

SAYAJI HOTELS LIMITED 32^{nel}ANNUAL REPORT

-2014 - 2015 -





SHRI SAJID DHANANI

24th May 1966 - 11th November 2012

Late Shri Sajid Dhanani, MD, Sayaji Group of Hotels, is considered to be the true debonair and visionary entrepreneur in the hospitality industry. An astute businessman with a visionary acumen, he introduced several innovations in his hotels, which have now become industry standards for excellence.

With the start of first Sayaji Hotel in Baroda followed by Indore, Pune, Effotel Hotel Indore and Barbeque-Nation chain of restaurants nationwide, Mr. Dhanani, or Sajid Bhai as he was affectionately known, decided on two tenets for Sayaji "Change is the Rule of the Game" and "Customer First". He instituted these values in every step of the Sayaji saga. He lived his life serving and providing the very best facilities in luxury and cuisine to his guests and positioned Sayaji as the only hotel in the world that calls itself "truly yours".





BOARD OF DIRECTORS

Shri T.N. Unni
 Shri Abdul Razak D. Dhanani
 Shri Kayum R. Dhanani
 Shri Raoof Razak Dhanani
 Shri Vinit Shah
 Shri Pradeep Goyal
 Chairman
 Director
 Director
 Director

Smt. Suchitra Dhanani
 Shri Sanjay Ahuja
 Shri Y.S. Mehta
 Whole Time Director
 Nominee Director – MPFC
 Nominee Director – MPFC

STATUTORY AUDITORS

 M/s. K.L. Vyas & Co. Chartered Accountants Shop No. 2, IInd Floor, Parshwanath, Dawa Bazar, 6th Hazareshwar Colony, Udaipur - 313001

REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Link Intime India Pvt. Limited.
 C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup (W), Mumbai-400078
 e-mail: mumbai@linkintime.co.in
 Phone(022) 25963838, Fax: 25946969

BANKERS

- State Bank of India
- State Bank of Mysore
- Axis Bank Ltd.
- HDFC Bank Ltd.
- ICICI Bank Ltd.
- Tourism Finance Corporation of India Ltd.

REGISTERED OFFICE

• Opp. Rajshree Talkies,

Near Kala Ghoda, Sayajigunj, Vadodara – 390005 Phone : 0265-2363030, Fax : 0265-2226134

E-mail: cs@sayajiindore.com

CORPORATE OFFICE

• H/1, Scheme No. 54, Vijay Nagar, Near Maghdoot Garden,

Indore – 452010 (Madhya Pradesh)

Phone: 0731-4006666. Fax: 0731-4003131

E-mail: cs@sayajiindore.com

HOTELS

 Opp. Rajshree Talkies, Near Kala Ghoda, Sayajigunj, Vadodara – 390005 (Gujarat)

 H/1, Scheme No. 54, Vijay Nagar, Near Maghdoot Garden, Indore – 452010 (Madhya Pradesh)

• Survey No. 135, 136, Mumbai Bangalore Highway, Opp. B. U. Bhandari Workshop, Wakad, Pune - 411057

- Van Vihar Road, Prempura, Bhopal (Madhya Pradesh)
- 2014/15, 'E' Ward, Old B.P. Highway, Kawla Naka, Kolhapur-03

CORPORATE IDENTITY NUMBER (CIN)

L51100GJ1982PLC005131



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Date : September 26, 2015

Day : Saturday Time : 3.00 P.M.

Venue : Sayaji Hotel, Vadodara

Book Closure Date: From September 19, 2015 to September 22, 2015

(both days inclusive)



NOTICE

NOTICE is hereby given that the **Thirty Second Annual General Meeting** of the Members of **Sayaji Hotels Limited** will be held on **26th Day of September, 2015 at 3.00 p.m.** at the Registered Office of the Company at "Sayaji Hotel", Opp. Rajshree Talkies, Near Kala Ghoda, Sayajigunj, Vadodara—390005 (Gujarat), to transact the following businesses:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt;
 - (a) the standalone financial statements of the Company for the year ended March, 2015, including the audited balance sheet as at 31st March, 2015, the statement of profit and loss and cash flow for the year ended 31st March, 2015 and reports of the Board of director ('the Board') and Auditors thereon on that date.
 - (b) the consolidated financial statements of the Company for the year ended March, 2015, including the audited balance sheet as at 31st March, 2015, the statement of profit and loss and cash flow statement for the year ended 31st March, 2015 and reports of the Auditors thereon on that date.
- To appoint Director in place of Mr. Raoof Razak Dhanani (DIN-00174654), who retires by rotation and, being eligible, seeks re-appointment.
- 3. To ratify the appointment of auditors of the Company and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof;

RESOLVED THAT, pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, and the resolution passed by the members at the AGM held on August 23, 2014, the appointment of M/s K.L. Vyas & Co., Chartered Accountants (Firm Regn. No. 003289C) as the auditors of the Company for a term of four years to hold office till the conclusion of the AGM to be held in the calendar year 2018 be and is hereby ratified for the year 2015-16 and that the Board of directors be and are hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the audit committee in consultation with the auditors.

SPECIAL BUSINESS

 To consider and adoption of newly substituted Articles of Association of the Company containing regulations in line with the Companies Act, 2013, and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification(s) or re-enactment thereof, for the time being in force), the new Article No. 1 to 188 as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution of the existing articles, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

 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 Section 188(1)(b) of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, 49(VII) & (VIII-A) of the Listing Agreement and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof, if any, for the time being in force and all other applicable Acts, laws, rules, regulations and guidelines for the time being in force and subject to the approval of the banks and financial institutions as may be required; the consent of the members of the Company be and is hereby accorded for selling the business of Barbeque-Nation Restaurant situated at the premises of the Pune Hotel of the Company along with all the furniture, fittings & fixtures and all other movables relating thereto to M/s Barbeque-Nation Hospitality Ltd.(hereinafter called as "BNHL") at the consideration of Rs. 12.38 Cr. to be received by way of allotment of 199680 Equity Shares of BNHL @ Rs. 620/- each (face value Rs. 10/- each Premiums Rs. 610/).

FURTHER RESOLVED THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and are hereby authorized to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary or expedient in that behalf.

By Order of the Board AMIT SARRAF COMPANY SECRETARY

Corporate Office: Sayaji Hotel, H-1, Scheme No. 54 Vijay Nagar, Indore (M.P.)

Date: 12.08.2015



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN THE PRESCRIBED FORM SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- The business set out in the Notice will be transacted through electronic remote e-voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 21.
- Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Relevant documents referred to in the accompanying notice are open for inspection by the members at the registered office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
- 7. The Company has decided for closure of Register of Members and Share Transfer Books from 19th September 2015 to 22nd September 2015 (both days inclusive).
- 8. (a) Members are requested to notify immediately any change of address;
 - (i) To their Depository Participants (DPs) in respect

- of their electronic share accounts; and
- (ii) To the Company to its Share Transfer Agents in respect of their physical shares Folios, if any.
- (b) In case the mailing address on this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately.
- (c) Non-resident Indian Shareholders are requested to inform Share Transfer Agents Immediately:
 - (i) Change in the residential status on return to India for permanent settlement.
 - (ii) The particulars of NRE Account with Bank in India, if not furnished earlier.
- 8. Members who are holding shares in identical order of names in more than one folio are requested to send to the Registrar and Share Transfer agent of the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
- 9. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
- 10. The Company has connectivity with the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/Investors having their depository account. The ISIN for the Equity Shares of the Company is INE318C01014. In case of any query/ difficulty in any matter relating thereto may be addressed to the Share Transfer Agents: Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S, Marg, Bhandup, (W) Mumbai 400078.
- 11. As per the provisions of the Companies Act, 2013, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-SH 13 prescribed by the Government can be obtained from the Share Transfer Agent or may be download from the website of the Ministry of Company affairs.
- Pursuant to the provisions of section 124(5) and 125 of the Companies Act, 2013, the Company is not having any amount due for transfer to the Central Government.



- 13. There is no instance which requires transfer of undelivered shares to the Suspense account as required under the Clause 5A of the Listing Agreement.
- 14. The SEBI has mandated the submission of PAN by every participant in securities market, members holding shares in electronic form are therefore, requested to submit the PAN to their depository participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent, M/s Link Intime India Pvt. Ltd.
- 15. Pursuant to the Clause 49 of the Listing Agreement, profile of the Directors proposed for appointment/re-appointment being given in a statement containing details of the concerned Directors is attached hereto.
- 16. The Rule 18 of the Companies (Management and Administration Rules 2014 and Rule 11 of the Companies (Accounts) Rules, 2014 allows companies to send notice of the annual general meeting, annual report and other communication through electronic mode at the registered email address of the members/ beneficiaries, keeping in view the underlying objective, Members who hold shares in physical form and desired to receive the documents in electronic mode are requested to please promptly provide their details (name, LF No., email ID) to the Registrar and Share Transfer agent of the Company.
- 17. You're the Company henceforth affect electronic delivery of communication/ documents including the notice of the Annual General Meeting, Annual Reports and such other necessary communication/documents from time to time to the Members, who have provided their e-mail address to their Depository Participant (DP).
- 18. E-mail addresses as registered in your respective DP accounts in the records of the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) which will be periodically downloaded, and will be deemed to be your registered e-mail address for serving the necessary communication/documents. Thus, the necessary communication would be sent in electronic form to the registered email address. Members who wish to inform any updations/changes of their e-mail address, are requested to promptly update the same with their DP.
- 19. The annual report and other communications/documents sent electronically would also be displayed on the Company's website: www.sayajihotels.com as a Member of the Company, you will be furnished, free of cost, a printed copy

- of the Annual Report of the Company, upon receipt of a requisition from you.
- 20. We request you to support this initiative and opt for the electronic mode of communication by submitting your email address to your DP or to the Company's Registrar, as the case may be, in the interest of the environment.

21. Voting through electronic means

- (I) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide member's facility to exercise their right to vote at the 32nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by CDSL.
- (II) Procedure and instructions for e-voting are as follows:
 - (i) The voting period begins on 23.09.2015 at 9.00 A.M. and ends on 25.09.2015 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com
 - (iv) Click on Shareholders.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

 Members who have not updated their PAN with the Company/Depository Participant are requested to use the default PAN which is printed on Attendance Slip indicated in the PAN Field.

Dividend Bank Details OR Date of Birth (DOB)

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

- If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for evoting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company name i.e. Sayaji Hotels Ltd. on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance
 User should be created using the admin login
 and password. The Compliance User would be
 able to link the account(s) for which they wish to
 vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- III. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18.09.2015.



- IV. Mr. Ritesh Gupta proprietor of M/s Ritesh Gupta & Co., Company Secretary whole time in Practice (ICSI Membership No. 5200) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall immediately after conclusion of the Annual General Meeting and counting the votes casted in the meeting unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the
- employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- VI. The Results shall be declared after submission of report by Scrutinizer to the Chairman. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sayajihotels.com and on the website of CDSL and communicated to the BSE Limited.

REGARDING THE DIRECTORS PROPOSED FOR APPOINTMENT/RE-APPOINTMENT

| Name and Designation of Appointee | Age / Qualifications Year | Expertise/ Experience | Date of appointment | No. of Other Directorship | No of shares held & %age |
|-----------------------------------|---------------------------------|--|---------------------|------------------------------|-----------------------------------|
| Mr. Raoof Dhanani | 52 Years (Graduate in Commerce) | Having vast experience of Fertilizers Industry | 14.11.2013 | 11 Companies | 4772574 Equity Shares (27.24%) |

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT TO THE SPECIAL BUSINESS

ITEM NO. 4

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013. Considering that substantive sections of the Companies Act which deal with the general working of the companies stand notified hence it is proposed to amend the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed thereunder and adoption of specific sections from Table "F" to Schedule I to the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

The proposed new draft Articles of Association will be uploaded shortly on the Company's website at www.sayajihotels.com for perusal by the shareholders.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No.4 of the Notice, your directors recommend passing the resolution.

ITEM NO.5

Barbeque Nation Hospitality Limited (BNHL) is an associate of the Company wherein company holds 47.40 % stake in the paid-up capital.

BNHL is presently owning and operating 4 restaurants (other than restaurant situated in the hotel) in the Pune City and has one central kitchen. Central Kitchen is supplying finished/semi-finished f&b products to its various outlets situated in the city except restaurant situated in Pune hotel. BNHL has approached the Company to buy the business of the restaurant situated in Pune hotel for consolidation of the similar nature of business in one Company.

Board of directors of the Company has also opined that for better cost-effectiveness and strategically also it is good to sell the business of the Barbeque-Nation restaurant situated in the Pune hotel to M/s Barbeque-Nations Hospitality Ltd.

Board of directors has also decided to charge lease rental of Rs. 8.00 Lacs p.m. and common area maintenance charges of Rs. 50000 p.m. for the said restaurant with suitable escalation clause.

Members of the company are requested to note that Section 188(1) (b) of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its powers) Rules,2014 provides that any transaction entered between related parties for 'selling or otherwise disposing of, or buying, property of any kind' where the amount exceeds ten percent of the net worth, to be approved by the members of the Company by way of a special resolution. The Company proposes to sale its business of Barbeque-Nations Restaurant situated at Pune Hotel premises of the Company to BNHL (Which is categorized as the Related Party in accordance with the provisions of the Companies Act, 2013)at a fair consideration as per report of an Independent Valuer.



