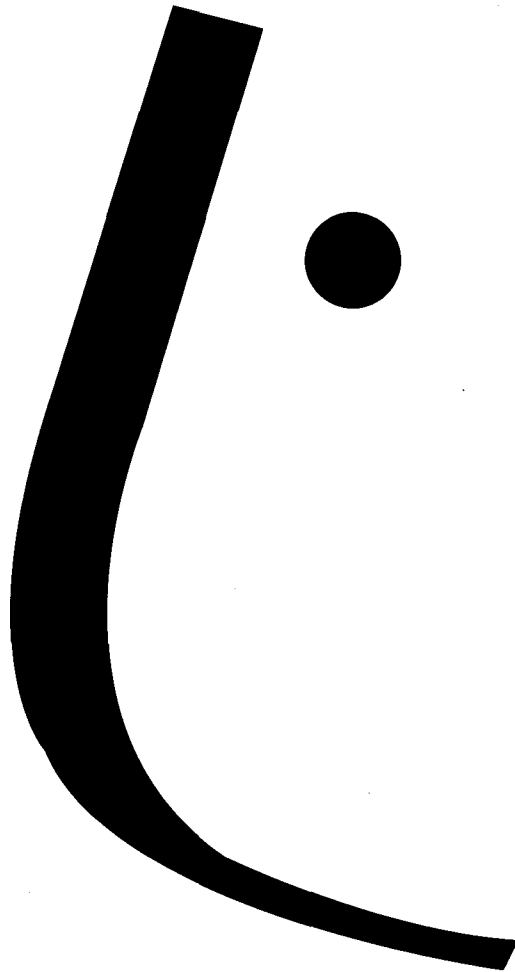


ANNUAL REPORT
2010-2011



BHARAT HOTELS LIMITED



Lalit Suri

(November 19, 1946 - October 10, 2006)

In us, you live.



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BHARAT HOTELS LIMITED

CHAIRPERSON AND MANAGING DIRECTOR

Dr. Jyotsna Suri

EXECUTIVE DIRECTORS

Ms. Divya Suri Singh

Ms. Deeksha Suri

Mr. Keshav Suri

DIRECTORS

Mr. Ramesh Suri

Dr. M.Y. Khan

Mr. Hanuwant Singh

Mr. Dharam Veer Batra

Mr. Abhay Navalmal Firodia

Mr. Chakor Lalchand Doshi

Mr. Lalit Bhasin

Mr. Vinod Khanna

SR. VICE PRESIDENT-FINANCE

Mr. Arvind Sachdev

SR. VICE PRESIDENT - FINANCE & SYSTEMS

Mr. Madhav Sikka

VICE PRESIDENT & COMPANY SECRETARY

Mr. S. Prabhakar

REGISTERED OFFICE

Barakhamba Lane

New Delhi - 110001, India

STATUTORY AUDITORS

S.R. Batliboi & Co.

Chartered Accountants

Golf View Corporate Tower B

Sector-42, Sector Road

Gurgaon - 122002, Haryana, India

BANKERS

The Jammu & Kashmir Bank Ltd.

Yes Bank Ltd.

IDBI Bank Ltd.



NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of **Bharat Hotels Limited** will be held on Tuesday the 30th August, 2011 at 12:00 noon at Kamani Auditorium, No.1, Copernicus Marg, New Delhi-110 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the Financial Year ended on that date together with the Reports of the Directors and the Auditors thereon.
2. To declare Dividend on Equity Shares .
3. To appoint a Director in place of Shri Chakor Lalchand Doshi, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Abhay Navalmal Firodia, who retires by rotation and, being eligible, offers himself for reappointment.
5. To appoint a Director in place of Dr. M.Y Khan who retires by rotation and, being eligible, offers himself for reappointment.
6. To appoint a Director in place of Ms. Divya Suri Singh, who retires by rotation and, being eligible, offers herself for reappointment.
7. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. S.R. Batliboi & Associates, Chartered Accountants, (Registration No. 101049W) be appointed as Statutory Auditors of the Company in place of M/s. S.R. Batliboi & Co., Chartered Accountants, Gurgaon, the retiring auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

8. 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 198, 269, 309, 310, 311, 316 and 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and all guidelines for managerial remuneration issued by the Central Government from time to time, including any statutory modifications or re-enactments thereof and subject to the approval of the Central Government, if necessary, and such other approvals, permissions, and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, consent of the Company be and is hereby accorded for the re-appointment of Dr. Jyotsna Suri, as Chairperson & Managing Director of the Company, with substantial powers of management to be exercised by her, subject to the superintendence, control and direction of the Board of Directors of the Company (Managing Director under the Companies Act, 1956) for a period of 3 (Three)

years with effect from 16th October, 2011, on such remuneration and on the terms and conditions as set out below, with liberty to the Board of Directors (here in after referred to as Board which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions, not exceeding the limits specified under the Act or any statutory modification or re-enactment thereof :

I) SALARY

Rs. 7,00,000 (seven lakhs) per month (in the Slab of Rs. 7,00,000 – 75,000 – 8,50,000 – 1,00,000 - 9,50,000) with authority to the Board of Directors (which expression shall include a Committee thereof) to revise the basic salary from time to time taking into account the performance of the Company.

II) COMMISSION

Commission upto 1% (one percent) of 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.

III) 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.

