ltd

M/s Apollo Gleneagles Hospitals Ltd

M/s.Apollo Health & Lifestyle Ltd

M/s.Apollo Hospital International Llimited

M/s Imperial Cancer Hospital & Research Center Ltd

M/s Lifetime Wellness Rx International Ltd

M/s PPN Power Generating Company Private Ltd.

The Company's related party transaction are summarized as follows:

(Amount in ₹)

Name of the Related Party	Key Management Personnel		Joint Venture		Personnel exercise significant influence	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
Salary	12,00,000	12,00,000	-	-	-	-
Sale of goods & services	-	-	1,28,54,760	1,28,54,760	82,97,52,158	59,33,06,814
Balance Outstanding	-	-	39,71,548	30,27,742	18,70,48,452	13,89,58,210

**Note 29:****LEASES:****OPERATING LEASE:**

The Company has taken various premises on lease for its operations under operating lease or under lease and licence agreements. These lease are generally not non-cancellable and have an average life of 12 months to three years and are renewable by mutual consent.

Lease payments are recognized in profit and loss account under rent in Note 27: Other Expenses Lease payments under non-cancellable lease agreements.

Future lease payments	31-03-2015 ₹	31-03-2014 ₹
Not Later than 1 Year	65,20,084	61,68,762
Later than 1 Year but before 5 Years	52,04,394	65,20,084
<b>Total</b>	<b>1,17,24,478</b>	<b>1,26,88,846</b>



**Note 30:**  
**FOREIGN CURRENCY EARNINGS/EXPENDITURE:**

Particulars	31-03-2015 ₹	31-03-2014 ₹
Expenditure in Foreign currency	14,73,846	6,46,773
Earnings in Foreign currency	Nil	Nil

**Note 31:**  
**EMPLOYEE BENEFITS**

- i. Defined Benefit Plan:  
a) Gratuity

**A. Reconciliation of opening and closing balance of present value of the defined benefit obligation**

Period Covered	31-03-2015 ₹	31-03-2014 ₹
Assumptions		
Discount Rate	8% p.a.	8% p.a.
Expected Return On Plan Assets	8% p.a.	8% p.a.
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate Table	
Future Salary Increases	5 %p.a.	5 %p.a.
Disability	Nil	Nil
Attrition	2% p.a.	2% p.a.
Retirement	58yrs	58yrs
Method	Projected Unit Credit	

**Changes in the Present Value of the Obligation and in the Fair Value of the Assets**

Particulars	31-03-2015 ₹	31-03-2014 ₹
Present Value Of obligation at the beginning of the period	2,84,49,114	2,29,49,100
Interest Cost	22,03,955	17,88,006
Current Service Cost	48,24,670	28,06,475
Past Service Cost	-	-
Benefits Paid	(17,99,361)	(11,98,040)
Actuarial (gain)/loss on Obligation	3,74,689	21,03,573
<b>Present Value Of obligation at the end of the period</b>	<b>3,40,53,067</b>	<b>2,84,49,114</b>
Fair value of plan assets at the beginning of the period	1,26,34,467	1,16,44,669
Expected Return On plan assets	10,48,668	9,71,165
Contributions	-	-
Benefits Paid	(1,660)	-
Actuarial gain (Loss) Plan assets	(99,239)	18,633
<b>Fair value of plan assets at the end of the period</b>	<b>1,35,82,236</b>	<b>1,26,34,467</b>
<b>Total actuarial gain (loss) to be recognized</b>	<b>(4,73,928)</b>	<b>(20,84,941)</b>
<b>Balance Sheet Recognition</b>		
Present Value Of Obligation	3,40,53,067	2,84,49,114
Fair Value Of Plan Assets	(1,35,82,236)	(1,26,34,467)
Liability (assets)	2,04,70,831	1,58,14,647
Unrecognised Past Service Cost	-	-
<b>Liability (asset) recognised in the Balance Sheet</b>	<b>2,04,70,831</b>	<b>1,58,14,647</b>