Even though the proposed sell is to be done on Arm's length basis, since this transaction is construed as being outside the ordinary course of business, the approval of members of the Company under section 188 of the Companies Act,2013 is being sought by way of Special Resolution.

The particulars of the transaction which is being proposed to be entered by the Company are as below:-

- Name of the Related Party Barbeque-Nations Hospitality
 I td.
- II. Name of the director or Key managerial personnel who is related, if any
 - a. Mr. Abdul Razak Dhanani
 - b. Mrs. Suchitra Dhanani
 - c. Mr. Kayum Dhanani
 - d. Mr. Raoof Razak Dhanani

III. Nature of relationship -

- Mr. Abdul Razak Dhanani He is the father of Mr. Kayum Razak Dhanani and Raoof Razak Dhanani and Father in law of Mrs. Suchitra Dhanani
- Mrs. Suchitra Dhanani She is common director in both the Companies. Her relatives also holds more than 2% of paid up share capital of Barbeque-Nations Hospitality Ltd.
- c. Mr. Kayum Razak Dhanani He is Director in Sayaji Hotels Ltd. and Managing Director of Barbeque-Nations Hospitality Ltd. He also holds along with his relatives more than 2% of paid up share capital of Barbeque-Nations Hospitality Ltd.
- d. Mr. Raoof Razak Dhanani He is common director in both the Company. His relatives also holds more than 2% of paid up share capital of Barbeque-Nations Hospitality Ltd.
- IV. Nature, material terms, monetary value and particulars of the contract or arrangement
 - a. **Nature -** Agreement to outright sell of the business of the Barbeque-Nation Restaurant along with all the furniture, fixtures, fittings and other movables.
 - b. Material terms -
 - The restaurant business would be sold on outright basis along with all the furniture, fixtures, fittings and other movables

- (ii) The consideration shall be received in the form of 199680 Equity Shares of BNHL of Rs. 620/-each (Face Value Rs. 10/- each and Premium of Rs. 610/- per share) to be allotted by BNHL
- c. **Monetary value -** 12.38 Cr. Based on the report obtained by the Company from Independent Valuer, which is reasonable and fair
- d. Particulars of Contract Company is selling the business of Barbeque-Nation Restaurant situated in Pune Hotel of the Company to Barbeque-Nations Hospitality Ltd. along with furniture, fittings & fixtures and all other movables of the restaurant.
- V. Any other information relevant or important for members to take a decision on the proposed resolution Barbeque-Nations Hospitality Ltd is having on its Board Mrs. Suchitra Dhanani , Mr. Kayum Dhanani and Mr. Raoof Razak Dhanani as Directors ,who are also in the Board of Sayaji Hotels Ltd. Mr. Abdul Razak Dhanani, Director of the Company is also relative of the members and directors of Barbeque-Nations Hospitality Ltd. Apart from that Company holds 47.40 % of share of Barbeque-Nations Hospitality. Therefore they may be considered as interested otherwise, except that no other directors and KMPs and their relatives are concerned or interested in the aforesaid resolution.

The Audit committee and the Board have approved the aforesaid transactions at their meeting held on 12.08.2015. Your Directors recommend the Resolution as set out in Item No. 5 of the notice for your approval as special resolution.

By Order of the Board

AMIT SARRAF
COMPANY SECRETARY

Corporate Office: Sayaji Hotel, H-1, Scheme No. 54 Vijay Nagar, Indore (M.P.)

Date: 12.08.2015



BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To, THE MEMBERS OF SAYAJI HOTELS LIMITED

The Directors take pleasure in presenting the 32nd Annual Report together with the Standalone and Consolidated audited financial statements for the year ended March, 31 2015. The Management Discussion and Analysis has also been incorporated into this report.

1. HIGHLIGHTS OF PERFORMANCE

During the year under review, on a standalone basis, there is an increase of 10% in the revenue of the Company (increased to Rs 13671.72 Lacs from Rs.12417.08 Lacs in the previous year) and 8.66% in the operating profit (increased to Rs. 2801.07 Lacs from Rs.2577.72 Lacs in the previous year). The loss before exceptional item increased due to heavy amount of depreciation on account of adoption of schedule II of the Companies Act, 2013 for calculation of Depreciation.

2. FINANCIAL RESULTS

| Particulars | Stand Alone | Stand Alone (Rs. in Lacs) | | | |
|--|------------------------|---------------------------|--|--|--|
| Particulars | Financial Year 2014-15 | Financial Year 2013-14 | | | |
| Income | 13671.72 | 12417.08 | | | |
| Less: Operating Expenses | 10870.65 | 9839.36 | | | |
| Operating Profit | 2801.07 | 2577.72 | | | |
| Less: Finance Cost | 1168.27 | 1303.45 | | | |
| Profit before Depreciation | 1632.80 | 1274.27 | | | |
| Less: Depreciation | 2040.60 | 1507.43 | | | |
| Add: Depreciation written back | 0.00 | 0.52 | | | |
| Profit/(Loss) before exceptional items | (407.80) | (232.64) | | | |
| Exception Item | 0.00 | 1056.14 | | | |
| Profit Before Tax (PBT) | (407.80) | 823.50 | | | |
| Less:Tax Expenses | | | | | |
| Current Tax | 220.30 | 375.66 | | | |
| Deferred Tax | (261.05) | (106.64) | | | |
| Earlier Years' Tax | (102.02) | 0.00 | | | |
| Profit After Tax (PAT) | (265.03) | 554.48 | | | |
| EPS (Equity Shares of Rs.10/- each) | | | | | |
| Basic | (1.67) | 3.17 | | | |
| Diluted | (1.67) | 3.17 | | | |

3. DIVIDEND

Looking to the losses suffered in the current year, your directors are unable to recommend the dividend to the equity shareholders for financial year 2014-15.

4. SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2015 was Rs.2668.46 Lacs. During the year Company has allotted 9,16,662 10% cumulative redeemable preference shares of Rs.100/- each to the directors/promoters/promoter's relative



of the Company at premium of Rs. 50/- per shares .The Company has not issued shares with differential voting rights neither granted stock options nor sweat equity.

5. FINANCE

Cash and cash equivalent as at 31st March, 2015 was Rs. 95.09 Lacs. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

5.1 DEPOSITS

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the companies Act, 2013 read with the Companies (Acceptance of Deposits)

Rules, 2014 and there were no remaining unclaimed or unpaid deposits as on 31st March, 2015.

The Company has filed Form DPT-4 for the amount which was considered as deposits upon commencement of the aforesaid provisions as on 1st April, 2014 and has repaid the entire amount before the end of the financial year 2015 and has complied with the provisions of the Act and Rules made there under.

5.2 PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has provided following loans and guarantees and made following investments pursuant to Section 186 of the Companies Act, 2013:

| Name of the entity | Relation | Amount (Rupees in Crore) | Particulars of loans, guarantees and investments | Purpose for which the loan, guarantee and investment are proposed to be utilized |
|---|---|--------------------------------|--|---|
| Malwa Hospitality Pvt.Ltd. | Subsidiary of the Company | 24.51 | Corporate Guarantee | Malwa Hospitality has taken loan of Rs. 24.00 Cr. from State Bank of India for constructing its hotel project and Rs. 0.51 Cr. Car Loan from HDFC Bank Ltd. Company being its holding Company has provided its Corporate Guarantee. |
| Barbeque-Nations Hospitality Ltd. ¹ | Presently Associates of the Company | 40.00 | Corporate Guarantee | Company has earlier provided Corporate Guarantee for term loan availed by Barbeque-Nations Hospitality Ltd., being its subsidiary at that time. However, presently it is having status of Associate Company in which company has 47.40% shareholding. |
| Sana Hospitality Services Pvt. Ltd. ² | Promoters Relative's Company | 4.21 | Corporate Guarantee | Company has provided Corporate Guarantee for term loan availed by Sana Hospitality Services Pvt. Ltd. for its restaurant business. |
| Barbeque-Nations Hospitality Limited | Associate Company | 0.26 | Investment | Company has exercised its right of share warrants and made investment in 2,60,560 equity shares of Barbeque-Nations Hospitality Ltd. of Rs. 10/- each. |
| Malwa Hospitality Pvt. Ltd. | Subsidiary Company | 1.40 | Investment | Investment Company has made investment in 14,00,000 equity shares of Malwa Hospitality Pvt. Ltd. of Rs. 10/- each. |

- 1. Company has provided guarantee before the commencement of Companies Act, 2013
- Company has provided guarantee before the commencement of Companies Act, 2013
 In addition to the above, the Company has given advance against salary or otherwise to employees of the Company as per the terms of appointment and as per Company's policy on which no interest were charged.



5.3 Amount proposed to transfer to the reserves

During the year under review your directors do not propose to transfer any amount to the general reserves.

6. REVIEW OF BUSINESS ACTIVITIES - EXPANSION / UPGRADATION PLANS

SAYAJI HOTELS LTD.

> Indore

During the year under review Company has renewed various mini banquet halls of the hotel. Renovation plan of three floors and some large banquet halls are also in pipe line for the current financial year

> Bhopal

During the year Company has successfully launched its Bhopal Unit. Unit got tremendous response from the city and did business of Rs. 7.23 Crores in just 4.5 months' time. Company is expecting to achieve new milestones during current financial year.

Amber Garden

Company is coming with grand convention/banquet hall in the city of Indore having capacity of approx 2000 people. The construction work of the hall is in full swing and is expected to be done by October, 2015.

BARBEQUE-NATION RESTAURANTS

Barbeque-Nation Hospitality Ltd. is operating 43 restaurants across the country and planning to start 10 more restaurants within the current financial year.

MALWA HOSPITALITY PVT. LTD.

During the previous financial year Company has successfully launched its 181 keys hotel project under the brand "Effotel" in the Indore city under its subsidiary Malwa Hospitality Pvt Ltd. Effotel received more than expected response from the City. Effotel started its business from the month of July, 2014 and achieved occupancy of 49%.

Looking to the above said warm response, Management of the Company is planning to open more "Effotel" in tier 2 and small cities.

7. HOTEL INDUSTRY OUTLOOK AND BUSINESS ENVIRONMENT

During 2015, the industry's contribution to global GDP is forecasted to grow by 3.7% and employment by 2.6%. This demonstrates the sector's enduring ability to generate economic growth and create jobs at a faster rate than the global economy, which is due to grow by 2.9% in 2015.

By the end of 2015, the Travel & Tourism sector will contribute US\$7,860 billion, 10% of global GDP, once all

direct, indirect and induced impacts are taken into account. The sector will account for 284 million jobs, 9.5% of total employment, or one in eleven of all jobs on the planet.

This is forecasted that the United States and China will retain their rankings as the two biggest Travel & Tourism economies in the world, but Germany has overtaken Japan to rank as the third largest Travel & Tourism economy. Russia is the only G20 country expected to register a decline in Travel & Tourism growth in 2015, due to the continuing sanctions being imposed and the devaluation of the rouble (Russian currency).. South Asia is expected to experience the highest growth in 2015 at 6.9%, whilst Europe and Latin America are the regions with the lowest forecast growth of 2.4%.

Long-term forecasts for Travel & Tourism shows continued annual growth at 3.8% over the next ten years to \$11.4 trillion. By 2025, the global Travel & Tourism sector is expected to contribute 357 million jobs, some 73 million more jobs than this year.[Source: WTTC]

Looking to the above said forecast and outlook for travel and tourism industry, the expected future of hotel industry in India is also promising.

8. MANAGEMENT DISCUSSION AND ANALYSIS GENERAL ECONOMIC CONDITIONS AND OPPORTUNITIES Market Size

- The number of Foreign Tourist Arrivals (FTAs) in India has grown steadily in the last three years reaching around 7.46 million during January–December 2014. Foreign exchange earnings (FEEs) from tourism in terms of US dollar grew by 7.1 per cent during January-December 2014 as compared to 5.9 per cent over the corresponding period of 2013. FTAs during the Month of December 2014 were Rs 120,083 Crore (US\$ 19.02 billion) as compared to FTAs of Rs 107,671 Crore (US\$ 17.05 million) during January-December 2013 over the corresponding period of 2012. There has been a growth of 6.8 per cent in December 2014 over December 2013.
- Foreign Exchange Earnings (FEEs) during the month of December 2014 were Rs 12,875 Crore (US\$ 2.03 billion) as compared to Rs 11,994 Crore (US\$1.9 billion) in December 2013 and Rs 10,549 Crore (US\$1.67 billion) in December 2012.The growth rate in FEEs in rupee terms in December 2014 over December 2013 was 7.3 per cent. FEEs from tourism in rupee terms during January-December 2014 were Rs 120,083 (US\$ 1,902.53) with a growth of 11.5 per cent over the corresponding period of 2013.
- The Tourist Visa on Arrival (TVoA) scheme enabled by Electronic Travel Authorization (ETA), launched by the Government of India on November 27, 2014 for 43 countries



- has led to a growth of 1,214.9 percent recently. For example, during the month of January 2015, a total of 25,023 tourist arrived by availing TVoA as compared to 1,903 TVoA during the month of January 2014.
- Hospitality, a major segment of tourism, has grown by 10-15
 per cent on the back of better consumer sentiment with the
 change of Government. As demand is going up occupancies
 are improving.

