ANNUAL REPORT
2010-2011

HOWARD HOTELS LIMITED

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CORPORATE INFORMATION

Board of Directors

Chairman & Managing Director

Nirankar Nath Mittal

Executive Directors

Nirvikar Nath Mittal
Shri Kant Mittal

Non-Executive Directors

Uday Bhan Singh Sikarwar
Rakesh Kumar Agarwal

Statutory Auditors

P. C. Bindal & Co.
Chartered Accountants
718 /21, Joshi Road, Karol Bagh,
New Delhi-110 005

Secretarial Auditors

Satyendra Sharma & Associates
IInd Gali, Pt. Jangjeet Nagar, Rajpur,
Agra-282001

Bankers

Punjab National Bank
HDFC Bank Limited
State Bank of India
IDBI Bank Limited

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.
A-40, 2nd Floor, Naraina Industrial Area,
Phase-II, Near Batra Banquet Hall,
New Delhi-110028

Registered Office

Howard Hotels Limited
20, Maurya Complex,
B-28 Subhash Chowk,
Laxmi Nagar,
New Delhi-110092

Corporate Office

Howard Sarovar Portico
Fatehabad Road,
Agra-282001

Company's Website: www.howardhotelsltd.com
Email-Id : cs@howardhotelslimited.com
: (0562) 4048600
Facsimile : (0562) 4048666

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd (Twenty Second) Annual General Meeting of **HOWARD HOTELS LIMITED** will be held on Friday, September 23, 2011 at the Executive Club C/o Dolly Farms and Resorts Private Limited, 439, Village Shahoorpur, P.O. Fatehpurberi, New Delhi –74 at 10.00 A.M. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended March 31, 2011 and the Balance Sheet as at that date, together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Uday Bhan Singh Sikarwar, who retires by rotation and is being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rakesh Kumar Agarwal, who retires by rotation and is being eligible offers himself for re-appointment.
4. To appoint auditors to hold office from the conclusion of this Annul General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and to pass following resolution thereof:

"Resolved that M/s P. C. Bindal & Co., Chartered Accountants be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as may be fixed by the Board of Directors**."**

Special Business

5. To consider and if thought fit to pass with or without modification a resolution as a Special Resolution

"RESOLVED THAT pursuant to the provision of section 198,269,302,309,310, 311 and 317 read with the provisions of the Schedule XIII of the Companies Act,1956 and other applicable provision if any of the Companies Act,1956 including any statutory modifications or re-enactment thereof for the time being enforceable the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Nirankar Nath Mittal as the Managing Director of the Company for a further period of 3 years (three years) with effect from October 16, 2011 and whose period of office will not be liable to retire by rotation, on the terms and conditions as set out below:

Salary : Rs. 2,00,000/- Per Month

Perquisites : In addition to the above salary, Mr. Nirankar Nath Mittal shall be entitled to the following perquisites:

a. Contribution to the Provident Fund, Superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;

b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;

c. Rent free accommodation along with all the facility this includes free electricity, gardener and security Guard;

d. The Company shall provide and maintain Chauffeur driven Car for official use of the Managing Director;

e. The Managing Director shall be beneficiary of Group Medical Insurance Policy taken by the Company for the Management Staff of the Company.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in it's absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration."

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6. To consider and if thought fit to pass with or without modification a resolution as a Special Resolution

"RESOLVED THAT pursuant to the provision of section 198,269,302,309,310, 311 and 317 read with the provisions of the Schedule XIII of the Companies Act,1956 and other applicable provision if any of the Companies Act,1956 including any statutory modifications or re-enactment thereof for the time being enforceable the approval of the members of the Company be and is hereby accorded to re-appointment of Mr. Nirvikar Nath Mittal as the Whole Time Director of the Company for a further period of 3 years (three years) with effect from September 7, 2011 and whose period of office will not be liable to retire by rotation, on the terms and conditions as set out below:

Salary : Rs. 1,90,000/- Per Month

Perquisites : In addition to the above salary, Mr. Nirvikar Nath Mittal shall be entitled to the following perquisites:

a. Contribution to the Provident Fund, Superannuation fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;

b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;

c. Rent free accommodation along with all the facility this includes gardener and security Guard;

d. The Managing Director shall be beneficiary of Group Medical Insurance Policy taken by the Company for the Management Staff of the Company.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in it's absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration."

