

ANNUAL REPORT

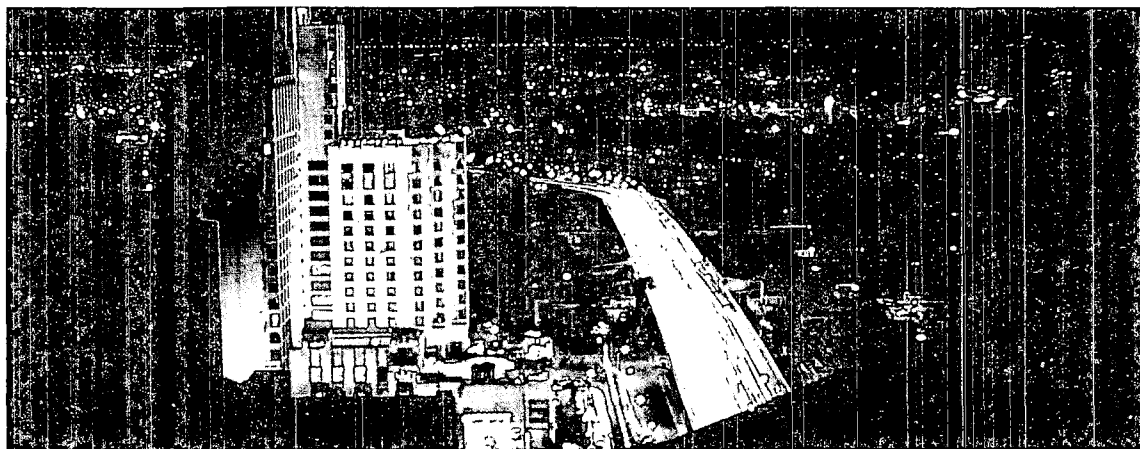
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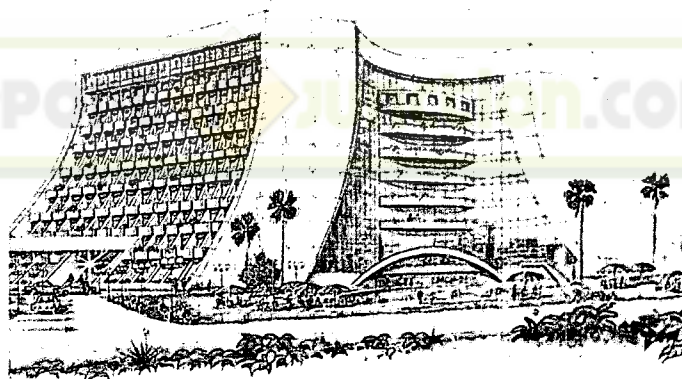
BHARAT HOTELS LIMITED



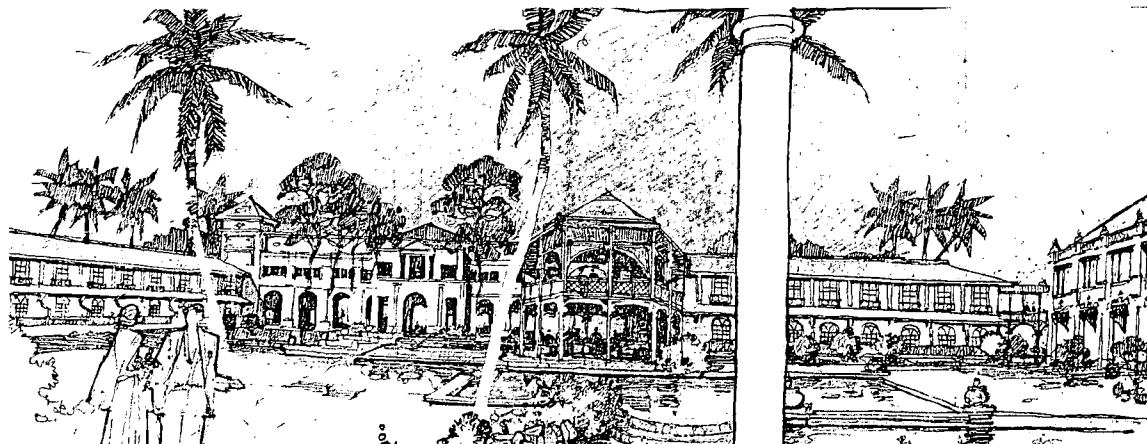
Hotels owned by Bharat Hotels Limited



New Delhi Hilton



Mumbai Hilton - Under Progress



Goa Hilton - Under Progress



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MD	✓		BKC	✓
CS	✓		DPY	✓
RO	✓		DIV	✓
TRA	NA		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		✓