## Profit & Loss – Expenses

Particulars	31-03-2015 ₹	31-03-2014 ₹
Current Service Cost	48,24,670	28,06,475
Interest Cost	22,03,955	17,88,006
Expected Return On plan assets	(10,48,668)	(9,71,165)
Net Actuarial (gain)/loss recognised in the year	4,73,928	20,84,940
Past Service Cost	-	-
<b>Expenses Recognised in the statement of Profit &amp; Loss</b>	<b>64,53,885</b>	<b>57,08,256</b>
<b>Actual Return On Plan Assets</b>		
Expected Return on plan assets	10,48,668	9,71,165
Actuarial gain/(Loss) on plan assets	(99,239)	18,633
<b>Actual Return On Plan Assets</b>	<b>9,49,429</b>	<b>9,89,798</b>
<b>Movement in the net Liability recognised in the Balance Sheet</b>		
Opening net Liability	1,58,14,647	1,13,04,431
Expenses	64,53,885	57,08,256
Contribution	(17,97,701)	(11,98,040)
<b>Closing Net Liability</b>	<b>2,04,70,831</b>	<b>1,58,14,647</b>

Gratuity Liability and leave encashment in respect employees deputed to customer locations on cost plus contracts is reimbursable without any service charge by the respective customers on retirement or resignation of the deputed employee. This sum aggregating to ₹2,17,55,904/- as at 31st March 2015 (Previous year ₹1,12,19,960/- as at 31st March 2014) is reflected as claims receivable and the corresponding liability as provision no income accrues to the Company on this account as it is considered as a pass through transaction.

## Note 32: EARNINGS PER SHARE

Particulars	31-03-2015 ₹	31-03-2014 ₹
Net Profit as P&L	2,31,23,170	2,04,45,047
Weighted average no. of shares o/s	13,00,200	13,00,200
Nominal Value Per Share	10	10
Earnings Per Share		
- Basic	17.78	15.72
- Diluted	17.78	15.72



**Note 33:**

**Segment Reporting:**

**Statement Showing Segment results for the financial year 2014-2015**

(Amount in ₹)

Particulars	Year	Outsourced Services	Other Operations	Total
Segment Revenues	2014-2015	94,62,23,433	2,38,66,005	97,00,89,439
	2013-2014	66,92,14,202	1,76,11,532	68,68,25,733
Expenses	2014-2015	91,31,32,051	1,57,79,011	92,89,11,062
	2013-2014	63,87,30,997	1,19,50,872	65,06,81,868
Segment Results	2014-2015	2,62,47,592	80,86,995	3,43,34,587
	2013-2014	2,46,03,882	56,60,660	3,02,64,542
Income before depreciation interest taxes and exceptional items	2014-2015	3,30,91,382	80,86,995	4,11,78,377
	2013-2014	3,04,83,205	56,60,660	3,61,43,865
Interest	2014-2015	22,47,794	-	22,47,794
	2013-2014	16,07,648	-	16,07,648
Depreciation	2014-2015	45,95,996	-	45,95,996
	2013-2014	42,71,676	-	42,71,676
Tax Expenses	2014-2015	1,12,11,416	-	1,12,11,416
	2013-2014	98,19,494	-	98,19,494
<b>Profit/(Loss) after Taxation</b>	<b>2014-2015</b>	<b>1,50,36,176</b>	<b>80,86,995</b>	<b>2,31,23,171</b>
	<b>2013-2014</b>	<b>1,47,84,388</b>	<b>56,60,660</b>	<b>2,04,45,048</b>
Segment Assets	2014-2015	36,05,80,888	72,12,510	36,77,93,398
	2013-2014	26,92,31,465	38,90,995	27,31,22,460
Segment Assets (Unallocated)	2014-2015	-	-	1,42,82,777
	2013-2014	-	-	1,79,14,826
<b>Total Assets</b>	<b>2014-2015</b>	<b>36,05,80,888</b>	<b>72,12,510</b>	<b>38,20,76,175</b>
	<b>2013-2014</b>	<b>26,92,31,465</b>	<b>38,90,995</b>	<b>29,10,37,286</b>
Segment Liabilities	2014-2015	22,55,42,604	6,70,470	22,62,13,073
	2013-2014	15,25,26,945	3,67,460	15,28,94,405
Shareholders Funds	2014-2015	-	-	15,58,63,102
	2013-2014	-	-	13,81,42,881
<b>Total Liabilities</b>	<b>2014-2015</b>	<b>22,55,42,604</b>	<b>6,70,470</b>	<b>38,20,76,175</b>
	<b>2013-2014</b>	<b>15,25,26,945</b>	<b>3,67,460</b>	<b>29,10,37,286</b>
Capital Expenditure Incurred	2014-2015	81,47,269	-	81,47,269
	2013-2014	1,32,04,615	-	1,32,04,615
Segment Depreciation	2014-2015	45,95,996	-	45,95,996
	2013-2014	42,71,676	-	42,71,676
Non cash expenses other than depreciation	2014-2015	91,31,32,051	1,57,79,011	92,89,11,062
	2013-2014	63,87,30,997	1,19,50,872	65,06,81,868