Investments

The tourism and hospitality sector is among the top 15 sectors in India to attract the highest foreign direct investment (FDI). During the period April 2000-February 2015, this sector attracted around US\$ 7,862.08 million of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

With the rise in the number of global tourists and realizing India's potential, many companies have invested in the tourism and hospitality sector. Some of the recent investments in this sector are as follows:

- US-based Vantage Hospitality Group has signed a franchise agreement with India-based Miraya Hotel Management to establish its mid-market brands in the country.
- Thai firm Onyx Hospitality and Kingsbridge India hotel asset management firm have set up a joint venture (JV) to open seven hotels in the country by 2018 for which the JV will raise US\$ 100 million.
- ITC is planning to invest about Rs 9,000 Crore (US\$ 1.42 billion) in the next three to four years to expand its hotel portfolio to 150 hotels. ITC will launch five other hotels in Mahabalipuram, Kolkata, Ahmedabad, Hyderabad and Colombo by 2018.
 - Goldman Sachs, New-York based multinational investment banking fund, has invested Rs 255 Crore (US\$ 40.37 million) in Vatika Hotels.

Government Initiatives

The Indian government has realized the country's potential in the tourism industry and has taken several steps to make India a global tourism hub. Some of the major initiatives taken by the Government of India to give a boost to the tourism and hospitality sector of India are as follows:

The Government of India has set aside Rs 500 Crore (US\$ 79.17 million) for the first phase of the National Heritage City Development and Augmentation Yojana (HRIDAY). The 12 cities in the first phase are Varanasi, Amritsar, Ajmer, Mathura, Gaya, Kanchipuram, Vellankani, Badami, Amaravati, Warangal, Puri and Dwarka.

- Under 'Project Mausam' the Government of India has proposed to establish cross cultural linkages and to revive historic maritime cultural and economic ties with 39 Indian Ocean countries.
- Prime Minister has approved to enter into a memorandum of understanding (MoU) between India and Oman for strengthening cooperation in the field of tourism.
- Announcement by Minister of Finance, to extend Visa on Arrival Facility (VOA) to 150 countries in stages from the current 43, is a big step to promote tourism. The revenue from tourism sector can be utilized for the development of the country and can boost the economy of country.

Road Ahead

India's travel and tourism industry has huge growth potential. The medical tourism market in India is projected to hit US\$ 3.9 billion mark this year having grown at a compounded annual growth rate (CAGR) of 27 per cent over the last three years, according to a joint report by FICCI and KPMG. Also, inflow of medical tourists is expected to cross 320 million by 2015 compared with 85 million in 2012. The tourism industry is also looking forward to the E-visa scheme which is expected to double the tourist inflow to India. Enforcing the electronic travel authorization (ETA) before the next tourism season, which starts in November, will result in a clear jump of at least 15 per cent, and this is only the start.

ICRA Ltd rating agency expects the revenue growth of Indian hotel industry strengthening to 9-11% in 2015-16.

India is projected to be number one for growth globally in the wellness tourism sector in the next five years, clocking over 20% gains annually through 2017, according to a study conducted by SRI International.[Source: Indian Brand Equity Foundation]

9. RISK AND CONCERN

Hotels form one of the most important support services that affect the arrival of tourist to a country. The strengths of the industry includes that India is one big package of culture and legend that never fails to captivate the imagination of the visitor. It provides vast natural and cultural diversity, the manpower costs in the Indian hotel industry is reasonable in the world. The peak season in the country is from September to March. Over the long term, the hotel industry has growth potential. When it comes to diverse topography, India is one of the best destinations.

Tourists also have second thoughts about visiting India because of the political turbulence and negative publicity about the country. Growth in hotel supply in recent times has



outstripped demand in a number of Indian cities. Escalating land prices, increasing energy costs, depleting water levels and a scarcity of trained manpower are challenges that are needed to be addressed and overcome. With increasing affluence in India, the composition of the market is undergoing a change. Domestic travel and tourism is experiencing rapid growth as is domestic corporate travel. These segments will require due attention whilst we continue to focus on traditional markets. Source markets are changing with demand from the SAARC nations, China, Japan and the Middle East growing steadily. The tourism Ministry will need to orient itself to this development.

Risk Management

There has been considerable progress in implementing a structured risk management framework in the Company. The framework is now well documented with laid down dissemination procedures and this is updated periodically.

Your Company formulated various Polices and measures to effectively counter the risks as enumerated below:-

- To control the cost of services provided by the Company.
- To ensure effective and optimum uses of the resources of the Company.
- To cater the business for medium income and lower income group.
- To attract the customers in lean period by providing attractive holiday packages.
- Aggressive marketing through various online mediums viz. Online Travels Agents, GDS, RFPs, optimization of search engines etc.

10. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As the average net profit of the Company for last 3 years is negative hence there is no liability on the Company to incur expenditure on CSR activities as prescribed u/s 135 and schedule VII of the Companies Act, 2013. The Company has constituted the CSR Committee of the Board and the CSR Policy has also been approved by the Board and placed on the Company's website at www.sayajihotels.com

Details about the CSR policy of the Company is attached herewith in "Annexure A"

11. HUMAN RESOURCES -

At Sayaji we believe that "company grows when its people grow". During the year, we continued our focus on building a performing and growing organization by introducing many new HR initiatives. We started a systematic performance appraisal system based on the use of KPI Score technique,

initiated extensive training of manpower etc. All the perspectives like customer — centric approach, learning, trust, initiatives, communication etc. were evaluated and appraised during the quarterly appraisal cycle. HR personnel facilitated face to face discussion between the subordinate and the supervisors and various parameters were introduced to facilitate bias free appraisal system. For better talent acquisition we used employment portals and social media and even employee referral was given priority. We hired many interns from college campus. To provide a better learning environment to them, agenda was well prepared in advanced and most of the interns were even offered full-time employment at Sayaji. Competitive incentive plans were laid down for the operational teams.

On the employee engagement front, lot of motivational activities was planned for the employees throughout the year. Various outbound programs like trip to Goa and Bangkok, Sports week were also organized to motivate the employees and rejuvenate them. Camps on blood donation and regular health checkup were undertaken.

Lots of efforts were taken to train the employees on various behavioral and technical aspects. Various in-house training module were prepared and delivered by HR team to the employees to enhance their competencies and skills. Team building, communication skills, meditation session and training on goal setting and proper performance management were also imparted. For the senior management, leadership training was imparted to develop leadership facet. Sayaji has therefore worked on building an employer brand with strong employee value preposition and has developed a culture that promotes independent decision making. The number of persons employed by Sayaji group was 2075 which included 224 employees of Malwa Hospitality Pvt. Ltd., as on March 31, 2015.

12. SAFETY, HEALTH AND ENVIRONMENT

Health and Safety Management System in the Company aims to reduce, eliminate or control workplace hazards and associated risks of illness or injuries to the employees, customers and contractors who might be affected by the Company's work activities.

Your Company is committed to ensure healthy and safe working environment for all concerned and to make continual improvement in its Health and Safety performance. Through a systematic process, the Company aims to:

- Comply with the requirements of all relevant statutory, regulatory and other provisions.
- Provide and maintain safe & healthy work place through operational procedures, safe systems and methods of work.



- Provide sufficient information, instruction, training and supervision to enable all employees to identify, minimize and manage hazards and to contribute positively to safety at work.
- Ensure that appropriate resources are available to fully implement Health and Safety policy and continuously review the policy's relevance with respect to legal and business development.
- Conduct audits and mock drills on site to ensure that operations are in compliance with Health and Safety management requirements and for emergency preparedness.

Your Company attaches utmost importance to safety standards at all units of the Company. At all the hotels and restaurants of the company, necessary steps are regularly undertaken to ensure the safety of employees, equipment and the customers. Internal safety checks are conducted regularly. Fire-fighting training is provided to staff and mock drills are conducted to gauge emergency and disaster management preparedness.

The Company believes in good health of its employees. To pursue this objective, efforts are being made on both treatment as well as maintaining good health. The Company has a club and gymnasium at its Indore & Pune hotel premises, where the employees are allowed and encouraged for participation. Yoga training course is also conducted in the club premises. Programmes have been conducted to advice employees on ill-effect on health due to excessive consumption of liquor and tobacco.

The Company's hotels maintain clean and hygienic environment and keep strict vigilance on their effluent generation and disposal adhering to standard norms in order to protect the environment and surroundings.

13. RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the

Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant aud it observations and corrective actions thereon are presented to the Audit Committee of the Board.

14. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower/Vigil Mechanism Policy to deal with instance of fraud and mismanagement, if any.

The details of the Whistle Blower/Vigil Mechanism Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

15. SUBSIDIARY COMPANIES - AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUBSIDIARIES

As on 31st March, 2015, the Company had 2 subsidiaries and 2 Associate Companies. During the year number of the subsidiaries of the Companies has been reduced from 3 to 2. During the year under review there was no changes done in the nature of business of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and all its subsidiary companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary/ associate companies is also included in the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.sayajihotels.com. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.sayajihotels.com. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office or e-mail to cs@sayajiindore.com

16. BOARD OF DIRECTORS

The Board of Directors had appointed Mr. Pradeep Goyal and Mr. Vinit Shah as Additional Directors of the Company in the category of Independent Directors with effect from 06th February, 2014 and 4th July, 2014 respectively to 31st March, 2019. Thereafter, at the Annual General Meeting (AGM) of the Company held on 23rd August, 2014, the Members of the Company appointed the said Directors as



Independent Directors under the Companies Act, 2013 for a period of 5 years with effect from 06th February, 2014 and 4th July, 2014 respectively to 31st March, 2019.

At the said AGM held on 23rd August, 2014, the Members also appointed Mr. T. N. Unni as Independent Director under the Act for term of five years i.e. till 31st March, 2019.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Capt. Salim Sheikh has resigned from the post of Director w.e.f. 04th July, 2014. The Board has placed on record its appreciation for the outstanding contributions made by Capt. Salim Sheikh during his tenure of office.

Mr. T. N. Unni, Independent Director of the Company was appointed as Chairman of the Board of directors Company w.e.f. 30th May, 2015 for the tenure of one year.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Raoof Razak Dhanani is retiring by rotation and being eligible offers himself for reappointment.

16.1 Number of meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. The Board/Committee Meetings are prescheduled and a notice of the meetings is provided to directors well in time to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board/Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met 15 times in financial year 2014-15. The maximum interval between any two meetings did not exceed 120 days.

16.2 Board Independence

Our definition of 'Independence' of Directors is derived from Clause 49 of the Listing Agreement with Stock Exchanges and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Directors

and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013:-

- a) Mr. T. N. Unni
- b) Mr. Vinit Shah
- c) Mr. Pradeep Goyal

16.3 Company's policy on Directors' appointment and remuneration

The Nomination and Remuneration Committee framed "Nomination and Remuneration Policy" and adopted the same vide its meeting held on 04.07.2014 and the said policy has been approved by the Board in its board meeting which was scheduled on the same date. The details of Nomination and Remuneration Committee and the said policy have been provided under Corporate Governance Report, which forms part of the Annual Report and also placed at the website of the Company at www.sayajihotels.com.

16.4 Annual evaluation by the Board

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance
- iv. Providing perspectives and feedback going beyond information provided by the management
- v. Commitment to shareholder and other stakeholder interests

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board does not participate in the discussion of his/her evaluation.

17. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

 that in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;



- b. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March, 31st 2015 and of the profit/loss of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

18. COMMITTEES OF THE BOARD

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees and also formed a Corporate Social Responsibility Committee. There are currently six Committees of the Board, as follows:

- (a) Audit Committee
- (b) Corporate Social Responsibility Committee
- (c) Borrowing and Investment Committee
- (d) Nomination and Remuneration Committee
- (e) Stakeholders' Relationship Committee
- (f) Share Transfer Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

19. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. A disclosure as required under section 134(3)(h) of the Companies Act, 2013 and the Rule 8(2) of the Companies (Accounts) Rules, 2014 being enclosed in the Form AOC-2 as "Annexure E" with the Board's Report.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

21. STATUTORY AUDITORS

The Company's Auditors, M/s K. L. Vyas & Co., Chartered Accountants, who were appointed for a term of 4 years at the Annual General Meeting of the Company held on 23rd August, 2014 are eligible for ratification of their appointment. They have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013 and the Rules framed there under for ratification for appointment as Auditors of the Company. As required under Clause 49 of the Listing Agreement, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

22. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ritesh Gupta & Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed here within the Form MR-3 as "Annexure B".

23. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are amongst its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall



corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

24. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

24.1. CEO & CFO certification

Certificate from Mrs. Suchitra Dhanani, Whole-Time Director and Mr. Sandesh Khandelwal, Chief Financial Officer, pursuant to provisions of Clause 49(IX) of the Listing Agreement, for the year under review was placed before the Board of Directors of the Company at its meeting held on 30th May, 2015.

A copy of the certificate on the financial statements for the financial year ended March, 31, 2015 is annexed along with this Report.

25. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report.

26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts)Rules, 2014, is annexed herewith as "Annexure C".

27. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

28. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as on 31st March, 2015 in form MGT- 9 is annexed herewith as "Annexure D".

29. PARTICULARS OF REMUNERATION OF EMPLOYEES

The disclosure required to be made in terms of Section 197(12) of the Companies Act, 2013 and Rule 5(1) is annexed herewith as "Annexure F".

During the year there was no 'employee drawing remuneration' required to be disclosed as per the provision of section 197 (12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

30. ACKNOWLEDGEMENTS

Your Directors Thanks various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their since reappreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

31. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations.

Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting charges of rooms & selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations..