7. To consider and if thought fit to pass with or without modification a resolution as a Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956 and other applicable provisions including any modification or re-enactment thereof, if any, of the Companies Act, 1956, the approval of the members of the Company be and is hereby accorded to appoint Mr. Ravi Kant Bansal as Director of the Company whose period of office will be liable to determination by retirement of directors by rotation."

Notes:

1. The register of the members and share transfer books of the Company shall remain closed from Tuesday, September 20, 2011 to Friday, September 23, 2011 (both days inclusive).

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 such proxy need not be a member of the Company. The instrument appointing the proxy must reach the registered office of the Company, NOT LATER THAN 48 HOURS before the time fixed for holding the meeting.

3. Corporate members are requested to send a duly certified copy of the Board resolution authorizing representative to attend and vote at the annual general meeting.

4. Members/ proxies should bring the attendance slip sent herewith duly filled in for attending the meeting along with their copies of annual reports to the meeting.

5. Members desiring any information on the accounts are requested to write to the Company at its registered office at least 6 days before the date of the Annual General Meeting to enable the management to collect and keep the information ready.

6. Members are requested to kindly notify the company of any change in their address so as to enable the Company to address future communication to their changed addresses.

7. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

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8. Keeping in view of **"Green Initiative in Corporate Governance"** taken by Ministry of Corporate Affairs vide their circular no. 17/2011 date 21/04/2011 and 18/2011 dated 29/04/2011, your Company has decided to send henceforth, all documents, required to be sent to the shareholders like General Meeting Notice (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc. in electronic form on the e-mail Id provided and made available to us by the Depository. In case you have not registered your E-mail ID or you desire to have different E-mail ID to be registered, please update the same with your Depository Participant and E-mail us also at cs@howardhotelslimited.com

9. Details of additional Directors/Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Name of Director	Nirankar Nath Mittal	Nirvikar Nath Mittal	Ravi Kant Bansal	Uday Bhan Singh Sikarwar	Rakesh Kumar Agarwal
Date of Birth	15/05/1952	21/11/1953	20/06/1654	12/07/1932	03/05/1960
Date of appointment/re-appointment	14/06/2003	29/11/2003	**effective from** 23/09/2011	04/01/2003	30/04/2007
Qualifications	M. Sc.	B.A., LLb.	Post Graduate	Post Graduate	M.COM., FCA
Expertise in specific functional areas	Hotel & Tourism Administration	Hotel & Tourism Administration	Experience in Hotel Industry	Human Resources	Accounts & Finance
List of other Indian Public Limited Companies in which Directorship held as on 31.03.2011	NIL	NIL	NIL	NIL	NIL
Shareholdings in the company as on 31.03.2011	724593	614266	NIL	35000	NIL
Inter-se relationship	YES	YES	NIL	NIL	NIL

Place: Agra
Date: August 11, 2011

By order of the Board
HOWARD HOTELS LIMITED

Registered office:
Howard Hotels Limited
20, Maurya Complex,
B-28 Subhash Chowk,
Laxmi Nagar,
Delhi-110092

Sd/-
[Pallavi Agarwal]
Company Secretary

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Explanatory Statement

Explanatory Statement in pursuant to provisions of the section 173 of the Companies Act, 1956, in respect of the Special Business

ITEM NO. 5

Mr. Nirankar Nath Mittal was appointed by the Company as Managing Director of the Company for a further period of three years w. e. f.16-10-2011 and his term of appointment shall expire on 15-10-2014, the Board at their meeting held on August 11, 2011, has considered the recommendation of the remuneration committee for the reappointment, terms & conditions and remuneration and has approved the reappointment of Mr. Nirankar Nath Mittal for a further period of 3 years w.e.f. 16-10-2011. Mr. Nirankar Nath Mittal has adequate experience and qualifications as well as the contribution he has made during his tenure for the smooth functioning of the Company. Looking into his past experience in the management of the affairs of the Company , your Directors consider that his appointment shall be in the best interest in the Company.

