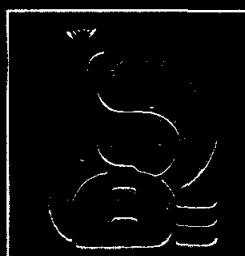


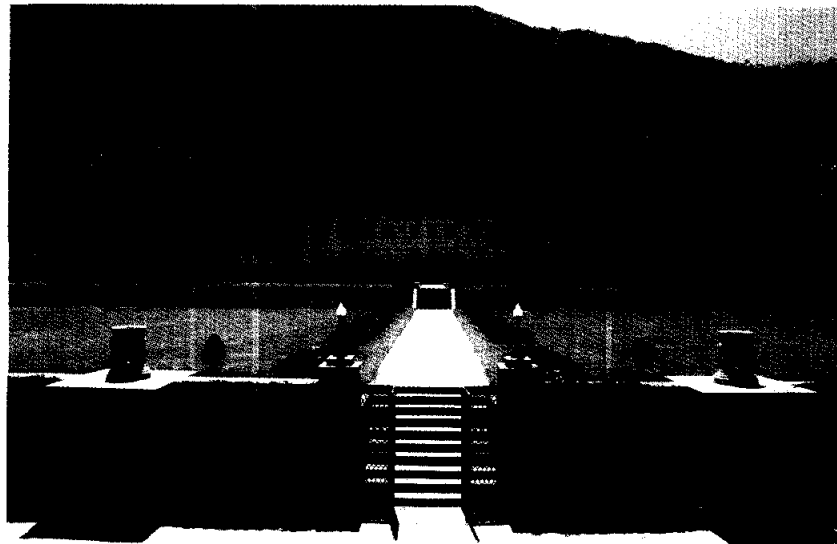
Annual Report 2001 - 2002

Report Junction

Report  Junction.com



BHARAT HOTELS LIMITED



Landscaped Exterior



Hotel Lobby



Presidential Suite



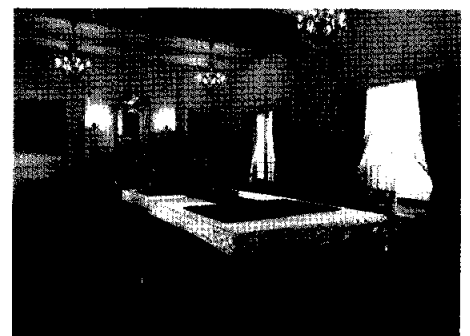
Palace Suite



The Chinar



Dal Bar



South Room

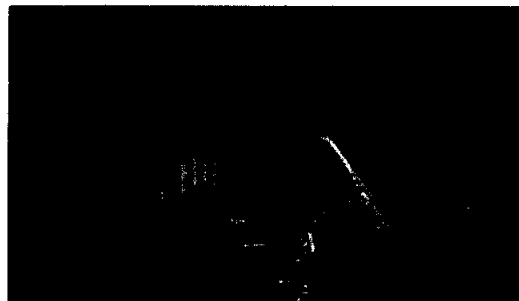


GRAND PALACE
INTER-CONTINENTAL
SRINAGAR



Bharat Hotels
with its 'GRAND' hotel properties
gives India like no other Chain.

Elegant Business Hotels.. Luxurious Beach Resorts... Graceful Heritage Palaces....



Grand Inter-Continental New Delhi



Grand Palace Inter-Continental Srinagar



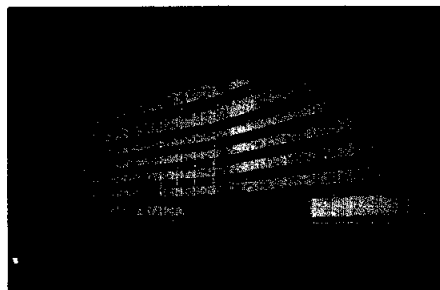
Grand Inter-Continental Mumbai
(opening October 2002)



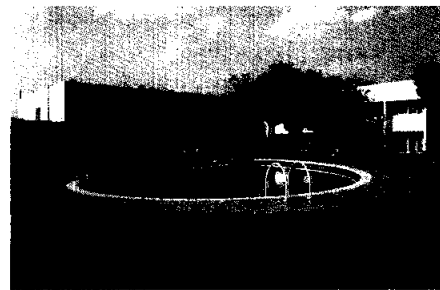
Goa Grand Inter-Continental Resort
(opening October 2002)



Grand Laxmi Vilas Palace Udaipur



Grand Ashok Bangalore



Grand Khajuraho

BHARAT HOTELS LIMITED

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Equity Shares Listed With:

- Delhi Stock Exchange Association Limited
DSE House, 3/1, Asaf Ali Road, New Delhi-110002
- The Stock Exchange Mumbai
Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- The National Stock Exchange of India Limited
Trade World, Senapati Bapat Marg, Lower Parel, Mumbai-400013

GDRs Listed With:

- Luxembourg Stock Exchange
P.O. Box 807, 14, Boulevard, F.D Roosevelt, Luxembourg
- Annual Listing fee paid to All the Stock Exchanges upto date



NOTICE

Notice is hereby given that the 21st Annual General Meeting of the members of Bharat Hotels Limited will be held at Sapru House, Barakhamba Road, New Delhi-110001 on Wednesday, the 31st July, 2002 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, 2002 and the Profit and Loss Account for the Financial year ended on that date and the Reports of the Directors and the Auditors thereon and statements in respect of two subsidiary companies under section 212 of the Companies Act.
2. To appoint a Director in place of Shri Chakor Lalchand Doshi who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Dharam Veer Batra who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. 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 with effect from 13th November, 2002 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."