For and on behalf of the Board of Directors

T. N. Unni Chairman DIN 00079237

Place : Indore Date : 12.08.2015



ANNEXURE 'A' TO BOARD'S REPORT ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

 A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

Corporate Social Responsibility is a form of corporate self-regulation integrated in to a business model. Therefore, the Policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

The main objective of this Policy is to set a guiding principle for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

The Company shall undertake any of the following Activities/Projects or such other activities/ projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR"):

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water,
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elders and the physically challenged and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustain ability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining guality of soil, air and water;
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries;
- vi. Promotion and development of traditional arts and handicrafts;
- vii. Measures for the benefit of armed forces veterans, war widows and their dependents;
- viii. Training to promote rural sports, nationally recognized sports, Paralympics and Olympic sports;
- ix. Contribution to the Prime Minister's National Relief Fund or any other fund setup by the central government for

- socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women:
- x. Contribution or funds provided to technology incubators located within academic institution which are approved by the Central Government;
- xi. Rural development projects;
- xii. Any other activities in relation of the above and all other activities which forms part of CSR as per Schedule VII of the Act, 2013 (the "Act") as amended from time to time. (Collectively hereinafter referred to as "CSR Activities")
- xiii. Activities relating to cleanness to support the Swachh Bharat Abhiyan
- xiv. Activities relating Ganga Safai Abhiyan

The Complete CSR Policy is available on the Company's website at http://www.sayajihotels.com

2. Composition of the CSR Committee:

i. Mrs. Suchitra Dhanani : Chairperson (Whole-Time Director)

ii. Mr. T. N. Unni : Member (Chairman & Independent Director)

iii. Mr. Pradeep Goyal : Member (Independent Director)

Average net profit of the Company for last three financial years
 Company has negative profit.

Prescribed CSR Expenditure (two percent : N.A. of the amount as in item 3 above)

5. **Details of CSR spend for the financial year** : N.A.

a. Total amount spent for the financial year: $\ensuremath{\text{N.A.}}$

 $b. \ \textbf{Amount unspent, if any} \qquad \qquad : \ \mathsf{N.A.}$

c. Manner in which the amount spent during the financial year is detailed

below : N.A.

For and on behalf of the Board of Directors

Suchitra Dhanani T. N. Unni Chairperson of the CSR Committee Chairman DIN – 00712187 DIN - 00079237

Place : Indore Date : 12.08.2015



ANNEXURE 'B' TO BOARD'S REPORT SECRETARIAL AUDIT REPORT FORM - MR-3

To, The Members, M/s. Sayaji Hotels Limited Vadodara (Gujarat)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sayaji Hotels Limited** (hereinafter called '**The Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
 - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Other laws applicable specifically to the Company (as given in 'Annexure-I' to the Report).

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited, Madhya Pradesh Stock Exchange Limited, Ahmadabad Stock Exchange Limited and Vadodara Stock Exchange Limited.

I report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under were not applicable to the Company during the period as there were no action/event occurred in the company during the financial year.
- Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year under report.
- Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



- The Company has appointed internal auditor as per the listing requirements of stock exchange(s) in previous year and no fresh appointment has been made during the financial year in terms of provisions of Section -138 of the Companies Act, 2013.
- 5. The securities of the Company are listed with the Bombay Stock Exchange Limited, Ahmedabad Stock Exchange Limited and Vadodara Stock Exchange Limited. The Company is in process of delisting of securities from the Ahmedabad Stock Exchange Limited and Vadodara Stock Exchange Limited as there is no trading of equity shares in the said stock exchanges and not renewed their listing with regional stock exchanges.
- 6. The Company has applied for extension of time to comply with the provisions with respect to minimum public shareholding as per Rule 19 (2) (b) of the rules framed under the Securities Contracts (Regulation) Act, 1956. The present holding of the promoters and promoter group is 79.90%

I further report that based on the information, representation and reports provided by the Company, its Board of Directors, its designated Officers, and authorized representatives during the conduct of audit and also review on quarterly compliance report submitted by the department heads and taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable Laws, Rules and Regulations and happening of events etc. to the Company.

I further report that the compliances of applicable financial and tax laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Ritesh Gupta & Co.
Company Secretaries

Date: 12.08.2015 Place: Indore Ritesh Gupta CP:3764, FCS:5200

"ANNEXURE-I" IMPORTANT LAWS APPLICABLE SPECIFICALLY TO THE COMPANY

The Company has complied with the following laws and legislations applicable specifically to the Company.

- Legislation for the construction and commissioning of hotels, restaurants, guest houses and other establishments, and includes, the industrial licensing policies, land laws and various development control orders issued by the central, state and local governments.
- Legislation for the operation, maintenance and management of establishments, food and hygiene standards. It includes insurance laws, prevention and control of pollution, fire safety, weights and measures regulation and laws on labour

and employment matters, various licenses, such as a liquor license, dance license, lodging house license, eating house license, police permissions, a license under the Shops and Establishment Act, or a license under the Food and Drug Administration Act etc.

For Ritesh Gupta & Co.
Company Secretaries

Date : 12.08.2015 Ritesh Gupta
Place: Indore CP:3764, FCS:5200



ANNEXURE 'C' TO BOARD'S REPORT CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]

(A) Conservation of Energy

- (i) The steps taken or impact on conservation of energy; None
- (ii) The steps taken by the Company for utilizing alternate sources of energy; - Company is taking solar power units from Ujaas Energy Ltd. for its hotel situated at Indore. Effectively 50% of power consumption of the above said hotel unit of the Company is through solar energy.
- (iii) The capital investment on energy conservation equipment; None

(B) Technology Absorption

- (i) The efforts made towards technology absorption; No technology absorption was done by the Company during the last financial year.
- (ii) The benefit derived like product improvement, cost reduction, product development or import substitution; N.A.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –Company has not imported any technology during the last three financial years.
 - (a) The details of technology imported; N.A.
 - (b) The year of import; N.A.
 - (c) Whether the technology been fully absorbed; N.A.
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reason thereof; and -N.A.
 - (e) The expenditure incurred on Research and Development N.A.

(C) Foreign exchange earnings and Outgo-

- i. Foreign Exchange Earning 779.05 Lacs
- ii. Foreign Exchange Outgo 143.66 Lacs

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ANNEXURE 'D' TO BOARD'S REPORT EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2015

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT - 9

I. Registration and Other Details

| CIN | L51100GJ1982PLC005131 |
|---|---|
| CIIV | L31100GJ1902PLG003131 |
| Registration Date | 05/04/1982 |
| Name of the Company | Sayaji Hotels Limited |
| Category / Sub-Category of the Company | Company having Share Capital |
| Address of the Registered Office and contact details | Opp. Rajshree Talkies, Near Kala Ghoda, Sayajiganj, Vadodara – 390005 (Gujarat) Phone : 0265-2363030; Fax : 0265-2226134; Email – cs@sayajiindore.com |
| Whether listed company | Yes |
| Name, address and contact details of Registrar and Transfer Agent, if any | Link In Time India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078 Phone : 022-25963838 |

II. Principal Business Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

| Name and Description of main Products / Services | NIC Code of the Product / Service | % to total turnover of the Company | | |
|--|-----------------------------------|------------------------------------|--|--|
| Hotel | 55101 | 32.10% | | |
| Restaurants and Banquet | 56301 | 67.90% | | |

III. Name and Address of the Subsidiary/Associates Companies:

| Name and address of the Company | CIN / GLN | Holding/Subsidiary/ Associate | % of shares held | Applicable Section |
|-----------------------------------|-----------------------|----------------------------------|------------------|-----------------------|
| Malwa Hospitality Pvt. Ltd. | U55209MP2008PTC020502 | Subsidiary | 51.67% | 2(87) |
| Aries Hotels Pvt. Ltd. | U74300GJ1996PTC030171 | Subsidiary | 52.37% | 2(87) |
| Barbeque-Nations Hospitality Ltd. | U55101KA2006PLC073031 | Associate | 47.40% | 2(6) |
| Genex Hotels Pvt. Ltd. | U55100MP2012PTC028300 | Associate | 50.00% | 2(6) |



PART - A EQUITY SHARES

IV (A). SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of the total Equity)

i) Category-wise Shareholding

| | No. of Sha | ares held at th | e beginning o | f the year | No. of Shares held at the end of the year | | | | % Change |
|--|------------|-----------------|---------------|----------------------|---|----------|----------|----------------------|-----------------|
| Category of Shareholder | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | during the year |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 9694641 | 1641100 | 11335741 | 64.71 | 9741858 | 1641100 | 11382958 | 64.98 | 0.27 |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corporate | 2542988 | 120000 | 2662988 | 15.20 | 2497575 | 120000 | 2617575 | 14.94 | (0.26) |
| e) Banks / Fl | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A)(1): | 12237629 | 1761100 | 13998729 | 79.91 | 12239433 | 1761100 | 14000533 | 79.92 | 0.01 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | C |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A)(2): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | C |
| Total Shareholding of Promoters (A) = (A)(1)+(A)(2) | 12237629 | 1761100 | 13998729 | 79.91 | 12239433 | 1761100 | 14000533 | 79.92 | 0.01 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds/ UTI | 0 | 4000 | 4000 | 0.02 | 0 | 4000 | 4000 | 0.02 | (|
| b) Banks / Fl | 0 | 300 | 300 | 0.00 | 0 | 300 | 300 | 0.00 | (|
| c) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| d) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| Sub-Total (B)(1): | 0 | 4300 | 4300 | 0.02 | 0 | 4300 | 4300 | 0.02 | C |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 111807 | 13373 | 125180 | 0.71 | 107128 | 13373 | 120501 | 0.69 | (0.02 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (|
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto 1 Lac | 316228 | 230770 | 546998 | 3.13 | 292715 | 223154 | 515869 | 2.95 | (0.18) |

| 0 - 1 | | No. of Sha | ares held at th | e beginning o | f the year | No. of | Shares held a | t the end of th | ie year | % Change |
|-------|---|------------|-----------------|---------------|----------------------|----------|---------------|-----------------|----------------------|--------------------|
| Cate | gory of Shareholder | Demat | Physical | Total | Total % of Shares | Demat | Physical | Total | Total % of Shares | during the year |
| ii) | Individual Shareholders holding nominal share capital upto 1 Lac | 604101 | 0 | 604101 | 3.45 | 652352 | 0 | 652352 | 3.72 | 0.27 |
| c) Ot | hers (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) | Shares held by Pakistani citizens vested with the Custodian of Enemy Property | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ii) | Other Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| iii) | Foreign Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| iv) | NRI / OCBs | 2217725 | 18183 | 2235908 | 12.76 | 2206655 | 17183 | 2223838 | 12.70 | (0.06) |
| v) | Clearing Members/ Clearing House | 2784 | 0 | 2784 | 0.02 | 607 | 0 | 607 | 0.00 | (0.02) |
| vi) | Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| vii |) LLP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| vii | i) Foreign Portfolio Investor (Corporate) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ix) | Qualified Foreign Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Su | b-Total (B)(2): | 3252645 | 262326 | 3514971 | 20.07 | 3259457 | 253710 | 3513167 | 20.06 | (0.01) |
| | tal Public Shareholding)=(B)(1)+(B)(2) | 3252645 | 266626 | 3519271 | 20.09 | 3259457 | 258010 | 3517467 | 20.08 | (0.01) |
| Gr | and Total (A+B) | 15490274 | 2027726 | 17518000 | 100 | 15498890 | 2019110 | 17518000 | 100 | 0 |

ii) Shareholding of Promoters

| | Shareholdin | g at the beginnin | g of the year | Sharehol | % change in | | |
|------------------------|---------------|----------------------------------|--|---------------|----------------------------------|--|------------------------------------|
| Shareholders Name | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | shareholding during the year |
| RaoofRazak Dhanani | 4772574 | 27.24 | 0 | 4772574 | 27.24 | 0 | 0 |
| Anisha Dhanani | 2643256 | 15.09 | 0 | 2643256 | 15.09 | 0 | 0 |
| Ahilya Hotels Ltd. | 2455000 | 14.01 | 14.01 | 2455000 | 14.01 | 3.05 | 0 |
| Late. Sajid R. Dhanani | 2435511 | 13.90 | 12.11 | 2435511 | 13.90 | 12.11 | 0 |
| Nasim Desai | 626900 | 3.58 | 3.14 | 626900 | 3.58 | 3.14 | 0 |
| Suchitra Dhanani | 320050 | 1.83 | 1.78 | 320829 | 1.83 | 1.78 | 0 |
| Kayum Dhanani | 118100 | 0.67 | 0.45 | 118100 | 0.67 | 0.45 | 0 |
| Habibunisha Dhanani | 93700 | 0.53 | 0.34 | 111077 | 0.63 | 0.34 | 0.10% |
| Abbas Shaikh | 50000 | 0.29 | 0.29 | 50000 | 0.29 | 0.29 | 0 |
| Sadika Memon | 50100 | 0.29 | 0.29 | 50100 | 0.29 | 0.29 | 0 |
| Shamimbanu Dhanani | 50000 | 0.29 | 0.29 | 50000 | 0.29 | 0.29 | 0 |
| Bipasha Dhanani | 50000 | 0.29 | 0 | 50000 | 0.29 | 0 | 0 |

| | Sharehol | ding at the end o | f the year | Shareholdin | % change in | | |
|-------------------------------------|---------------|----------------------------------|--|---------------|----------------------------------|--|------------------------------------|
| Shareholders Name | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged / encumbered to total shares | shareholding during the year |
| Shamim Sheikh | 25000 | 0.14 | 0 | 42577 | 0.24 | 0 | 0.10% |
| Rabiabai Dhanani | 20450 | 0.12 | 0 | 0 | 0 | 0 | (0.12%) |
| Abdul Razak Dhanani | 50600 | 0.29 | 0.29 | 50600 | 0.29 | 0.29 | 0 |
| GulshanbanuMemon | 10200 | 0.06 | 0.00 | 17378 | 0.10 | 0.00 | 0.04% |
| Mansoor Memon | 10100 | 0.06 | 0.00 | 100 | 0.00 | 0.00 | (0.06%) |
| Jamila Dhanani | 9200 | 0.05 | 0 | 9200 | 0.05 | 0 | 0 |
| Liberty Construction & Leasing Ltd. | 133388 | 0.76 | 0.69 | 120000 | 0.69 | 0.69 | (0.07%) |
| Bharat Equity Services Ltd. | 74600 | 0.43 | 0.00 | 1400 | 0.01 | 0.00 | (0.42%) |
| M.P. Agro Industries Ltd. | 0 | 0 | 0 | 41175 | 0.24 | 0.00 | 0.24% |
| Nasim Dhanani | 0 | 0 | 0 | 17378 | 0.10 | 0.00 | 0.10% |
| Rafiqunisha Merchnat | 0 | 0 | 0 | 17378 | 0.10 | 0.00 | 0.10% |
| Total | 13998729 | 79.91 | 33.67 | 14000533 | 79.92 | 22.71 | 0.01% |

