



**ANNUAL REPORT
2010-2011**



JAMES HOTELS LIMITED

James Hotels Limited

BOARD OF DIRECTORS

Mr. Haravtar Singh Arora, Chairman cum Managing Director
Mr. Neeraj Mohindroo
Mr. Nar Singh Bedi
Mr. Rajesh Saini
Mr. Ajit Pal Singh

AUDITORS

M/s Vasudeva & Associates
Chartered Accountant
SCO-32-35, First Floor,
Sector-8-C,
Chandigarh.

MANAGER ACCOUNTS

Mr. Kuldip Singh

COMPANY SECRETARY

Ms. Sunita Arora

BANKERS

State Bank of India, Sector 17-B, Chandigarh-160017
Punjab National Bank, Sector 17-B, Chandigarh-160017

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James Hotels Limited

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the members of James Hotels Limited will be held on Friday, the 30th day of September, 2011 at 09.00 A.M. at Indira Holiday Home, Sector 24-B, Chandigarh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2011 and Balance Sheet as on that date of the Company, together with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Neeraj Mohindroo, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Vasudeva & Associates, Chartered Accountants, Chandigarh, the retiring auditors, of the Company for the year 2011-2012 to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration. M/s Vasudeva & Associates, Chartered Accountants, Chandigarh, the retiring auditors are eligible for re-appointment.

By order of the Board of Directors
For JAMES HOTELS LIMITED

Sd/-
(Sunita Arora)
Company Secretary

Date : 28th August, 2011
Place : Chandigarh

James Hotels Limited

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING. A BLANK PROXY FORM IS ENCLOSED HERewith.
2. The relevant explanatory statement relating to special business as required under Section 173(2) of the Companies Act, 1956 is annexed to this notice.
3. Members are requested to notify any change in their address, alongwith their pin code quoting their Folio No. and relevant particulars.
4. Members desiring any information on the business to be transacted at the meeting are requested to write to the Company at least 10 days in advance to enable the management to keep the information, as far as possible ready at the meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 21st September, 2011 to 30th September, 2011 (both days inclusive).
6. The shareholders holding shares in identical order or names in more than one folio are requested to write to the Company's Share Department enclosing their share certificate.
7. The members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
8. The members are advised that no gift/gift coupons will be distributed at the Annual General Meeting of the Company.
9. Members/Proxies should bring the Attendance slip sent herewith duly filled in and signed and hand over the same at the entrance of the Hall.
10. The shareholders are requested to bring their copy of Annual Report at the Meeting.

James Hotels Limited

DISCLOSURE PURSUANT TO CLAUSE 49 IV(G) OF THE LISTING AGREEMENT

NAME OF THE DIRECTORS		Mr. NEERAJ MOHINDROO
Date of Birth		24-07-1960
Date of Appointment		20-12-2005
Expertise in specific functional area		REAL ESTATE ACCOUNTS AND FINANCE
Qualifications		B.COM.
Relationship between Director Inter-se		NIL
Shareholding in the Company		NIL
List of Public Companies in which outside Directorship held		NIL

By order of the Board of Directors
For JAMES HOTELS LIMITED

Sd/-
(Sunita Arora)

Company Secretary

Dated : 18th June, 2011
Place : Chandigarh

James Hotels Limited

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 30th Annual report together with the audited Profit And Loss Account Statement for the year ended on 31st March, 2011 and Balance Sheet as at 31st March, 2011.

STATUS OF PROJECT :

The Company has already obtained all the approvals to start commercial operations. The Company has already completed the civil work, all the equipments and machinery is at site and Furniture & Fixtures is also complete except furniture in respect of 5th and 6th Floor. The Company has already recruited 130 number of employees including General Manager, Chief Engineer and HRD Manager. Presently, all the staff members are under going training. The Company has already receive occupation certificate from the Chandigarh Administration to run the hotel project. The management is hopeful to start the commercial operations by end of November, 2011.

FINANCIAL RESULTS

	2010-2011 (Rs. in Lakhs)	2009-2010 (Rs. in Lakhs)
Gross Operating Profit/(Loss) before Financial Charges & Depreciation	(3.98)	(5.01)
Depreciation	10.52	8.56
Financial Charges	0.00	0.00
Gross Operating Profit/(Loss) before tax	(14.50)	(13.57)
Provision for Income Tax	0.00	0.00
Surplus / (Deficit)	(14.50)	(13.57)

DIVIDEND:

As the company has not wiped of the accumulated losses so far, your Directors have not recommended any dividend.

FIXED DEPOSITS:

The Company has not accepted any Fixed deposits under section 58A of the Companies Act, 1956. Unsecured Loans from Directors are exempt deposit in conformity with the applicable provisions of the Companies Act, 1956 & rules framed there under.

James Hotels Limited

DIRECTORS:

Mr Neeraj Mohindroo retires from the office of Directorship by rotation and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment for your approval.

Mr. Surjit Singh Gulati resigned from the Directorship of the Company. The Board forwarded him huge appreciation for his contributions to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

- i) In preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed and no material departure have been made from the same;
- ii) The appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- iii) The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange(s) a detailed report on Corporate Governance is included in the Annual Report. The Auditors of the Company have certified the Company's compliance on the requirement of the Corporate Governance in terms of Clause 49 of the Listing Agreement and the same is annexed to the report on Corporate Governance.