CHAIRMAN-CUM-MANAGING DIRECTOR

Mr. Lalit Suri

JOINT MANAGING DIRECTOR

Mrs. Jyotsna Suri

DIRECTORS

Mr. Ramesh Suri
 Tikka Hanuwant Singh
 Mr. Dharam Veer Batra
 Mr. Abhay Navamal firodia
 Mr. Chakor Lalchand Doshi
 Mr. Lalit Bhasin
 Mr. Vinod Khanna

VICE PRESIDENT & COMPANY SECRETARY

Mr. Vijay K. Verma

VICE PRESIDENT-FINANCE

Mr. Arvind Sachdev

REGISTERED OFFICE

Barakhamba Lane
 New Delhi

STATUTORY AUDITORS

V. Sankar Aiyar & Co.
 Chartered Accountants
 Guru Nanak House
 B-9, Mezzanine Floor
 Ranjit Nagar, Commercial Complex
 New Delhi-110008

BRANCH AUDITORS

S.R.BATLIBOI & CO.
 Chartered Accountants
 20 Community Centre
 Pushp Vihar
 New Delhi-110062

BANKERS

Bank of Baroda
 ANZ Grindlays Bank
 Banque Natinale De Paris





NOTICE

Notice is hereby given that the 16th Annual General Meeting of the members of Bharat Hotels Limited will be held at Sapru House, Barakhamba Road, New Delhi, on Wednesday, the 10th September, 1997 at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and the Profit and Loss Account for the Financial year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To consider declaration of dividend by the Company for the financial year ended 31st March, 1997.
3. To appoint a Director in place of Shri Abhay Navalmal Firodia, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Tikka Hanuwant Singh, who retires by rotation and, being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED that approval of the members of the Company be and is hereby accorded pursuant to the provisions of Section 198, 269, 309 or any other applicable provisions of the Companies Act, 1956 to the re-appointment of Shri. Lalit Suri as the Chairman-cum-Managing Director of the Company for a period of five years from 13th November, 1997 at a monthly salary of Rs. 1,00,000/- per month and commission on net profits and the perquisites subject to the ceilings laid down in schedule XIII of the Companies Act, 1956 as per the terms and conditions set out in the draft Agreement to be executed between the Company and Shri. Lalit Suri.

RESOLVED FURTHER that the approval of the members of the company be and is hereby also accorded to the payment of the minimum remuneration payable to him in the event of loss or inadequacy of profits in any year subject to ceilings laid down in Schedule XIII of the Companies Act, 1956."

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

"RESOLVED that approval of the members of the company be and is hereby accorded pursuant to the provisions of Section 310 and 311 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956, to increase the remuneration of Smt. Jyotsna Suri, Joint Managing Director of the Company from Rs. 40,000/- per month to Rs.60,000/- per month by way of salary and the commission on net profits and perquisites subject to the ceilings laid down in Schedule XIII of the Companies Act, 1956, as amended from time to time, with effect from 11th August, 1997 for the unexpired period of her term as Joint Managing Director as per the terms set out in the draft Supplemental Agreement to be executed between the Company and Smt. Jyotsna Suri, Joint Managing Director.

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RESOLVED FURTHER that the approval of the members of the company be and is hereby also accorded to the payment of the minimum remuneration payable to him in the event of loss or inadequacy of profits in any year subject to ceilings laid down in Schedule XIII of the Companies Act, 1956."