There are no reportable geographical segments as the companies operation are confined to only one geographical location.

**Note 34:**

**Contingent Liability:**

1. Corporate Guarantee to bank on behalf of Joint Venture enterprise for loan obtained by it. - ₹ Nil (Previous Year - ₹ 2,80,00,000)
2. Claim against the company/disputed liabilities not acknowledged as debts - ₹13,92,680 (Previous Year - ₹13,92,680)

**Note 35:**

The company has not received any declaration from its vendors under Micro, Small and Medium Enterprises Act 2006 and hence no disclosure as provided in the Act is feasible.

**Note 36:**

Figures for the previous year have been regrouped or rearranged wherever necessary.

As per Our Report of Even Date

**R.Subramanian and Company**  
Chartered Accountants

**For Apollo Sindoori Hotels Ltd.,**

**R.Rajaram**  
Partner

**Sucharitha Reddy**  
Managing Director

**Suresh R Madhok**  
Director

Place: Chennai  
Date : 29.05.2015

**G. Venkatraman**  
Director

**R.Sathishkumar**  
Company Secretary

**M.Ramakrishnan**  
Chief Financial Officer





# **CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015**

A	CASH FLOW FROM OPERATING ACTIVITIES	31-Mar-15	31-Mar-14
		₹	₹
	Profit/(Loss) before tax	3,43,34,586	3,02,64,541
	Dividend received	(9,05,304)	(3,71,160)
	Depreciation	45,95,996	42,71,676
	Interest expense	22,47,794	16,07,648
	(Profit)/loss on sale of assets	(21,062)	2,71,634
	Interest received on deposits	(11,91,891)	(12,12,208)
	<b>Operating Profit before working capital changes</b>	<b>3,90,60,120</b>	<b>3,48,32,131</b>
	Adjustments for		
	(Increase)/Decrease in Trade Receivables	(6,97,59,015)	(2,30,13,070)
	(Increase)/Decrease in Inventory	(70,72,568)	(33,25,211)
	Increase/(Decrease) in Trade Payables	2,87,71,887	1,16,39,936
	Increase/(Decrease) in Other current liabilities	1,30,45,970	90,69,948
	(Increase)/Decrease in Long term Loans & advances	(8,35,086)	(33,94,905)
	Increase/(Decrease) in Long term liabilities	-	(37,91,980)
	(Increase)/Decrease in Other Non-current asset	(1,30,98,811)	36,63,622
	(Increase)/Decrease in Short Term Loans & advances	(7,16,823)	37,98,479
	(Increase)/Decrease in Other Current asset	(14,299)	(6,36,801)
	Increase/(Decrease) in Employee benefit provisions	76,86,076	78,28,986
	<b>Cash generated from operations after working capital changes</b>	<b>(29,32,548)</b>	<b>3,66,71,134</b>
	Direct taxes paid	(1,05,96,375)	(96,70,056)
	<b>Cash generated from operations before Extra-ordinary items</b>	<b>(1,35,28,923)</b>	<b>2,70,01,078</b>
	Extra-ordinary Item	-	-
	<b>Net Cash Flow from Operating activities (A)</b>	<b>(1,35,28,923)</b>	<b>2,70,01,078</b>
B	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(81,47,269)	(99,21,325)
	Sale of Fixed Assets	2,51,479	5,27,975
	Dividend received	9,05,304	3,71,160
	Increase in Deposit	(1,51,32,976)	(62,069)
	Increase in Investment	-	(81,490)
	Interest received on deposits	11,91,891	12,12,208
	<b>Net Cash flow from Investing activities (B)</b>	<b>(2,09,31,571)</b>	<b>(79,53,541)</b>
C	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Cash Credit with Bank	92,38,562	87,65,943
	Loan against deposit	1,50,00,000	-
	Car Loan from Bank	-	20,00,000
	Repayment of car loan	(6,26,965)	(5,44,234)
	Interest expense	(22,47,794)	(16,07,648)
	Dividend Paid	(39,00,600)	(39,00,600)
	Tax on Dividend paid	(6,62,907)	(11,60,087)
	<b>Net Cash flow from Financing activities (C)</b>	<b>1,68,00,296</b>	<b>35,53,374</b>
	Net Increase / Decrease in cash and cash equivalents	(1,76,60,198)	2,26,00,911
	cash and cash Equivalent at the beginning	2,76,57,093	50,56,182
	cash and cash Equivalent at the close	99,96,895	2,76,57,093