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| | Shareholding at the begin | ning of the year | Cumulative Shareholdi | ng during the year |
|--|---|-------------------------------------|-----------------------|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| At the beginning of the year | 13998729 | 79.91 | 13,998,729 | 79.91 |
| Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ | 30.05.2014 779 Shares were credited from pool a/c to demat a/c of Mrs. Suchitra Dhanani | 0.00 | 13,999,508 | 79.91 |
| transfer/ bonus/ sweat equity etc): | 27.11.2014 Transfer of 13388 Equity Shares by Liberty Construction & Leasing Co. Ltd. to Shri Abdul Razak Dhanani | 0.07 | 13999508 | 79.91 |
| | 03.12.2014 Transfer of 73500 Equity Shares by Bharat Equity Services Ltd. to Shri Abdul Razak Dhanani | 0.41 | 13999508 | 79.91 |
| | 08.12.2014 Sale of 20450 Equity Shares by Rabia Razak Dhanani to M.P. Agro Industries Ltd. | 0.11 | 13999508 | 79.91 |
| | 10.12.2014 Sale of 10200 Equity Shares by Gulshan I Memon to M.P. Agro Industries Ltd. | 0.05 | 13999508 | 79.91 |

| | Shareholding at the begin | ning of the year | Cumulative Shareholdi | ng during the year |
|------------------------|--|----------------------------------|-----------------------|----------------------------------|
| | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | 10.12.2014 Sale of 10000 Equity Shares by Mansoor Memon to M.P. Agro Industries Ltd. | 0.05 | 13999508 | 79.91 |
| | 30.12.2014 Mr. Abdul Razak Dhanani gifted 17377 Equity Shares to Mrs. Shamim Sheikh | 0.09 | 13999508 | 79.91 |
| | Mr. Abdul Razak Dhanani gifted 17377 Equity Shares to Ms. Habibunisha Dhanani | 0.09 | 13999508 | 79.91 |
| | Mr. Abdul Razak Dhanani gifted 17378 Equity Shares to Ms. NasimBanu Dhanani | 0.09 | 13999508 | 79.91 |
| | Mr. Abdul Razak Dhanani gifted 17378 Equity Shares to Ms. Gulshanbanu Memon | 0.09 | 13999508 | 79.91 |
| | Mr. Abdul Razak Dhanani gifted 17378 Equity Shares to Ms. Rafiqunisha Merchant | 0.09 | 13999508 | 79.91 |
| | 31.12.2014 200 Shares increase in the holding Ms. Shamim Sheikh Reason – These shares were lying in the public category and we categorized the same in the promoter group. | 0.00 | 13999708 | 79.91 |
| | 300 Shares increase in the holding Bharat Equity Services Ltd. Reason – These shares were lying in the public category and we categorized the same in the promoter group | 0.00 | 14000008 | 79.91 |
| | 31.03.2015 525 Shares increase in the holding of M.P. Agro Industries Ltd. Reason – These shares were lying in the public category and we categorized the same in the promoter group | 0.00 | 14000533 | 79.92 |
| At the end of the year | 14000533 | 79.92 | 14000533 | 79.92 |

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

| | Shareholding at the | beginning of the year | Shareholding at the end of the year | | |
|-------------------------------------|---------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| For Each of the Top 10 Shareholders | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company | |
| Abdul Gani Sarfaraz Dhanani | 748687 | 4.27 | 748687 | 4.27 | |
| Sana Dhanani | 716623 | 4.09 | 716623 | 4.09 | |
| Nasreen Yusuf Dhanani | 715097 | 4.08 | 715097 | 4.08 | |
| Rohini S. Udar | 526000 | 3.00 | 526000 | 3.00 | |
| Transagro India Pvt. Ltd. | 76000 | 0.43 | 76000 | 0.43 | |
| RamizDarvesh | 49203 | 0.28 | 107552 | 0.61 | |
| AkshayUdar | 18800 | 0.10 | 18800 | 0.10 | |
| Anil Gurumukh Bhagwani | 18000 | 0.10 | 18000 | 0.10 | |
| Chandravati Gupta | 10098 | 0.05 | 9098 | 0.05 | |
| Varsha Somani and Rajkumar Somani | 10000 | 0.05 | 0 | 0.00 | |
| Ratandeep Multitrade Pvt. Ltd. | 8848 | 0.05 | 8848 | 0.05 | |

v) Shareholding of Directors and Key Managerial Personnel

| | Shareholding at the l | peginning of the year | Cumulative Shareho | lding during the year |
|---|---|-------------------------------------|--------------------|----------------------------------|
| For Each of the Directors and KMP | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | Mr. Raoof Razak Dha | anani | | - |
| At the beginning of the year | 4772574 | 27.24% | 4772574 | 27.24% |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Nil | Nil | 4772574 | 27.24% |
| At the end of the year | 4772574 | 27.24% | 4772574 | 27.24% |
| | Mrs. Suchitra Dhar | nani | | |
| At the beginning of the year | 320050 | 1.83% | 320050 | 1.83% |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | 779 (DP has transferred shares held in pool a/c to demat a/c on 30.05.2014) | 0.00% | 320829 | 1.83% |
| At the end of the year | 320829 | 1.83 | 320829 | 1.83 |
| | Mr. Kayum Razak Dh | anani | | |
| At the beginning of the year | 118100 | 0.67 | 118100 | 0.67 |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Nil | Nil | 118100 | 0.67 |
| At the end of the year | 118100 | 0.67 | 118100 | 0.67 |

| | Shareholding at the | beginning of the year | Cumulative Shareh | olding during the year |
|---|----------------------|----------------------------------|-------------------|----------------------------------|
| For Each of the Directors and KMP | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| | Mr. Abdul Razak Dh | anani | | |
| At the beginning of the year | 50600 | 0.29 | 50600 | 0.29 |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Nil | Nil | 50600 | 0.29 |
| At the end of the year | 50600 | 0.29 | 50600 | 0.29 |
| Ŋ | Лr. Sandesh Khandelv | val (CFO) | | |
| At the beginning of the year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Nil | Nil | Nil | Nil |
| At the end of the year | Nil | Nil | Nil | Nil |
| | Mr. AmitSarraf (| CS) | | |
| At the beginning of the year | Nil | Nil | Nil | Nil |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | Nil | Nil | Nil | Nil |
| At the end of the year | Nil | Nil | Nil | Nil |
| | | EFT B | ANK | |
| ¥ | | | | |



PART - B PREFERENCE SHARES

(Preference Share Capital Breakup as % of the total Paid up Preference Share Capital)

i) Category-wise Shareholding

| 0.1 | No. of Sha | ares held at th | e beginning o | f the year | No. of Shares held at the end of the year | | | ne year | % Change |
|--|------------|-----------------|---------------|----------------------|---|----------|--------|-----------------|----------|
| Category of Shareholder | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | during the year | |
| A. Promoters | | | | | | | | Shares | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 0 | 0 | 0 | 0 | 0 | 916662 | 916662 | 100.00% | 100.00% |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / Fl | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A)(1): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / Fl | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A)(2): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Shareholding of Promoters (A) = (A)(1)+(A)(2) | 0 | 0 | 0 | 0 | 0 | 916662 | 916662 | 100.00% | 100.00% |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds/ UTI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / Fl | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt.(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (B)(1): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual Share- holders holding nominal share capital upto 1 Lac | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| Ontonom of Ohambalden | No. of Sha | ares held at th | e beginning o | f the year | No. of | Shares held a | it the end of th | ne year | % Change |
|--|------------|-----------------|---------------|----------------------|--------|---------------|------------------|----------------------|--------------------|
| Category of Shareholder | Demat | Physical | Total | Total % of Shares | Demat | Physical | Total | Total % of Shares | during the year |
| i) Individual Share- holders holding nominal share capital upto 1 Lac | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Shares held Pakistani citizens vested with the Custodian of Enemy Property | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ii) Other Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| iii) Foreign Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| iv) NRI / OCBs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| v) Clearing Members/ Clearing House | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| vi) Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| vii) LLP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| viii) Foreign Portfolio Investor (Corporate) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ix) Qualified Foreign Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (B)(2): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B) | 0 | 0 | 0 | 0 | 0 | 916662 | 916662 | 100.00% | 100.00% |

ii) Preference Shareholding of Promoters

| | Shareholding at the beginning of the year | | | | Shareholding at the end of the year | | | |
|-------------------|---|--|--|---------------|--|--|--|--|
| Shareholders Name | No. of Shares | % of total Preference shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Preference shares of the Company | % of Shares Pledged / encumbered to total shares | % change in shareholding during the year | |
| Saba Dhanani | 0 | 0 | 0 | 99999 | 10.90% | 0 | +10.90% | |
| Sadiya Dhanani | 0 | 0 | 0 | 66666 | 7.27% | 0 | +7.27% | |
| Azhar Dhanani. | 0 | 0 | 0 | 125000 | 13.64% | 0 | +13.64% | |
| Zuber Dhanani | 0 | 0 | 0 | 124999 | 13.63% | 0 | +13.63% | |
| Kayum Dhanani | 0 | 0 | 0 | 125000 | 13.64% | 0 | +13.64% | |
| Sara Dhanani | 0 | 0 | 0 | 125000 | 13.64% | 0 | +13.64% | |
| Saniya Dhanani | 0 | 0 | 0 | 124999 | 13.64% | 0 | +13.64% | |
| Suchitra Dhanani | 0 | 0 | 0 | 124999 | 13.64% | 0 | +13.64% | |
| Total | 0 | 0 | 0 | 916662 | | | +100.00% | |



iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| | Preference Shareholding at the | beginning of the year | Cumulative Preference S | hareholding during the year |
|---|--|--|-------------------------|--|
| | No. of Shares | % of total Paid up Preference shares of the Company | No. of Shares | % of total Paid up Preference shares of the Company |
| At the beginning of the year | 0 | 0 | 0 | 0 |
| Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ | 22.09.2014 33333 shares were allotted to Saba Dhanani | 3.63% | 33333 | 3.63% |
| transfer/ bonus/ sweat equity etc): | 01.10.2014 23333 shares were allotted to Zuber Yusuf Dhanani and 100000 shares were allotted to Azhar Dhanani | 13.46% | 156666 | 17.09% |
| | 30.10.2014 66666 shares were allotted to Saba Dhanani and 66666 shares were allotted to Sadiya Dhanani | 14.54% | 289998 | 31.63% |
| | 29.12.2014 85000 shares were alloted to Zuber Dhanani and 25000 shares were allotted to Azhar Dhanani | 12.00% | 399998 | 43.63% |
| | 10.01.2015 6666 shares were allotted to Sanya Dhanani and 6666 shares were allotted to Suchitra Dhanani | 1.46% | 413330 | 45.09% |
| | 12.02.2015 125000shares were allotted to Kayum Dhanani, 125000 shares were allotted to Sara Dhanani, 118333shares were allotted to Suchitra Dhanani and 118333 shares were allotted to Sanya Dhanani | 53.09% | 899996 | 98.18% |
| | 14.02.2015 16666 shares were allotted to Zuber Dhanani | 1.82% | 916662 | 100.00% |
| At the end of the year | 916662 | 100 | 916662 | 100 |

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): Nil

v) Shareholding of Directors and Key Managerial Personnel

| | Shareholding at the | beginning of the year | Cumulative Shareho | olding during the year |
|---|--|--|--------------------|--|
| For Each of the Directors and KMP | No. of Shares | % of total Paid up Preference shares of the Company | No. of Shares | % of total Paid up Preference shares of the Company |
| | Mrs. Suchitra Dhai | nani | | |
| At the beginning of the year | 0 | 0.00% | 0 | 0% |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | 6666 shares were allotted on 10.01.2015 | d on | | 0.73% |
| | 118333 shares were allotted as on 12.02.2015 | 12.90% | 124999 | 13.63% |
| At the end of the year | 124999 | 13.63% | 124999 | 13.63% |
| | Mr. Kayum Razak Dh | anani | | |
| At the beginning of the year | 0 | 0.00% | 0 | 0.00% |
| Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc): | 125000 shares were allotted as on 12.02.2015 | 13.64% | 125000 | 13.64% |
| At the end of the year | 125000 | 13.64% | 125000 | 13.64% |

V. INDEBTNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness Rs. Lacs |
|---|--|--------------------|----------|-----------------------------------|
| Indebtedness at the beginning of the financial year i.e. 01.04.2014 | | | | |
| i) Principal Amount | 6663.70 | 34.95 | 14.55 | 6713.20 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | 4.81 | | | 4.81 |
| Total (i+ii+iii) | 6668.51 | 34.95 | 14.55 | 6718.01 |
| Change in Indebtedness during the financial year i.e. 2014-15 | | | | |
| Addition | 1694.11 | | | 1694.11 |
| Reduction | 2054.56 | 27.45 | 14.55 | 2096.56 |
| Net Change | (360.45) | (27.45) | (14.55) | (402.45) |

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness Rs. Lacs |
|---|--|--------------------|----------|-----------------------------------|
| Indebtedness at the end of the financial year i.e. 31.03.2015 | | | | |
| i) Principal Amount | 6294.69 | 7.50 | | 6302.19 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | 13.37 | | | 13.37 |
| Total (i+ii+iii) | 6308.06 | 7.50 | | 6315.56 |

VI. REMUNERATION OF DIRECTOR AND KMP

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| S.No. | Particular of Remuneration | Mrs. Suchitra Dhanani (In Lacs) | Total (In Lacs) | |
|-------|---|------------------------------------|--------------------|--|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 18.77 | 18.77 | |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | 12.65 | 12.65 | |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | | | |
| 2 | Stock Options | | | |
| 3 | Sweat Equity | | | |
| 4 | Commission | | | |
| | - as % of profit | | | |
| | - others, specify | | | |
| 5 | Others, please specify | | | |
| | Total | 31.42 | 31.42 | |

B. Remuneration to other Directors:

1. Independent Directors (Rs. In Lacs)

| S.No. | Particular of Remuneration | Mr. T. N. Unni | Mr. Pradeep Goyal | Mr. Vinit Shah | Total |
|-------|--|----------------|-------------------|----------------|-------|
| 1 | - Fee for attending Board/Committee Meetings | 0.72 | 0.12 | 0.07 | 0.91 |
| 2 | - Commission | | | | |
| 3 | - Others, please specify | | | | |
| | Total B.1 | 0.72 | 0.12 | 0.07 | 0.91 |

2. Non-Executive Directors (Rs. In Lacs)

| S.No. | Particular of Remuneration | Mr. Y. S. Mehta | Mr. Abdul Razak Dhanani | Mr. Raoof Razak Dhanani | Mr. Kayum Razak Dhanani | Mr. Sanjay Ahuja | Total |
|-------|---|--------------------|----------------------------|----------------------------|----------------------------|---------------------|-------|
| 1 | -Fee for attending Board/Committee Meetings | 0.94 | 0 | 0 | 0 | 0.14 | 1.08 |
| 2 | -Commission | | | | | | |
| 3 | - Others, please specify | | | | | | |
| | Total B2 | 0.94 | 0 | 0 | 0 | 0.14 | 1.08 |
| | Total (B1+B2) | | | | | | 1.99 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| S.No. | Particular of Remuneration | Mr. Sandesh Khandelwal CFO | Mr. Amit Sarraf CS | Total |
|-------|---|----------------------------------|-----------------------|-------|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 10.36 | 3.49 | 13.85 |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | 6.98 | 2.48 | 9.46 |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | | | |
| 2 | Stock Options | | | |
| 3 | Sweat Equity | | | |
| 4 | Commission | | | |
| | - as % of profit | | | |
| | - others, specify | | | |
| 5 | Others, please specify | | | |
| | Total C | 17.34 | 5.97 | 23.31 |

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES - NONE

| | Туре | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | AUTHORITY [RD/NCLT/COURT] | Appeal made, if any (give details) |
|----|-----------------------------|---------------------------------|----------------------|---|------------------------------|---------------------------------------|
| A. | COMPANY | | | | | |
| | Penalty | | | | | |
| | Punishment | | | | | |
| | Compounding | | | | | |
| В. | DIRECTOR | | | | | |
| | Penalty | | | | | |
| | Punishment | | | | | |
| | Compounding | | | | | |
| C. | C. OTHER OFFICER IN DEFAULT | | | | | |
| | Penalty | | | | | |
| | Punishment | | | | | |
| | Compounding | | | | | |





ANNEXURE 'E' TO BOARD'S REPORT Form AOC-2

[Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013]

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2015, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts / arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|--|---|---|---|---------------------------------|
| (a) | (b) | (c) | (d) | (e) | (f) |
| S. N. Travels | Purchase of Services | 5 years | Availing of travel desk management services upto the maximum limit of Rs. 50 Lacs p.a. | 09.04.2014 | None |
| S. S. Management | Purchase of Services | 5 years | Availing of travel desk management services upto the maximum limit of Rs. 50 Lacs p.a. | 09.04.2014 | None |
| Mr. RizwanShaikh | Purchase of Services | 3 years | Availing of Marketing Consultancy services on monthly professional fees maximum upto Rs. 2.00 Lacs p.m. | 09.04.2014 | None |
| Barbeque-Nations Hospitality Ltd. | Selling of Services | Not Applicable | Selling of Rooms and restaurant Services Amount – Not ascertainable | 09.04.2014 | None |
| Malwa Hospitality Pvt. Ltd. | Selling of Services | Not Applicable | Selling of Bakery Products Amount – Not ascertainable | 09.04.2014 | None |





ANNEXURE 'F' TO BOARD'S REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013, and Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014]

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;-

| S. No. | Name of Director | Designation | Remuneration paid to Director in FY 15 | Median Remuneration in FY 15 | Ratio |
|-----------|-----------------------|-------------|--|------------------------------------|---------|
| i. | Mrs. Suchitra Dhanani | WTD | 31.42 | 1.23 | 1:25.54 |

ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: -

| S. No. | Name | Designation | Remuneration Paid in FY14 (In Lacs) | Remuneration Paid in FY 15 (In Lacs) | Change (In Lacs) | Change in terms of % |
|-----------|-----------------------|-------------|---|--|---------------------|----------------------|
| i. | Mrs. Suchitra Dhanani | WTD | 5.00 ¹ | 31.42 | 26.42 | 528% |
| ii. | Mr. Sandesh Khandewal | CF0 | 3.05 ² | 17.34 | 14.29 | 468% |
| iii. | Mr. Amit Sarraf | CS | 4.21 | 5.97 | 1.76 | 41.80% |

- 1. Mrs. Suchitra Dhanani appointed as WTD w.e.f. 6th Feb. 2014 hence the remuneration provided in FY 14 is for two months only.
- 2. Mr. Sandesh Khandelwal appointed as CFO w.e.f. 6th Feb. 2014 hence the remuneration provided in FY 14 is for two months only.
- iii. The percentage increase in the median remuneration of employees in the financial year; -

| Remuneration FY14 | Remuneration FY15 | Increase | % |
|-------------------|-------------------|-----------|--------|
| (In Lacs.) | (In Lacs) | (In Lacs) | |
| 0.99 | 1.23 | 0.24 | 24.24% |

iv. The number of permanent employees on the rolls of company; -

| Name of the Company | No. of Employees on payroll (As on 31.03.14) | No. of Employees on payroll (As on 31.03.15) | % Change during the year |
|-------------------------|--|--|--------------------------|
| Sayaji Hotels Ltd. 1382 | | 1851 | Increased by 33.93% |

v. The explanation on the relationship between average increase in remuneration and company performance; (Rs. In Lacs) -

During the year the sales of the Company was increased by 10.82% from last year. Company has opened 1 more unit in the city of Bhopal. The overall remuneration was increased by 21.58% and the same is in line with the performance of the Company.

vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company; -

Company has provided Rs. 54.73 Lacs as overall remuneration to Key Managerial Personnel which is just 2.14% of the overall remuneration paid by the Company to all the employees. During the year Company has opened 2 units in the City of Bhopal and Kolhapur. Company also opened one more hotel unit naming "Effotel" in the city of Indore under its subsidiary Company. The revenue of the Company has increased by 10.82% hence the remuneration provided to Key Managerial Personal is in line of the performance of the Company.

vii. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;

| S.No. | Particulars | 31.03.2014 | 31.03.2015 |
|-------|-----------------------|---------------|---------------|
| i. | Market Capitalization | 22423.04 Lacs | 22475.59 Lacs |
| ii. | Price Earnings Ratio | 3.17 | -76.82 |

The Company has come out with right offer on 25th of January 1995 at the Rate of Rs. 30/- per share (including premium of Rs. 20/- per share). As on 31st March, 2015, the price of the share of the Company is Rs. 128.30. During the period the rate of the shares of the Company increased by 327.66%.

viii. average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

| Remuneration paid to employees excluding managerial personal for FY 14 | Remuneration paid to employees excluding managerial personal for FY 15 | % change in remuneration paid to employees excluding managerial personal | Remuneration paid to managerial personal for FY 14 | Remuneration paid to managerial personal for FY 15 | % change in remuneration paid to managerial personal |
|--|--|--|--|--|---|
| 2082.91 | 2492.52 | 19.67% | 12.26¹ | 54.74 | 346% |

¹Remuneration paid to managerial personal for FY 14 includes remuneration of WTD, CFO and CS however the WTD and CFO were appointed w.e.f. 6th Feb. 2014 hence the remuneration shown of WTD and CFO is only for 2 months of FY 2014.

ix. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company; -

| S.No. | Name | Designation | Remuneration Paid in FY14 (In Lacs) | Remuneration Paid in FY 15 (In Lacs) | Change (In Lacs) |
|-------|-----------------------|-------------|-------------------------------------|--------------------------------------|------------------|
| i. | Mrs. Suchitra Dhanani | WTD | 5.00¹ | 31.42 | 26.42 |
| ii. | Mr. SandeshKhandewal | CFO | 3.05 ² | 17.34 | 14.29 |
| iii. | Mr. AmitSarraf | CS | 4.21 | 5.97 | 1.76 |

¹Mrs. Suchitra Dhanani appointed as WTD w.e.f. 6th Feb. 2014 hence the remuneration provided in FY 14 is for two months only.

Company has provided Rs. 54.73 Lacs as overall remuneration to Key Managerial Personnel which is just 2.14% of the overall remuneration paid by the Company to all the employees. During the year Company has opened 2 units in the City of Bhopal and Kolhapur. Company also opened one more hotel unit naming "Effotel" in the city of Indore under its subsidiary Company. The revenue of the Company has increased by 10.82% hence the remuneration provided to Key Managerial Personal is in line with the performance of the Company.

The remuneration of the KMP's are duly reviewed on annual basis keeping in mind the tenure, past performance and current performance.

x. The key parameters for any variable component of remuneration availed by the directors; -

There is no variable component in the remuneration availed by the Directors.

xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year -

There is no employee in the Company who receives remuneration in excess of the highest paid Director during the Year.

xii. Affirmation that the remuneration is as per the remuneration policy of the Company -

The remuneration provided by the Company to the directors and employees is as per the remuneration policy of the Company.

²Mr. Sandesh Khandelwal appointed as CFO w.e.f. 6th Feb. 2014 hence the remuneration provided in FY 14 is for two months only.



REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Reporton Corporate Governance for the year ended 31st March, 2015

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Sayaji philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. Integrity, transparency, accountability and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's Code of Business Conduct, its Risk Management policy and its well-structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders. This together with meaningful CSR activities and sustainable development policies followed by the company has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates.

Your Company has complied with the requirements of Corporate Governance as laid down under Clause 49 of the Listing Agreement with the Stock Exchanges.

GOVERNANCE STRUCTURE

Sayaji's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

Board of Directors -

The Company's Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company; ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

Committee of Directors -

With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and

Borrowing and Investment Committee. Each of these Committees has been mandated to operate within a given framework.

Management Structure -

Management Structure for running the business of the Company as a whole is in place with appropriate delegation of powers and responsibilities. The Whole-Time Director and General Manager of respective units of the Company are in overall control and responsible for the day-to-day working of the Company. They provide strategic directions, lay down policy guidelines and ensure implementation of the decisions of the Board of Directors and its various committees.