By Order of the Board
for BHARAT HOTELS LIMITED

NEW DELHI

Dated : 11th August, 1997

Regd Office : Barakhamba Lane,

New Delhi - 110 001

VIJAY K. VERMA
VICE PRESIDENT & COMPANY SECRETARY

NOTES :

1. The relevant Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 in respect of the business under Item No. 6 and 7 is annexed hereto.
2. Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 8th day of September, 1997 to Wednesday, the 10th September, 1997 to ascertain the entitlement of the members for payment of Dividend.
3. 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. Proxy must be deposited at the Registered Office of the Company at Barakhamba Lane, New Delhi-110001 not later than 48 hours before the commencement of the Meeting.
4. The dividend, if declared, shall be paid to those members whose names appear in the Register of Members of the Company on 10th September, 1997
5. THE MEMBERS/PROXIES SHOULD BRING THEIR ATTENDANCE SLIPS SENT HERewith, DULY FILLED IN FOR ATTENDING THE MEETING.
6. WITH A VIEW TO PREVENT THE POSSIBILITY OF FRAUDULENT ENCASHMENT OF DIVIDEND WARRANTS, THE MEMBERS ARE REQUESTED TO INFORM THE DETAILS OF THEIR RESPECTIVE BANK ACCOUNT NO., NAME AND ADDRESS OF THE BANK OF THE SOLE/FIRST SHAREHOLDER SO THAT THE SAME COULD BE INCORPORATED IN THE DIVIDEND WARRANTS TO BE ISSUED TO THE MEMBERS.
7. THE MEMBERS ARE REQUESTED TO NOTIFY ANY CHANGE IN THEIR REGISTERED ADDRESS/ RESIDENTIAL STATUS IMMEDIATELY TO THE REGISTERED OFFICE OF THE COMPANY.



EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 6

Shri Lalit Suri was re-appointed as the Chairman-cum-Managing Director of the Company with effect from 13th November, 1992 for a period of Five Years as approved by the members of the Company and the Central Government. The remuneration being drawn by Shri Lalit Suri, Chairman -cum-Managing Director of the Company was enhanced by the Board of Directors of the Company with effect from 24th July, 1993 and confirmed by the members at the last Annual General Meeting of the Company held on 30th August, 1993 and the same was again enhanced with effect from 17th August, 1994.

The Board of Directors at its meeting held on 11th August, 1997 has re-appointed Shri Lalit Suri as the Chairman-cum-Managing Director of the Company for a further period of five years with effect from 13th November, 1997 subject the approval of the Members. The draft Agreement to be entered into by the Company with Shri. Lalit Suri, Chairman-cum-Managing Director in respect of the re-appointment, inter alia, contains the following terms and conditions:

I) SALARY

Salary @ Rs. 1,00,000/- (Rupees One lac only) per month.

II) PERQUISITES

Perquisites will be restricted to an amount equal to the annual salary. For this purpose perquisites be classified into three categories, Parts A, B & C.

III) COMMISSION ON NET PROFITS

Commission on the net profits of the Company subject to ceilings under section 198 and 309 and computed in the manner laid down in section 349 of the Companies Act, 1956.

PART "A"

i) HOUSING

- a) The expenditure by the Company on hiring accommodation for the Chairman-cum-Managing Director will be subject to 60% of salary, over and above 10% payable by the appointee;
- b) Where the Company does not provide accommodation for Chairman-cum-Managing Director, House Rent Allowance may be paid by the Company subject to ceiling laid down in Clause (i)(a) above;
- c) Where accommodation in the Company owned house is provided, the Chairman-cum-Managing Director shall pay to the Company by way of rent @ 10% of salary.

EXPLANATION

The expenditure incurred by the Company on Gas, Electricity, Water and Furniture shall be valued as per

BHARAT HOTELS LIMITED

the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% of the salary of the Chairman-cum-Managing Director.

ii) MEDICAL REIMBURSEMENT

Expenses incurred for self and the family, subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

iii) LEAVE TRAVEL CONCESSION

For self and family once in a year in accordance with the rules of the company.

iv) PERSONAL ACCIDENT INSURANCE

Premium not to exceed Rs.4,000/- per annum.

v) CLUB FEES

Fees of Clubs, subject to a maximum of Two Clubs. This will not include admission and life membership fees.

EXPLANATION

For the purpose of this Part 'Family' means the spouse, the dependent children and dependent parents.

PART B

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

Gratuity payable shall not exceed half a month's salary for each completed year of service.

PART - C

Provision of car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Chairman-cum-Managing Director.

In view of the above, the Board of Directors of the company feel that the said re-appointment on the revised terms and conditions will be in the best interest of the Company.

A copy of the draft Agreement to be executed between the company and Shri Lalit Suri, Chairman-cum-Managing Director is available for inspection during the business hours at the Registered office of the company on every working day.

The said re-appointment of the Chairman-cum-Managing Director is subject to the approval of the members