The schedules referred to above and the notes thereon form an integral part of the Profit & Loss Account.

This is the Cash Flow Statement referred to in our report of even date

**For Apollo Sindoori Hotels Ltd.,**

**R. Subramanian and Company**

Chartered Accountants

**Sucharitha Reddy**  
Managing Director

**Suresh R Madhok**  
Director

**R. Rajaram**

Partner

Place: Chennai

Date : 29.05.2015

**G.Venkatraman**  
Director

**R.Sathishkumar**  
Company Secretary

**M.Ramakrishnan**  
Chief Financial Officer





Form No. MGT-11

## Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

### APOLLO SINDOORI HOTELS LIMITED

CIN:L72300TN1998PLC041360

Registered Office: 19-B Anugraha Apartment  
41, Uthamar Gandhi Salai, Nungambakkam, Chennai – 600 034.

#### 17th Annual General Meeting - 12th August 2015

Name of the member (s) :

E-mail Id:

Registered address :

Folio No/Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company,  
hereby appoint

1. Name : .....

E-mail Id :

Address :

Signature : ....., or failing him

2. Name : .....

E-mail Id :

Address:

Signature: ....., or failing him

3. Name : .....

E-mail Id:

Address:

Signature: .....



As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual general meeting of the company, to be held on the 12th day of August 2015 at 3.30 P.M. at Narada Gana Sabha - Mini Hall, 314 (Old no.254), TTK Road, Alwarpet, Chennai - 600018 and at any adjournment thereof in respect of such resolutions as are indicated below :

and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution	Vote (Optional, see Note 2) (Please mention no of Shares)		
		For	Against	Abstain
Ordinary Business				
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial Year ended 31st March 2015			
2	Declare dividend on equity shares for the financial Year ended 31st March 2015			
3	Appointment of a director in place of Mrs.Suneeta Reddy (DIN 00001873) who retires by rotation and being eligible offers herself for re-appointment			
4	Appointment of a director in place of Mr.P.Vijaya kumar Reddy (DIN 01097295) who retires by rotation and being eligible offers himself for re-appointment			
5	Appointment of M/s.R.Subramanian & Co., Chartered Accountant, as the auditors of the Company			
Special Business				
6	Re-appointment of Mrs.Sucharitha Reddy (DIN 00003841) as a Managing Director of the Company			
7	Increase the Borrowing Power of the Company			

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2015

Affix  
Re.0.15  
Revenue  
Stamp

\_\_\_\_\_  
Name of the Member/Proxy

\_\_\_\_\_  
Signature of the Member/Proxy

**Notes :**

1. The firm, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 Hours before the commencement of the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



## ATTENDANCE SLIP

### APOLLO SINDOORI HOTELS LIMITED

CIN:L72300TN1998PLC041360

Registered Office: 19-B Anugraha Apartment  
41, Uthamar Gandhi Salai, Nungambakkam, Chennai – 600 034.