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

"RESOLVED that the consent of the members of the company be and is hereby accorded pursuant to section 314 or any other applicable provisions of the Companies Act, 1956, to pay a sum of Rs.19,000/- (Rupees nineteen thousand only) per month w.e.f. 1st August, 2002 to Bhasin & Company, Advocates, of which Mr. Lalit Bhasin, a Director of the company, is the sole proprietor as retainership fees in addition to the fees payable for appearances in any court of law or any other Authority."

7. 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 intimation by Deeksha Holding Limited, one of the promoters of the Company having largest shareholding alongwith other persons acting in concert, who propose to provide

BHARAT HOTELS LIMITED

an exit option to the minority shareholders of the company by making an open offer pursuant to the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997, the company, do delist its shares from the Stock Exchanges where they are listed and that the Board of Directors of the Company be and is hereby authorised on behalf of the company to do all such acts, deeds and things that are necessary and incidental with regard to the above"

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

"RESOLVED that subject to the requisite consents and approvals required under Foreign Exchange Management Act, 1999 and Securities and Exchange Board of India Act, 1992 or any other applicable laws for the time being in force, the consent of the members of the company be and is hereby accorded to the Board of Directors of the company pursuant to the provisions of Section 81(1A) or any other provisions of the Companies Act, 1956 to issue and allot such number of equity shares not exceeding 1,78,66,667 equity shares of Rs.10/- each out of the un-issued share capital by way of Private Placement at such premium as the Board of Directors may decide, to any select group of persons including Non residents, Foreign Institutional Investors, Bodies Corporate incorporated outside India or any other persons and that the Board of Directors of the Company be and is hereby authorised to negotiate and finalise all the terms and conditions with regard to the said preferential issue of equity shares and to take all necessary steps for giving effect to this resolution."

By Order of the Board
for BHARAT HOTELS LIMITED

NEW DELHI
Dated :14th June, 2002
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 businesses under Items No. 2 and 3 as well as 5 to 7 is annexed hereto.
2. 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.
3. MEMBERS DESIROUS OF OBTAINING ANY INFORMATION CONCERNING ACCOUNTS OR OPERATION OF THE COMPANY ARE REQUESTED TO WRITE TO THE COMPANY AT LEAST 10 DAYS BEFORE THE DATE OF ANNUAL GENERAL MEETING SO THAT THE INFORMATION WILL BE MADE AVAILABLE TO THEM AT THE MEETING.
4. THE MEMBERS/PROXIES SHOULD BRING THEIR ATTENDANCE SLIPS SENT HERewith, DULY FILLED IN, FOR ATTENDING THE MEETING.
5. 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. 2

Shri Chakor Lalchand Doshi is son of Late Sh. Lalchand Hirachand a well known industrialist. He is 54 years old and possesses degree in M.S. (Operations, Research and Industrial Engineering) B Sc. (Mathematics) from St. Xavier's College. In addition to Chairman in Walchand Industries Limited & Bombay Cycle And Motor Agency Ltd. He is also a director in the following Companies:

1. The Premier Automobiles Ltd.
2. Goetz (India) LTd.
3. AB Corp. Ltd.
4. Walchand Tandur Cement Co. Ltd.

He has over 30 years experience in the Industry and has travelled widely all over the world and has helped various companies acquire state-of-the-art technologies that have benefited Indian Industry.

The Board recommends the re-election of Mr. Chakor Lalchand Doshi as a Director of the Company.

None of the Directors is concerned or interested in the re-election of Mr. Chakor Lalchand Doshi.

Mr. Chakor Lalchand Doshi may, however be deemed to be concerned or interested in this resolution to the extent of his re-election to the office of a Director on the Board of this Company.

ITEM NO. 3

Shri Dharam Veer Batra is son of Late Sh. Aaishi Ram Batra a renowned businessman and philanthropist. He is a graduate and is 72 years old. He pioneered petroleum marketing in the State of Jammu & Kashmir and presently has network of petrol pumps, LPG Agency points and transportation of petroleum products all over the copuntry. The Group headed by him has diversified extremely successfully into host of manufacturing activities being giants in home appliances industry and other core sector industries. The Group, apart from the above has interests in automobiles retailing and servicing, real estate, investment and financial services, Medicare, agroproducts, merchant exporters, petrochemicals etc. He is the founder trustee of Ch. Aishi Ram Batra Charitable Trust who are running prestigious Batra Hospitals and Medical College at New Delhi and Jammu.