BOARD OF DIRECTORS

Composition of the Board as on March31, 2015

| Category | No. of Directors |
|--|---------------------|
| Non-Executive& Independent Directors | 3 |
| Other Non-Executive Directors including the Chairman | 5 |
| Executive Director (Whole-Time Director) | 1 |

The Chairman of the Board of Directors is the Non - Executive Chairman

Directors' Profile

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision making process. The brief profile of the Company's Board of Directors is as under:

| S.No. | Name of the Directors | Profile |
|-------|-----------------------|---|
| 1. | Raoof Razak Dhanani | Mr. Raoof Razak Dhanani, aged 52 is a graduate and was into the business of agro inputs and fertilizers for the past 25 years. Presently he is looking after the business of Sayaji Hotels Limited a BSE, ASE and VSE listed Company. |
| 2. | T. N. Unni | Mr. T.N. Unni, aged 76 years is a qualified Chartered Accountant based in Indore. He has been in the practice for the past 47 years. He lends valuable inputs on the accounting practices followed by the company as an Independent Director. He has also wide knowledge of taxation and good corporate governance practices. |

| S.No. | Name of the Directors | Profile |
|-------|-------------------------|---|
| 3. | Suchitra Dhanani | Mrs. Suchitra Dhanani, aged 51years is Whole-Time Director of Sayaji Hotels Ltd. and actively involved in day to day activities of the Indore unit of Sayaji Hotel |
| 4. | Kayum Razak Dhanani | Mr. Kayum Dhanani, aged 43 years is qualified as an IGCS from Cambridge University. He is having over 20 years of experience in manufacturing of Soles, Shoes and related leather components. He also has experience in Retail business for past six years. |
| | | At present he is the Managing Director of Barbeque-Nation Hospitality Limited, a leading chain restaurant Company of the Country. |
| 5. | Mr. Abdul Razak Dhanani | Mr. Abdul Razak Dhanani, aged 83years is father figure of Sayaji Hotels Ltd and has vast experience in fertilizers and hotel business. |

| S.No. | Name of the Directors | Profile |
|-------|-----------------------|--|
| 6. | Mr. Y. S. Mehta | Mr. Y. S. Mehta, aged 58 years is MBA in Finance and at present he is the General Manager of Madhya Pradesh Finance Corporation. Right now he is on the board of the Company as Nominee of MPFC |
| 7. | Mr. Sanjay Ahuja | Mr. Sanjay Ahuja, aged 45 years qualified as Company Secretary and Cost Accountant. Presently he is the Compliance Officer of Tourism Finance Corporation of India Ltd. "TFCI" and acting as a nominee of TFCI on the Board of the Company |
| 8. | Mr. Pradeep Goyal | Mr. Pradeep Goyal, aged 50 years is a Chartered Accountant and having thorough experience in the field of Finance, Accounts and Taxation. |
| 9. | Mr. Vinit Shah | Mr. Vinit Shah, aged 50 years is a Chartered Accountant and has vast experience of the business of import and export of Colorants. |

Capt. Salim Sheikh resigned on 04th July 2014 from the Board of the Company.

Board Training and Induction

At the time of appointing Directors, a formal letter of appointment is given to them, which inter alia explains the role, function, duties and responsibilities expected from them as a Director of the

Company. The Directors are also explained in detail the compliances required from them under the Companies Act, Clause 49 of Listing Agreement and other relevant regulations and their affirmation taken with respect to the same.

Other Relevant Details of Directors:

| News of the Divestor | Date of Annaintment | Category | Number of directorship held in Indian | Chairmanship in | Committee Position | | |
|---|---------------------|-----------------|---|-----------------|--------------------|----------|--|
| Name of the Director Date of Appointment Cate | | Galegory | Public/Private Co. including this Co. | | Member | Chairman | |
| Mr. Abdul Razak Dhanani | 16/02/1987 | Promoter | 8 | 2 | 2 | 2 | |
| Mr. Raoof Razak Dhanani | 14/11/2013 | Promoter | 11 | 0 | 0 | 0 | |
| Mr. Kayum Razak Dhanani | 30/11/2012 | Promoter | 9 | 2 | 0 | 0 | |
| Mrs. Suchitra Dhanani | 06/02/2014 | Promoter | 5 | 4 | 4 | 1 | |
| Mr. T. N. Unni | 31/01/2002 | Independent | 5 | 1 | 1 | 4 | |
| Mr. Y. S. Mehta | 29/11/2005 | Nominee of MPFC | 2 | 0 | 0 | 0 | |
| Mr. Vinit Shah | 04/07/2014 | Independent | 1 | 0 | 0 | 0 | |
| Mr. Pradeep Goyal | 06/02/2014 | Independent | 6 | 0 | 0 | 0 | |
| Mr. Sanjay Ahuja | 01/02/2012 | Nominee of TFCI | 1 | 0 | 0 | 0 | |

Board Meetings held during the Year

| Date on which the Board Meetings were held | Total Strength of the Board | No of directors present |
|---|-----------------------------|-------------------------|
| 09.04.2014 | 9 | 3 |
| 30.05.2014 | 9 | 3 |
| 04.07.2014 | 8 | 4 |
| 14.08.2014 | 9 | 3 |
| 16.09.2014 | 9 | 3 |
| 22.09.2014 | 9 | 3 |
| 01.10.2014 | 9 | 3 |
| 30.10.2014 | 9 | 3 |

| Date on which the Board Meetings were held | Total Strength of the Board | No of directors present |
|---|-----------------------------|-------------------------|
| 14.11.2014 | 9 | 4 |
| 29.12.2014 | 9 | 4 |
| 10.01.2015 | 9 | 3 |
| 06.02.2015 | 9 | 3 |
| 12.02.2015 | 9 | 3 |
| 14.02.2015 | 9 | 4 |
| 19.03.2015 | 9 | 7 |

Attendance of Directors at Board Meetings

| Attendances at the Board meeting held on | Mr. Abdul Razak Dhanani | Mr. Raoof Razak Dhanani | Mr. Kayum Razak Dhanani | Mrs. Suchitra Dhanani | Mr. T. N. Unni | Mr. Y. S. Mehta | Mr. Vinit Shah | Mr. Pradeep Goyal | Mr. Sanjay Ahuja | Capt. Salim Sheikh |
|--|---|-------------------------------|-------------------------------|-----------------------------|-------------------|--------------------|-------------------|-------------------------|---------------------|--------------------------|
| 09.04.2014 | No | No | No | No | Yes | Yes | N.A. | No | No | Yes |
| 30.05.2014 | No | No | No | Yes | Yes | Yes | N.A | No | Yes | No |
| 04.07.2014 | No | Yes | No | Yes | Yes | Yes | N.A | No | No | No |
| 14.08.2014 | No | No | No | Yes | Yes | Yes | No | No | No | N.A |
| 16.09.2014 | No | Yes | No | Yes | Yes | Yes | No | No | No | N.A. |
| 22.09.2014 | No | No | No | Yes | Yes | Yes | No | No | No | N.A |
| 01.10.2014 | No | No | No | Yes | Yes | Yes | No | No | No | N.A |
| 30.10.2014 | No | No | No | Yes | Yes | Yes | No | No | No | N.A |
| 14.11.2014 | No | No | No | Yes | Yes | No | Yes | Yes | No | N.A |
| 29.12.2014 | No | Yes | No | Yes | Yes | Yes | No | No | No | N.A |
| 10.01.2015 | No | No | No | Yes | Yes | Yes | No | No | No | N.A |
| 06.02.2015 | No | No | No | Yes | Yes | Yes | No | No | No | N.A |
| 12.02.2015 | No | No | No | Yes | Yes | Yes | No | No | No | N.A |
| 14.02.2015 | No | No | No | Yes | Yes | Yes | No | Yes | Yes | N.A |
| 19.03.2015 | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | No | N.A |
| Attendance at th | Attendance at the previous Annual General Meeting | | | | | | | | | |
| 23.08.2014 | No | No | No | No | Yes | No | No | No | No | N.A. |

Note (1) Shri Vinit Shah was appointed as an additional director and Captain Salim Sheikh resigned from the Board w.e.f. 4th July, 2014.

⁽²⁾ The Chairman of the Audit and Nomination and Remuneration Committee, The Statutory Auditors and CFO has also attended the afore said AGM.



The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

The Board periodically reviews the items required to be placed before it and in particular reviews and approves quarterly yearly unaudited financial statements and the audited annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, OH&S performance, progress of major projects and reviews such other items which require board attention. It directs and guides the activities of the Management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with laws and regulations. The Agenda for the Board Meeting covers items set out as guidelines in Clause 49 of the Listing Agreement to the extent these are relevant and applicable. All agenda items are supported by relevant information, documents and presentations to enable the Board to take informed decisions.

COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate ocial Responsibility Committee and non-mandatory committees viz. Borrowing and Investment Committee.

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

a. Audit Committee

Mandatory Committee

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is inline with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions performed by the Committee are:

Terms and Reference to the Audit Committee for Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include review inchanges in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements and /or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgment about the quality and appropriateness of the Company's accounting principles with reference to the International Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism (implemented in the Company as a Fraud Risk Management Policy) and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

Audit

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response there to.
- Review and recommend to the Board the appointment/reappointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- To recommend to the Board the remuneration of the Statutory Auditors.
- To discuss with the Statutory Auditors/Internal Auditors any significant difficulties encountered during the course of the Audit.



Other Duties

- To approve the appointment, removal and terms of remuneration of the Internal Auditor and to approve the appointment of the Chief Financial Officer.
- To grant omnibus approval for related party transactions

which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

The composition of the Audit Committee as at 31st March, 2015 and details of the Members participation at the Meetings of the Committee are as under:

| Name of the Member | Category | Attendances at the Audit Committee meeting held | | | | | | |
|--------------------|-----------------|---|----------|----------|----------|----------|----------|----------|
| Name of the Member | Gategory | 09.04.14 | 30.05.14 | 04.07.14 | 14.08.14 | 14.11.14 | 14.02.15 | 19.03.15 |
| Mr. T. N. Unni | Independent | Yes | Yes | Yes | Yes | No | Yes | Yes |
| Mr. Y. S. Mehta | Nominee of MPFC | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Mr. Vinit Shah | Independent | N.A. | N.A. | No | No | Yes | No | No |
| Mr. Sanjay Ahuja | Nominee of TFCI | No | Yes | No | No | No | Yes | No |
| Mr. alim Sheikh | Non-Executive | Yes | No | No | N.A. | N.A. | N.A. | N.A. |
| Mr. Pradeep Goyal | Independent | N.A. | No | No | No | No | Yes | Yes |

Note: (1) Shri Vinit Shah was appointed as an additional director and Captain Salim Sheikh resigned from the Board w.e.f. 4th July, 2014.

(2) The Company Secretary of the company has also acted as the Secretary of the Committee.

All the Members on the Audit Committee have the requisite qualification for appointment on the

Committee and possess sound knowledge of finance, accounting practices and internal controls.

The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings .The Chief Financial Officer (CFO) attended all the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. The Internal Auditor reports directly to the Audit Committee.

Self-Assessment by the Audit Committee

The Audit Committee has set in place a process to measure and benchmark its performance each year.

The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and overview of internal and external audits. The results of the self-assessment are presented to the Audit Committee along with the action plan in the areas requiring improvement.

 Stakeholders' Relationship Committee (Earlier known as Shareholders Grievance Committee) –

Mandatory Committee

In compliance with the provisions of Section178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee "as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for



correspondence etc. and to monitor action taken;

- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the Company.

The composition of the **Stakeholders' Relationship Committee** as at 31st March, 2015 is as under:

| Name of the Member | Category |
|-------------------------|------------------------|
| Mr. T. N. Unni | Independent Director |
| Mr. Abdul Razak Dhanani | Non-Executive Director |

- Mr. Amit Sarraf, Company Secretary also functions as the Compliance Officer.
- The Committee meets on need basis.
- As on March 31st, 2015 there was no request pending / overdue beyond the due dates.
- The total number of complaints received and replied to the satisfaction of the shareholders during the year under review were 7, Outstanding complaints as on 31st March, 2015 were nil as per records.

c. Nomination and Remuneration Committee -

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing

"Remuneration Committee" as the "Nomination and Remuneration Committee".

The terms of reference of the Committee interalia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration:
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and

sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

The composition of the Nomination and Remuneration Committee as at March, 31, 2015 and the details of Members participation at the Meetings of the Committee are as under:

| Name of the Member | Category | Attendances at the Nomination and Remuneration Committee meeting held |
|--------------------|----------------------|--|
| Mr. T.N. Unni | Independent Director | Yes |
| Mr. Sanjay Ahuja | Nominee Director | No |
| Mr. Y.S. Mehta | Nominee Director | Yes |
| Mr. Vinit Shah | Independent Director | No |

One meeting of the Nomination and Remuneration Committee was held on 4th July, 2014 for appointment of the Independent Director in which Mr. T.N. Unni and Mr. Y.S. Mehta was present. The Company Secretary was also available at the above said meeting.

d. Corporate Social Responsibility (CSR) Committee -

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To formulate the CSR Policy in line with Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The composition of the Corporate Social Responsibility Committee as at 31st March, 2015 and the details of Members' participation at the Meetings of the Committee are as under:

| Name of the Member | Category | Attendances at the Corporate Social Responsibility Committee meeting held on 14.11.2014 |
|-----------------------|-------------------------|---|
| Mr. T. N. Unni | Independent Director | Yes |
| Mrs. Suchitra Dhanani | Promoter Director | Yes |
| Mr. Pradeep Goyal | Independent Director | No |

e. Independent Directors' Meeting

During the year under review, the Independent Directors met on 19.03.2015 inter alia to review the performance of



following Non-Independent Directors and Board as a whole.

- Mr. Abdul Razak Dhanani Non Executive Chairman
- Mrs. Suchitra Dhanani Whole time Director
- Mr. Kayum Razak Dhanani
- Mr. Raoof Razak Dhanani

Review the performance of Mrs. Suchitra Dhanani taking into account the views of Executive and Non-Executive Directors of the Company

Assess the quality, quantity and time lines of flow of information betweenthe Management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

Mr. T.N. Unni and Mr. Pradeep Goyal being Independent Directors, of the Company were present at the meeting and the Company Secretary assisted for the said meeting.