Your directors recommend the resolution for your approval.

Except Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal, none of the Directors of the Company are interested or concerned in the resolution.

Statement as per Clause B(iv) of Section II of part II of Schedule XIII of the Companies Act,1956 is enclosed with the Notice.

ITEM NO. 6

Mr. Nirvikar Nath Mittal was appointed by the Company as Whole Time Director of the Company for a further period of three years w. e. f. 07-09-2011 and his term of appointment shall expire on 06-09-2014, the Board at their meeting held on August 11, 2011, has considered the recommendation of the remuneration committee for the reappointment, terms & conditions and remuneration and has approved the reappointment of Mr. Nirvikar Nath Mittal for a further period of 3 years w.e.f. 07-09-2011. Mr. Nirvikar Nath Mittal has adequate experience and qualifications as well as the contribution he has made during his tenure for the smooth functioning if the Company. Looking into his past experience in the management of the affairs of the Company , your Directors consider that his appointment shall be in the best interest in the Company.

Your directors recommend the resolution for your approval.

Except Mr. Nirvikar Nath Mittal, Mr. Nirankar Nath Mittal and Mr. Shri Kant Mittal, None of the Directors of the Company are interested or concerned in the resolution.

Statement as per Clause B(iv) of Section II of part II of Schedule XIII of the Companies Act,1956 is enclosed with the Notice.

ITEM NO. 7

The Company has received a notice from Mr. Ravi Kant Bansal in writing alongwith cash of Rs.500, as a deposit for proposing his candidature for the Directorship of the Company. Therefore, the Board at their Meeting held on August 11, 2011, has considered the matter and recommend the appointment of Mr. Ravi Kant Bansal as Director of the Company.

Your directors recommend the resolution for your approval.

Except Mr. Ravi Kant Bansal, None of the Directors of the Company are interested or concerned in the resolution

Place: Agra
Date: August 11, 2011

By order of the Board
HOWARD HOTELS LIMITED

Sd/-
[Pallavi Agarwal]
Company Secretary

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Statement as per Schedule XIII Part II Section II (1) (B) (iv) of the Companies Act, 1956

To,
The Members
M/s Howard Hotels Limited

Your Directors are presenting statement as per schedule XIII of the Companies Act, 1956 with respect to the appointment of Mr. Nirankar Nath Mittal.

1. GENERAL INFRMATION

(1) Nature of Industry	Hospitality Industry
(2) Foreign investments or collaborators, if any	NIL

2. INFORMATION ABOUT THE APPOINTEE

(1) Background details	Mr. Nirankar Nath Mittal was appointed CMD of the Company for a period of five years on 16-10-2003 and for a further period of 3 years on 16-10-2008.
(2) Past remuneration	Rs. 1,95,000 per month plus perquisites
(3) Recognition or words	Mr. Nirankar Nath Mittal has vast experience and good knowledge in Hotel Industry. He is Providing leadership and strategic guidance to the Company
(4) Job profile and his suitability	Overall administration
(5) Remuneration proposed	Rs. 2,00,000/- per month plus perquisites
(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration payable has been benchmarked with the remuneration being drawn by similar positions in Companies having Hotel Business at comparable size in the Hospitality Industries and has been considered and recommended by the Remuneration Committee and Board of Directors of the Company in their meeting held on August 11, 2011.
(7) Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any	Mr. Nirankar Nath Mittal has no pecuniary relationship directly or indirectly with the Company, except to the extent of his remuneration and Shareholding. Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal, Directors of the Company, are the relatives of Mr. Nirankar Nath Mittal.

3. OTHER INFORMATION

(1) Reasons of loss or inadequate profits: In past few years the Company has made immense progress. The Management has put its best efforts to make the Company from a loss making entity to a profit making entity. In the current financial year the Company has earned profit of Rs. 148.51Lacs (before tax). Although, the Company has used its maximum potential but due to market fluctuation and frequent changes in the Economy of the Country, the amount of the profit earned is not sufficient to pay whole of the salary of Mr. Nirankar Nath Mittal.