He holds positions in various companies as per details given below:

- | | |
|---|-------------------|
| 1. Super Parts (P) Limited | Managing Director |
| 2. Trikuta Roller Flour Mills (P) Ltd. | Director |
| 3. Batra Brothers Private Limited | Director |
| 4. Gallant Leasing & Financial Services Limited | Director |
| 5. Batra Worldwide Private Limited | Director |
| 6. Well Worth Agencies Private Limited | Director |
| 7. Batra Universal Holdings (India) Limited | Director |
| 8. Batra Foods & Beverages Private Limited | Director |
| 9. Batra Infosys Private Limited | Director |

The Board recommends the re-election of Mr. D.V. Batra as a Director of the Company.

BHARAT HOTELS LIMITED

None of the Directors are concerned or interested in the re-election of Mr. Dharam Veer Batra.

Mr. Dharam Veer batra may, however be deemed to be concerned or interested in this resolution to the extent of his re-election to the office of a Director on the Board of this Company

ITEM NO. 5

Mr. Lalit Suri son of Late Sh. Udho Ram Suri is the Chairman-cum-Managing Director of the Company since 1988. He is 55 years old and after doing schooling from St. Columbus, New Delhi and St. George's School, Mussoorie, did his Honours degree in Commerce from Sri Ram College of Commerce. Afterwards, he undertook a two year Specialisation in Automobile engineering with Vauxhall Motors, England. After studies, he joined his family run automobile business to spearhead Delhi Automobiles Ltd. (family owned company), body fabrication on buses, station wagons, trucks and armed forces vehicles.

In view of diversification of family business, he ventured out into hotel business in the year 1982 and took the leadership in the hotel business of the family. Since then, he ensured the record completion of the company's mega project of a 444 room 5-Star Deluxe Hotel in New Delhi along with the adjoining shopping-cum-commercial complexes of World Trade Centre and World Tower. On October 20, 1988 the hotel was commissioned and operated as a highly successful five star deluxe hotel. Today, the hotel is operated as Grand Inter-Continental, New Delhi.

Under his leadership, the company has also taken over a Royal palace in Srinagar and today it operates as Grand Place Inter-Continental Srinagar – after careful restoration and enhancement in guest facilities and services. Besides, the company is also constructing two super deluxe hotels, to be commissioned in October, 2002 – the 400 room Grand Inter-Continental Mumbai and a 277 – room Goa Grand Inter-Continental Resort. Just recently, on November 30, 2001, Bharat Hotels started managing and operating the 183-room Grand Ashok Bangalore – as part of a 30 year contract from ITDC and also successfully bid for 54-room Grand Laxmi Vilas Palace Udaipur, under the Government of India's disinvestment scheme.

Mr. Lalit Suri is the recipient of various excellence awards in recognition of his contributions – both in the fields of business and public services. Only July 11, 2000, Mrs. Hilary Rodham Clinton, the then First Lady of USA conferred him with the prestigious award for outstanding accomplishments in business and leadership at the Internal Millennium Convention in New York. He has been conferred with special awards, by the State Jammu & Kashmir in recognition of his contribution to tourism promotion and development in the State. He is also the holder of the 'Rajiv Gandhi Excellence Award' in recognition of his socio-economic achievements in India. 'The Order of merit' from the Indian Council of Management Executives for services rendered to the public; Hind rattan Award' for his achievements, contributions and services to the Indian public, to name just a few.

Mr. Lalit Suri is the president of Hotel Association of India and also a member of World Travel & Tourism Council a prestigious international organization in the field of tourism.

Apart from Chairman-cum-Managing Director of Bharat Hotels Limited he also a director in the following companies:

1.	Deeksha Holding Limited	Director
2.	Subros Limited	Director
3.	Rohan Motors Ltd.	Director
4.	Jyotsna Holding Private Limited	Director
5.	Premium Exports Limited	Director
6.	Special Protection Services Pvt. Ltd.	Director



7.	Mercantile Capital & Financial Services Ltd.	Director
8.	Prima Exports Pvt. Ltd.	Director
9.	Responsible Builders (P) Ltd.	Director
10.	Jyoti Limited	Director
11.	Prime Cellular Limited	Director
12.	Prima Telecom Limited	Director
13.	Rajdhani Cold Storage P. Ltd.	Director
14.	Sona Koya Steering Systems Ltd.	Director
15.	Brisk Real Estate Developers Pvt. Ltd.	Director
16.	Blitz Real Estate Developers Pvt. Ltd.	Director
17.	Brssze Real Estate Developers Pvt. Ltd.	Director
18.	Blaze Real Estate Developers Pvt. Ltd.	Director
19.	Beckon Real Estate Developers Pvt. Ltd.	Director
20.	Udaipur Hotels Private Limited	Director

Shri Lalit Suri was re-appointed as the Chairman-cum-Managing Director of the Company with effect from 13th November, 1997 for a period of Five Years as approved by the members of the Company on 10.09.1997.

The Board of Directors at its meeting held on 14th June, 2002 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, 2002 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 are 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

- 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;
- 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;

BHARAT HOTELS LIMITED

- 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 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 above 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 under section 198, 269 & 309 and any other applicable provisions of the Companies Act, 1956. Hence the Resolution.