

BENARES HOTELS LIMITED
43rd ANNUAL REPORT 2013-14



The Gateway Hotel Ganges Varanasi



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BENARES HOTELS LIMITED
Forty Third Annual Report 2013-14

Corporate Information

Board of Directors

DR. ANANT NARAIN SINGH
(Chairman)

RAYMOND N. BICKSON

SHRIRAMAN

RUKMANI DEVI

B. L. PASSI

D. R. KAARTHIKEYAN

PRABHAT VERMA

Company Secretary

P. K. Bhatia

Auditors

N. Krishnaswamy and Company
Chartered Accountants
71A, Kashi Raj Apartments, Kamachha,
Varanasi - 221 001

Registered Office

Nadesar Palace Compound,
Varanasi - 221 002
Phone: 0542-6660001
CIN-L55101UP1971 PLC 003480
Website: www.benareshotelslimited.com

Registrar and Share Transfer Agent

The Indian Hotels Company Limited
Mandlik House, Mandlik Road
Mumbai - 400 001
Phone: 022-66395515
Fax: 022-22027442
Email: investorrelations@tajhotels.com

Shares Listed at

BSE LTD.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

DELHI STOCK EXCHANGE LTD.
3/1, Stock Exchange Building
Asaf Ali Road
New Delhi - 110 002

UP STOCK EXCHANGE LTD.
Padam Towers
14/113, Civil Lines
Kanpur - 208 001

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HIGHLIGHTS	2013-14 ₹ Lacs	2012-13 ₹ Lacs
Gross Revenue	4,411.88	3,984.62
Profit Before Tax	1,375.70	1,253.83
Profit After Tax	897.99	857.61
Dividend	260.00	260.00
Retained Earnings	4,180.88	3,587.08
Funds Employed	5,500.77	4,956.48
Net Worth	4,310.88	3,717.08
Debt : Equity Ratio	0:1	0:1
Net Worth Per Equity Share (₹ 10/- each)	₹ 331.61	₹ 285.93
Earnings (EAT) Per Equity Share (₹ 10/- each)	₹ 69.08	₹ 65.97
Profit Before Tax Ratio to Turnover	31.2%	31.5%
Dividend Per Equity Share (₹ 10/- each)	₹ 20.00	₹ 20.00
	200%	200%

Notice to the Members

Notice is hereby given that the Forty Third Annual General Meeting of the Members of BENARES HOTELS LIMITED will be held at the Registered Office of the Company at Nadesar Palace Compound, Varanasi 221002, on Thursday 28th August, 2014 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31st March, 2014 and the Balance Sheet as at that date.
2. To declare a dividend.
3. To appoint a Director in place of Dr. Anant Narain Singh (DIN 00114728), who retires by rotation and is eligible for reappointment.
4. To appoint Auditors of the Company
To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
“**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 N. Krishnaswamy & Company, Chartered Accountants (Firm Registration Number 001555S), be and is hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

5. **Appointment of Mr. B.L. Passi as an Independent Director of the Company**
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. B.L. Passi (DIN - 00114571), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5 years with effect from 28th August, 2014 up to 27th August, 2019”.

6. **Appointment of Mr. Shriraman as an Independent Director of the Company**

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Shriraman (DIN 00114913), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5 years with effect from 28th August, 2014 up to 27th August, 2019”.

7. **Appointment of Mr. D.R. Kaarthikeyan as an Independent Director of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. D.R.

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Kaarthikeyan (DIN - 00327907), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5 years with effect from 28th August, 2014 up to 27th August, 2019”.

8. Appointment of Mrs. Rukmani Devi as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mrs. Rukmani Devi (DIN - 00552831), a non-executive director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5 years with effect from 28th August, 2014 up to 27th August, 2019”.

NOTES

- (a) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business under Item No. 5 to 8 mentioned in the accompanying Notice is annexed hereto .
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE 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 ten percent of the total share capital of the

Company. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument appointing the proxy should be deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies must be supported by appropriate resolution/authority, as applicable.