(2) Steps taken or proposed to be taken for improvement: Your Management is in continuous process to cop up with the market trend, to increase the profits of the Company.

(3) Expected increase in productivity and profits in measurable terms: The Company always believes in increasing its potential to face future challenges and enhance competitive position in the Hospitality Business today.

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Statement as per Schedule XIII Part II Section II (1) (B) (iv) of the Companies Act, 1956

To,
The Members
M/s Howard Hotels Limited

Your Directors are presenting statement as per schedule XIII of the Companies Act, 1956 with respect to the appointment of Mr. Nirvikar Nath Mittal.

1. GENERAL INFRMATION

(1) Nature of Industry	Hospitality Industry
(2) Foreign investments or collaborators, if any	NIL

2. INFORMATION ABOUT THE APPOINTEE

(1) Background details	Mr. Nirvikar Nath Mittal was appointed Whole Time Director of the Company for a period of five years on 07-09-2003 and for a further period of 3 years on 07-09-2008.
(2) Past remuneration	Rs. 1,80,000 per month plus perquisites
(3) Recognition or words	Mr. Nirvikar Nath Mittal has vast experience and good knowledge in Hotel Industry. He is Providing leadership and strategic guidance to the Company
(4) Job profile and his suitability	Overall administration
(5) Remuneration proposed	Rs. 1,90,000/- per month plus perquisites
(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration payable has been benchmarked with the remuneration being drawn by similar positions in Companies having Hotel Business at comparable size in the Hospitality Industries and has been considered and recommended by the Remuneration Committee and Board of Directors of the Company in their meeting held on August 11, 2011.
(7) Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any	Mr. Nirvikar Nath Mittal has no pecuniary relationship directly or indirectly with the Company, except to the extent of his remuneration and Shareholding. Mr. Nirvikar Nath Mittal and Mr. Shri Kant Mittal, Directors of the Company, are the relatives of Mr. Nirvikar Nath Mittal.

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(2) Steps taken or proposed to be taken for improvement: Your Management is in continuous process to cop up with the market trend, to increase the profits of the Company.

(3) Expected increase in productivity and profits in measurable terms: The Company always believes in increasing its potential to face future challenges and enhance competitive position in the Hospitality Business today.

Place: Agra
Date: August 11, 2011

By order of the Board
HOWARD HOTELS LIMITED
Sd/-
[Pallavi Agarwal]
Company Secretary

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DIRECTORS' REPORT

TO THE MEMBERS,

We are delighted to present the 22nd Annual Report together with the Audited Accounts and Auditor's Report of the Company on the business and operations of the Company for the financial year ended March 31, 2011.

FINANCIAL HIGHLIGHTS

A summarized position of the profits/losses and taxation for the year under review as compared to the previous year is given below:

(Rs. In Lacs)

PARTICULARS	CURRENT YEAR (2010-11)	PREVIOUS YEAR (2009-10)
1. Total Income	**1049.73**	**892.25**
Less: i) Operating, Administrative & other Exp.	805.02	653.32
2. Earning before interest and depreciation	**244.71**	**238.93**
Less: i) Interest	34.01	38.44
ii) Depreciation	62.19	54.57
3. Profit before Tax	**148.51**	**145.92**
Less: provision for Tax		
i) Current	29.60	24.94
ii) Wealth	0.20	0.14
iii) Deferred	48.93	50.47
iv) Fringe Benefit	-	-
v) Earlier Year	-	0.47
vi) MAT Credit	(29.60)	(24.94)
4. Profit after Tax	**99.38**	**94.84**
Add: Balance of Profit as per last Balance Sheet	**(72.71)**	**(22.13)**
5. Balance available for appropriation	**172.09**	**72.71**

COMPANY'S PERFORMANCE

During the year under review, the Company has total revenues of Rs. 1049.73 Lacs as compared to Rs. 892.25 Lacs during the previous year. The net profit for the year under review has been Rs. 99.38 Lacs as against Rs. 94.84 Lacs during the previous year. Your directors are continuously looking for avenues for future growth of the Company in Hotel Industry.