MEANS OF COMMUNICATIONS:

The Company has been regularly providing Quarterly Financial Results to all the Stock Exchanges whereat the shares of the Company are listed, besides publishing the same in newspapers for the public and members of the Company.

DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS i.e. TRANSACTIONS OF THE COMPANY OF MATERIAL NATURE WITH ITS PROMOTERS, DIRECTORS OR THE MANAGEMENT, WHERE SUBSIDIARIES, RELATIVE ETC. THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTEREST OF THE COMPANY AT LARGE.

During the year under review, there had been no materially significant party transactions which may be considered to have potential conflict with the interests of the Company.

James Hotels Limited

DETAILS OF NON COMPLIANCE BY THE COMPANY, PENALTIES, AND STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI, OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS:

The Stock Exchange(s) Agreement Clauses, SEBI Guidelines and the applicable Rules / Regulations / Sections of the other Acts are being complied by the Company from time to time during the last three years.

PARTICULARS OF EMPLOYEES RULES, 1975:

There are no persons employed throughout or part of the financial year from whom information about the particulars required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 need to be given.

AUDITORS' REMARKS:

The Auditor's Report and notes on accounts referred to in the Auditor's Report are self explanatory and exhaustive, therefore, do not call for any further comments.

AUDITORS:

M/s Vasudeva & Associates, Chartered Accountants, Chandigarh, the retiring Auditors of the Company retire at the ensuing Annual General meeting and being eligible offer themselves for re-appointment for financial year 2011-2012. The Company received a certificate from them as required under Section 224(1B) of the Companies Act, 1956. Your Board recommends their appointment for your approval.

LISTING WITH STOCK EXCHANGES:

The Company's Securities are at present listed at Bombay, Delhi and Ludhiana Stock Exchange. As on the date Company has complied with all the compliances of the Exchange. Annual Listing fees have been paid to the Bombay Stock Exchange. Moreover, the company has filed an application with Ludhiana Stock Exchange Association Ltd. for delisting of its securities.

INFORMATION UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT :

Particulars regarding Conservation of Energy, Technology Absorption, Research and Development as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not applicable to your Company. The Particulars regarding the Foreign Exchange Earnings and Outgo under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is given below

James Hotels Limited

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Rs. (Lakhs)

	31st March, 2011	31st March, 2010
a) CIF Value of Imports	59.05	15.30
Air Conditioning Plant (Euros 11,624.84, US \$ 82,817.55, & GBP 18,383.75)		
Miscellaneous Fixed Assets (US Dollars \$ 9,150)	4.26	Nil
b) Expenditure in Foreign currency	Nil	Nil
- Foreign Travel		
Total	63.31	15.30

ACKNOWLEDGEMENT

The Board wishes to place on record its appreciation for the continued support and co-operation received from Chandigarh Administration, State Bank of India, Punjab National Bank and to Executives, Staff Members of the Company for the devoted services rendered by them.

Your Directors take this opportunity to express their sincere thanks to all the investors and shareholders for the faith and confidence they have reposed in the Company.

By order of the Board of Directors

for **JAMES HOTELS LIMITED**

Sd/-

Haravtar Singh Arora
(Chairman cum Managing Director)

DATE : 28th August, 2011

PLACE : Chandigarh

James Hotels Limited

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development:

The Tourism sector of Indian economy is at present experiencing a huge growth. As per the Travel and Tourism Competitiveness Report 2009 by the World Economic Forum, India is ranked 11th in the Asia Pacific region and 62nd overall, moving up three places on the list of the world's attractive destinations. The hotel and tourism industry's contribution to the Indian economy by way of foreign direct investments (FDI) inflows were pegged at US\$ 2.1 billion from April 2000 to March 2010, according to the Department of Industrial Policy and Promotion (DIPP).

HOSPITALITY SECTOR

'Hotels in India' have supply of 110,000 rooms. According to the tourism ministry, 4.4 million tourists visited India last year and at current trend, demand will soar to 10 million in 2010 to accommodate 350 million domestic travelers.' Hotels in India has a shortage of 150,000 rooms fueling hotel room rates across India. With tremendous pull of opportunity, India is a destination for hotel chains looking for growth. Five-star hotels in metro cities allot same room, more than once a day to different guests, receiving almost 24-hour rates from both guests against 6-8 hours usage. With demand-supply disparity, 'Hotel India' room rates are most likely to rise 25% annually and occupancy to rise by 80%, over the next two years. 'Hotel Industry in India' is eroding its competitiveness as a cost effective destination.

India's hotel pipeline is the second largest in the Asia-Pacific region according to Jan Smits, Regional Managing Director, Inter Continental Hotels Group (IHG) Asia. He added that the Indian hospitality industry is projected to grow at a rate of 8.8 per cent during 2007-16, placing India as the second-fastest growing tourism market in the world.

STATUS OF PROJECT :

The Company has already obtained all the approvals to start commercial operations. The Company has already completed the civil work, all the equipments and machinery is at site and Furniture & Fixtures is also complete except furniture in respect of 5th and 6th Floor. The Company has already recruited 130 number of employees including General Manager, Chief Engineer and HRD Manager. Presently, all the staff members are under going training. The Company has already receive occupation certificate from the Chandigarh Administration to run the hotel project. The management is hopeful to start the commercial operations by end of November, 2011.