PART "A"

I) HOUSING

Fully furnished residential accommodation shall be provided, the cost of which shall not exceed 60% of the basic salary per annum or House Rent Allowance in lieu thereof

The expenditure incurred by the Company in providing Gas, Electricity, Water 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 Chairperson & Managing Director.

ii) MEDICAL REIMBURSEMENT

Reimbursement of medical expenses incurred in India and abroad (including premium for medical and hospitalization policy, if any) on actual basis 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

Insurance policy shall be taken as per the Rules of the Company. Premium not to exceed Rs.4,000/- per annum.



v) **CLUB FEES**

Membership fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.

vi) **ENTERTAINMENT EXPENSES**

Entertainment, travelling and all other expenses incurred for the business of the Company shall be reimbursed as per Rules of the Company.

vii) **CAR & TELEPHONE**

The Company shall provide car with driver and telephone at the residence of the Chairperson & Managing Director, for the Company's business.

viii) **OTHER ALLOWANCES, BENEFITS AND PERQUISITES**

Any other allowances, benefits and perquisites admissible to the senior officers of the Company as per Rules of the Company, from time to time.

EXPLANATION

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

PART "B"

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not 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 Chairperson & Managing Director.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time pursuant to the provisions of Schedule XIII to the Act, shall be paid to Dr. Jyotsna Suri as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT Dr. Jyotsna Suri will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof so long as she functions as the Chairperson & Managing Director of the Company.

RESOLVED FURTHER THAT for purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

BHARAT HOTELS LIMITED

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

“RESOLVED THAT in partial modification of the resolution passed at the Annual General Meeting of shareholders of the Company held on 26th August, 2009 and in terms of the provisions of Section 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the following increased remuneration of Ms. Divya Suri Singh, be and is hereby approved and payable w.e.f. 1st July, 2011:

Head	Amount (Rs./per month)	
Basic Salary	5,00,000	(in the slab of Rs. 5,00,000 – 50,000 - 6,00,000 –75,000 – 6,75,000)
Medical	41,667	
LTA	41,667	
PF Contribution	60,000	
Total	6,43,334	i.e. Rs. 77,20,008 per annum

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time pursuant to the provisions of Schedule XIII to the Act, shall be paid to Ms. Divya Suri Singh as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT Ms. Divya Suri Singh will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof so long as she functions as the Executive Director of the Company.

RESOLVED FURTHER THAT there shall be no other change/s in other components of remuneration, except as revised herein above and all other terms and conditions of her appointment shall remain unchanged.

RESOLVED FURTHER THAT for purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

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

“RESOLVED THAT in partial modification of the resolution passed at the Annual General Meeting of shareholders of the Company held on 26th August, 2009 and in terms of the provisions of Section 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the following increased remuneration of Ms. Deeksha Suri, be and is hereby approved and payable w.e.f. 1st July, 2011:



Head	Amount (Rs./per month)	
Basic Salary	5,00,000	(in the slab of Rs. 5,00,000 – 50,000 - 6,00,000 –75,000 – 6,75,000)
Medical	41,667	
LTA	41,667	
PF Contribution	60,000	
Total	6,43,334	i.e. Rs. 77,20,008 per annum

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time pursuant to the provisions of Schedule XIII to the Act, shall be paid to Ms. Deeksha Suri as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT Ms. Deeksha Suri will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof so long as she functions as the Executive Director of the Company.

RESOLVED FURTHER THAT there shall be no other change/s in other components of remuneration, except as revised herein above and all other terms and conditions of her appointment shall remain unchanged.

RESOLVED FURTHER THAT for purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

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

“**RESOLVED THAT** in partial modification of the resolution passed at the Annual General Meeting of shareholders of the Company held on 26th August, 2009 and in terms of the provisions of Section 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the following increased remuneration of Mr. Keshav Suri, be and is hereby approved and payable w.e.f. 1st July, 2011:

Head	Amount (Rs./per month)	
Basic Salary	5,00,000	(in the slab of Rs. 5,00,000 – 50,000 - 6,00,000 –75,000 – 6,75,000)
Medical	41,667	
LTA	41,667	
PF Contribution	60,000	
Total	6,43,334	i.e. Rs. 77,20,008 per annum

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time pursuant to the provisions of Schedule XIII to the Act, shall be paid to Mr. Keshav Suri as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT Mr. Keshav Suri will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof so long as he functions as the Executive Director of the Company.

RESOLVED FURTHER THAT there shall be no other change/s in other components of remuneration, except as revised herein above and all other terms and conditions of his appointment shall remain unchanged.

RESOLVED FURTHER THAT for purpose of giving effect to the foregoing resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

- 12 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 provisions of Section 314 (1B) read with Section 204 and any other applicable provisions of the Companies Act, 1956, to the appointment of M/s Bhasin & Company, Advocates, of which Mr. Lalit Bhasin, a Director of the Company, is the sole proprietor, as Legal Advisor on retainership basis on a fees of Rs. 35,000/- (Rupees Thirty Five Thousand only) per month w.e.f. 1st April, 2011 for a period of maximum 5 (five) years, in addition to the fees payable for appearances in any court of law or any other Authority."

By Order of the Board
for **BHARAT HOTELS LIMITED**

Sd/-
S. PRABHAKAR
Vice President & Company Secretary

Dated : 22nd July, 2011
Place : New Delhi
Regd. Office: Barakhamba Lane, New Delhi - 110 001