OPEN OFFER

Consequence on public announcement of Open Offer given by the promoters on April 08, 2010 to the Equity Shareholders of Howard Hotels Limited for acquisition of 1822640 Equity Shares of the Company representing 20% of the fully paid up expanded equity share capital and voting capital in compliance with Regulations 10 & 11 and other applicable Regulations of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendment thereto, the Acquirers has made an open offer to the shareholders to acquire 18,22,640 equity shares of the target company of face value of Rs. 10 each, representing in aggregate 20% of the expanded paid up equity capital of the Company.

The offer was opened on August 24, 2010 and closed on September 13, 2010. The total shares tendered under the offer were 16,66,626 and the total shares accepted under the offer are 16,65,426 out of which 602993, 505266, 557167 Equity Shares were acquired by Mr. Nirankar Nath Mittal, Mr. Nirvikar Nath Mittal and Mrs. Brij lata Mittal respectively.

Presently the holding of Promoter and Promoter Group is 55,08,500 Equity Shares constituting 60.45% of the share Capital of the Company.

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DELISTING

Considering the fact that trading in the equity shares of the Company on the Stock Exchanges at Delhi and Kanpur (UP) were rare and negligible and disproportionate to the listing fees paid by the Company to these Stock Exchanges and Pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, the Board of Directors of the Company at their Meeting held on February 3, 2011, has decided to file the application for voluntary delisting of the Company's equity shares from the Delhi and U.P. Stock Exchanges and continue it's listing only with the Bombay Stock Exchange to avoid unnecessary financial and administrative burden due to multiple compliance of thee various clauses of the listing agreement from time to time and to provide better services to the investor through the nationwide stock exchange terminal.

The applications for voluntary delisting from Delhi Stock Exchange Ltd. and U.P. Stock Exchange Ltd were filed on March 1, 2011.

The Equity Shares of the Company have been delisted from U.P. Stock Exchange Ltd vide letter no. UPSE/2010-11/LISTING/4797 dated March 30, 2011. The application filed with Delhi Stock Exchange for delisting is in process.

However, the Equity Shares of the Company will continue to be listed on Bombay Stock Exchange Ltd..

DIRECTORS

At the ensuing Annual General Meeting Mr. Uday Bhan Singh Sikarwar and Mr. Rakesh Kumar Agarwal, Directors of the Company, will retire by rotation and, being eligible; offer themselves for reappointment in terms of provisions of Companies Act, 1956 read with Articles of Association of the Company.

Due to Some Pre-occupancy, Mr. Pawan Kumar has resigned from the Directorship of the Company and the Board of Directors in its meeting held on July 18, 2011 accepted their resignation with effect from July 18, 2011.

Mr. Pawan Kumar was also the member of Audit Committee, Remuneration Committee and Share Transfer and Investor Grievance Committee of the Company.

AUDITORS

M/s. P. C. Bindal & Co., Chartered Accountants, New Delhi, the Statutory Auditors of the Company are the retiring Auditors and being eligible, offers themselves for re-appointment. The Certificate u/s 224(1B) of the Companies Act, 1956 has been obtained from them and they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act. Your directors recommend their reappointment as Statutory Auditors to hold office until the conclusion of the next Annual General Meeting of the Company.

ACCOUNTS & AUDIT

The observations of Auditors in their report, read with the relevant notes to accounts in Schedule-13, are self explanatory and do not require further explanation.

CASH FLOW ANALYSIS

The Cash Flow Statement for the year, under reference in terms of Clause 32 of the Listing Agreement entered by the Company with the Stock Exchanges, is annexed with the Annual Accounts of the Company.

DIVIDEND

The Company has decided to plough back its entire profits for future developments. Hence no dividend is recommended for the year under review.

ACCEPTANCE OF DEPOSITS

The Company has not accepted any deposits from public within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposit) Rules, 1975, during the year under review.

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