- (c) Members are requested to intimate to the Company, changes, if any, in their Registered Address along with Pin Code Number. Members whose shareholdings are in demat form are requested to send the intimation for change of address to their respective Depository Participant(s).
- (d) Members are requested to register their email id and the changes therein from time to time with the Company to enable the Company to send notices/documents through email as permitted in law.
- (e) The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 20th August, 2014 to Tuesday, 2nd September, 2014 (both days inclusive).
- (f) The dividend as recommended by the Directors for the year ended 31st March, 2014, if passed at the meeting, will be made payable on or after Monday, 8th September, 2014, to those members whose names appear on the Register of Members of the Company on Wednesday, the 20th day of August, 2014. As regards shares held in electronic form the dividend will be payable to the beneficial owners of shares whose names appear in the statement of beneficial ownership furnished by the Depositories as at the end of business hours on Tuesday, 19th August, 2014.
- (g) Members who are holding shares in identical order of names in more than one folio are requested to write to the Company for consolidating their holding in one folio.

(h) Pursuant to Section 205C of the Companies Act, 1956, all unclaimed/unpaid dividends for a period of 7 years from the date of transfer to the 'Unpaid Dividend Account' are required to be transferred by the Company to the "Investor Education and Protection Fund" established by the Central Government. Accordingly, the unclaimed dividend paid up to the financial year ended 31st March, 2007, shall be transferred by the Company to the said Fund on the due date in 2014. No claim shall lie against IEPF or the Company for the amounts so transferred prior to March 31, 2014 nor shall any payment be made in respect of such claim.

(i) SEBI vide its Circular No. CIR/MRD DP/10/2013 dated March 21, 2013 has instructed all Companies for usage of electronic payment modes for making cash payments to the investors. Companies whose securities are listed on Stock Exchanges are directed to use either directly or through their RTI & STA, any Reserve Bank of India approved electronic mode of payment such as ECS [ECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT etc. Thus, Members are requested to kindly provide their requisite bank account particulars by quoting their reference folio number(s) if shares are held in physical form.

If shares are held in dematerialized form, Members may kindly provide the requisite bank account details to their Depository Participant, to ensure that future dividend payments are correctly credited to the respective account.

(j) Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.

(k) Voting through electronic means

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 pleased to provide members facility to cast their vote electronically, through e-voting Services provided by Central Depository Services Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for members for voting electronically are as under:

(A) In case of Members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Benares Hotels Limited" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the image verification as displayed and click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below.

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
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.

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	For Members holding shares in Demat Form and Physical Form
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Benares Hotels Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- (xiv) 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.
 - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification Code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the accounts) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to 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.
- B. In case of members receiving the physical copy:**
- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

- (ii) The voting period begins on August 22, 2014 (9.00 a.m. IST) and ends on August 24, 2014 (6.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 11, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- (iii) 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 under 'Help' section or write an email to helpdesk.evoting@cdslindia.com
- (iv) The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on July 11, 2014
- (v) Mr. Shreepad Korde, Practicing Company Secretary (C.P.No. 1079) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (vi) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) 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.
- (vii) Members who do not have access to e-voting facility may send duly completed Ballot Form in the enclosed self-addressed postage prepaid envelope (enclosed with the Annual Report) directly to the Scrutinizer so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Shreepad Korde, Practicing Company Secretary, (C.P. No. 1079), at the Office of the Registrar and Share Transfer Agent of the Company not later than Sunday, August 24, 2014 (6.00 p.m. IST).
- (viii) Members have the option to request for physical copy of the Ballot Form by sending an e-mail to investorrelations@tajhotels.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Office of the Registrar and Share Transfer Agent of the Company not later than Sunday, August 24, 2014 (6.00 p.m. IST).
- (ix) Ballot Form received after August 24, 2014 will be treated as invalid.
- (x) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- (xi) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.benareshotelslimited.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.
- (I) All documents referred to in the accompany-ing Notice and the Explanatory Statement, if any, shall be open for inspection at the Registered Office of the Company during normal business hours on all working days, except Sundays and public Holidays, up to and including the date of the Annual General Meeting of the Company.

By order of the Board of Directors
of **BENARES HOTELS LTD.**

P. K. Bhatia
Company Secretary

Place: Mumbai
Date: 17th July, 2014