Registered Folio no./DP ID no./Client ID no.

No. of shares held:

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 17th Annual General Meeting of the Company at Narada Gana Sabha - Mini Hall, 314 (Old no.254), T.T.K.Road, Alwarpet, Chennai-600 018 on Wednesday the 12th Day of August 2015 at 3.30 P.M.



\_\_\_\_\_  
Name of the Member/Proxy

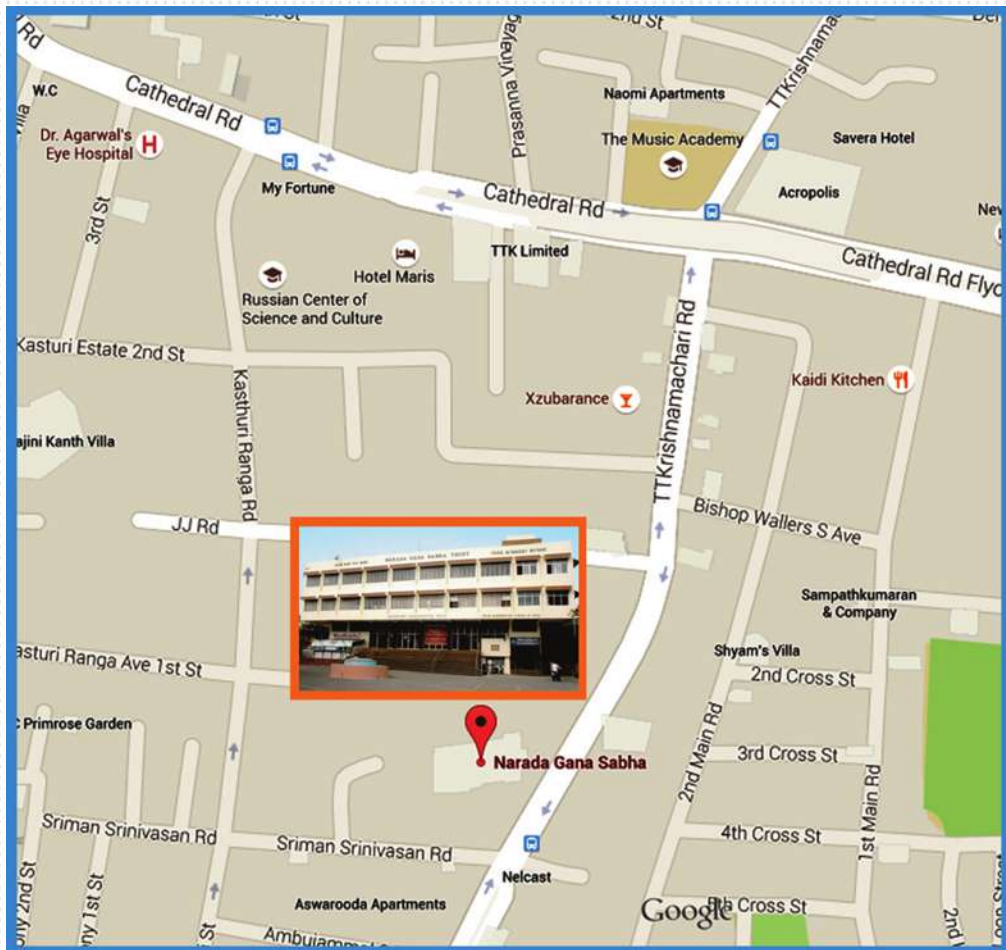
\_\_\_\_\_  
Signature of the Member/Proxy

#### **Note:**

**Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.**



## Route Map to Narada Gana Sabha



[illegible]

[illegible]



[illegible]

[illegible]

# *Suruchi Kitchen Inauguration @ Chennai*



## *Sketch 3rd Anniversary Celebration*





**Hospitality**



**Catering**



**Restaurants**



**Management  
Services**