- f. Borrowing and Investment Committee(Constituted 14th February, 2015) Non Mandatory Committee
- The Borrowing and Investment Committee was constituted to take decision related to borrowing, providing guarantee/security to its subsidiary/associates Companies and to make investment subject to the provisions of the Companies Act, 2013 and limit approved by the shareholders of the Company.
- The composition of the Borrowing and Investment Committee as at 31st March, 2015 was as under:

| S.No. | Name of the Member | Category |
|-------|-------------------------|-----------------------------------|
| I | Mrs. Suchitra Dhanani | Promoter & Whole Time Director |
| li | Mr. Raoof Razak Dhanani | Promoter Director |
| iii | Mr. Pradeep Goyal | Independent Director |

 There was no meeting held of Borrowing and Investment Committee during the financial year 2014-15.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration (N&R) Committeehas adopted a policy which, inter alia, deals with themanner of selection of Board of Directors, CEO &Managing Director and their remuneration. The policy is as follows

Introduction

The Company considers human resources as its invaluable assets. The policy on nomination and remuneration of directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of provisions of Companies Act 2013 and Listing Agreement to pay equitable remuneration to the directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company

Objective and Purpose of the Policy

The Objectives and purpose of the policy are:

- To formulate the criteria for determining qualification, competencies positive attributes and independence for the appointment of a director (executive / non- executive) and recommend to the Board policies relating to the remuneration of the directors, KMPs and other employees. This includes reviewing and appraising corporate goals and objectives relevant to the compensation of Chief Executive Officer (CEO), evaluating CEO'S performance in the light of those goals and objectives, and either as committee or together with the other independent directors (as directed by the Board), determine and approve the CEO's Compensation level based on the evaluation and making recommendation to the Board with respect to non-executive officer compensation, incentive compensation and equity based plans that are subject to the Board's approval:
- To address the following items :
 - i. committee member qualifications
 - ii. committee member appointment and removal
 - iii. committee structure and operations
 - iv. committee reporting to the Board
- To formulate the criteria for evaluation of performance of all the directors on the Board.
- To devise a policy on Board diversity; and
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals

Constitution of Nomination and remuneration Committee

The Board has re-renamed the "Remuneration Committee" of the Company to "Nomination and Remuneration Committee" of the Board on 06th February, 2014. Board has further re-constituted the committee on 04th July, 2014.

The Board has the authority to reconstitute this committee from time to time.

Definitions

- 1. 'The Board' means Board of Directors of the Company.
- 2. 'Directors' means Directors of the Company.
- 'The Committee' means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with Act and applicable Listing Agreement and/or regulations.
- 4. 'The Company' means Sayaji Hotels Limited.
- 5. 'Independent Director' means director referred in 149(6) of the Companies Act, 2013 and rules.



- 6. Key Managerial Personnel (KMP) means:
 - The Managing Director or the Chief Executive Officer or the manager and the Whole time director:
 - The Company Secretary; and
 - The Chief Financial Officer
- Senior management means personnel of the Company who
 are members of its core management team excluding the
 Board of Directors. This would include all members of
 management, one level below the executive directors,
 including the functional heads.

Unless the context otherwise requires, words and expression used in this policy and not defined herein but defined in Companies Act 2013 and Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

General

The Policy is divided into three parts:

Part –A covers the matters to be dealt with and recommended by the committee to the Board:

Part-B covers the appointment and nomination; and

Part-C covers the remuneration and perguisites etc

This policy shall be included in the Board's report.

Part-A

Matters to be dealt with, perused and recommended to the Board by the nomination and remuneration committee

The following matters shall be dealt by the committee:

Size and Composition of Board

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decision, with a variety of perspectives and skills, in the best interest of the Company as a whole

Directors

Formulate the criteria determining qualification, positive attributes, and independence of a director and recommending candidates to the Board, when circumstances warrant the appointment of new director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board.

Succession plans

Establishing and reviewing Board and senior executive succession plans to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and senior management.

Evaluation of performance

Make recommendations to the Board on appropriate performance

criteria for the directors

Formulate the criteria and framework for evaluation of performance of every director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that non -executive directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

Board diversity

The Committee is to assist the Board in ensuring that diversity of gender, thought, experience, knowledge and perspective is maintained in the Board nomination process, in accordance with Board diversity policy.

Remuneration framework and policy

The committee is responsible for reviewing and making recommendation to the Board on:

- (a) The remuneration of managing director, whole-time director and KMPs:
- (b) The total level of remuneration of non non-executive directors and for individual remuneration for non-executive director and the Chairman, including any additional fees payable for membership of Board committees;
- (c) The remuneration policies for all the employees including KMPs, senior management and other employees including base pay, incentive payments, equity awards, retirement rights and service contracts, having regard to the need to:
 - (i) attract and motivate talent to pursue the Company's long-term growth
 - (ii) demonstrate a clear relationship between executive compensation and performance; and
 - (iii) be reasonable and fair, having regard to the best governance practices and legal requirements
- (d) The Company's equity-based incentives schemes, including a consideration of performance thresholds and regulatory and market requirements;
- (e) The Company's superannuation arrangements and compliance with relevant laws and regulation in relation to superannuation arrangements; and
- (f) The Company's remuneration reporting in the financial statements and remuneration report.

PART-B

Policy for appointment and removal of directors, KMPs and senior management.

Appointment criteria and qualification

The criteria for the appointment of Directors, KMPs and Senior



Management are as follows:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the persons for appointment as a director, KMP or senior management level and recommend to the Board his/her appointment.
- A person to be appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he/she is considered for appointment to. The committee has discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- A person to be appointed as director, should possess impeccable reputation for integrity, deep expertise and insights in sectors /areas relevant to the Company, ability to contribute to the Company's growth, and complementary skills in relation to the other Board members.
- A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole- time KMP can be appointed as a director in any company, with the permission of the Board of the Company

Term/Tenure

Managing Director/Whole-time Director

The Company shall appoint or re- appoint any person as its managing director and CEO or whole -time director for a term not exceeding five years at a time. No re- appointment shall be made earlier than one year before the expiry of the term.

Independent Director

An independent director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of special resolution by the Company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent directors shall be eligible for appointment after the expiry of three years of ceasing to become an independent director. Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However if a person who has already served as an independent director for five years or more in the Company as on April 1, 2014 or such other date as may be determined by the committee as per regulatory requirement he/ she shall be eligible for appointment for one more term of five year only.

At the time of appointment of an Independent director, it should be ensured that the number of Boards on which such independent

director serves is restricted to seven listed company as an independent director and three listed company as an independent director in case such person is serving as a whole –time (executive) director of a listed company.

Removal

Due to any of the reason for disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the committee may recommend to the Board with reason recorded in writing the removal of a director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The whole- time directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the whole -time directors, KMP and senior management personnel in the same position /remuneration or otherwise, even after attaining retirement age, for the benefit of the Company.

PART-C

Policy relating to the remuneration of directors, KMPs and other employees.

General

- The remuneration/compensation/commission to directors will be determined by the committee and recommended to the Board for approval.
- The remuneration and commission to be paid to the managing director shall be in accordance with provisions of the Companies Act, 2013, and the rules made thereunder.
- Increments to the existing remuneration/compensation structure may be recommended by the committee to the Board which should be within the limits approved by the shareholders in the case of managing director.
- Where any insurance is taken by the Company on behalf of its managing director, Chief Financial Officer, Company Secretary and any other employee for indemnifying them against any liability the premium paid on such insurance shall not be treated as the part of the remuneration payable to any such personnel. Provided that if such personnel is proved to be guilty, the premium paid on such insurance shall be treated as the part of the remuneration.

Remuneration of Non-Executive/Independent Directors

The Non-Executive/Independent Directors shall be entitled to receive remuneration by way of sitting fees and reimbursement of expenses for participation in the Board / Committee meetings as detailed hereunder:



 A Non-Executive/Independent Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

Remuneration for the CEO & Managing Director

- i. At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the CEO & Managing Director is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits. The variable component comprises performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus)the N&R Committee shall ensure / consider the following:
 - The relationship of remuneration and performance benchmarks is clear:
 - Balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - Responsibility required to be shouldered by the CEO & Managing Director, the industry benchmarks and the current trends;
 - The Company's performance vis-à-vis the annual budget achievement and individual performance vis-àvis the KRAs / KPIs.

Remuneration Policy for the Senior Management Employees

- In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure/consider the following:
 - the relationship of remuneration and performance benchmark is clear;
 - the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;

- The remuneration is divided into two components viz.
 fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- iv. The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual's performance vis-à-vis KRAs/ KPIs, industry benchmark and current compensation trends in the market.
- II. The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

Policy review

The policy is framed based on the provisions of the Companies Act 2013 and the rules made thereunder and requirements of Clause 49 of Listing Agreement with the Stock Exchange.

In case of any subsequent changes in the provisions of Companies Act 2013 or any other regulation which makes any of the provisions in the policy inconsistent with the Act or regulation, the provisions of the Act or regulation would prevail over the policy and the provisions of the policy would be modified in due course to make it consistent with the law.

The policy shall be reviewed by the nomination and remuneration committee as and when changes need to be incorporated in the policy due to changes in regulations or as may be felt appropriate by the committee. Any change or modification in the policy as recommended by the committee would be given for approval to the Board.

TERMS OF APPOINTMENT & REMUNERATION -WHOLE-TIME DIRECTOR

1. Mrs. Suchitra Dhanani

| Period of Appointment | 3 Years (from 06.02.2014 to 05.02.2017) |
|-------------------------|--|
| Salary Grade | 150000¹ |
| Perquisite & Allowances | 100000 |
| Minimum Remuneration | In case of in absence or inadequacy of the profit in any financial year, the Company shall pay the above said remuneration i.e. (Salary+Perquisite& allowances) subject to the maximum of Rs. 4,00,000 per month |
| Notice Period | 60 Days |

With the annual increment up to Rs. 50000 P.M. payable on the 1st day of April, every year commencing from 01.04.2014



POLICY ON MATERIAL SUBSIDIARY COMPANIES

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year.

The Audited Annual Financial Statements of Subsidiary companies are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Board meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

POLICY FOR DEALING WITH THE RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures required by the Accounting Standards (AS18) have been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the

Company's website.

DISCLOSURES

Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

WTD/CFO Certification

The WTD and the CFO have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificates are annexed and forms part of the Annual Report.

CODE OF CONDUCT

In conformity with the Clause 49 of the Listing Agreement, our Company has adopted a Code of Conduct for the Board and Senior Management of the Company and the compliance of the same is affirmed by the Board and the senior Management Personnel annually. The Code has also been posted on company's website viz. www.sayajihotels.com

All the members of the Board and the Senior Management Personnel have affirmed compliance to the said Code of Conduct during the Financial Year ended March 31, 2015. A declaration is signed by the Managing Director of the Company, affirming compliance with the Code of Conduct by the members of the Board and Senior Management Personnel.

INTERNAL CONTROL AND WHISTLE BLOWER/VIGIL MECHANISM POLICY

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory /regulatory compliances. The Company's business processes are on IDS platform and have a strong monitoring and reporting process resulting in financial discipline and accountability.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Vigil Mechanism Policy to provide employee an avenue to lodge Complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. To provide necessary safeguards for protection of employees from reprisals or victimization, for whistle-blowing in good faith.

Mrs. Suchitra Dhanani has been appointed as Competent Authority to whom the complaint may be addressed.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary& Compliance Officer is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchanges. The aforesaid



financial results are sent to BSE Limited (BSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter given by way of a Press Release to various news agencies/analysts and are published within fortyeight hours in leading English and Gujarati daily newspapers. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.

- The Company also intimates to BSE about all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- The Annual Report of the Company, the quarterly / half yearly and the annual results and the press releases of the Company are also placed on the Company's website: www.sayajihotels.com and can be downloaded.
- In compliance with Clause 52 of the Listing Agreement, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Bombay Stock Exchanges are filed electronically on BSE's on-line portal and through Corporate Filing and Dissemination System (CFDS) website www.listing.bseindia.com The Company has complied with filing submissions through BSE's BSE Online Portal.
- A separate dedicated section underthe head 'Investors' and'Corporate Governance' on the Company's website gives information on unclaimed dividends, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

GENERAL INFORMATION TO SHAREHOLDERS

Financial Year Ended : March 31, 2015

Investor Services

The Company has M/s Link Intime India Pvt. Ltd., Mumbai as a Registrar and Share Transfer Agent which offers all Share related services to its Members and Investors. These services include transfer / transmission /dematerialization of shares, payment of dividends, sub-division / consolidation / renewal of share certificates and investor grievances.

Address for Correspondence with the Registrar and Transfer Agent

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W), Mumbai – 400078

Email – mumbai@linkintime.co.in; saili.laad@linkintime.co.in

Phone: 022-25963838 Fax: 022-25946969

Address for Correspondence with the Company

Sayaji Hotels Ltd.

H-1, Scheme No. 54, Vijay Nagar, Indore – 452010

Phone: 0731-4006666 Fax: 0731-4003131

Email:cs@sayajiindore.com

Communication by E-mail:

For transfer/transmission/subdivision/demat/loss of shares/dividend/generalinquiriesandinvestor grievanceremainingunattended:cs@sayajihotels.com

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain Demat Account/s, for their queries relating to shareholding, change of address, credit of dividend through NECS. However, queries relating to non-receipt of dividend, non-receipt of annual reports, or on matters relating to the working of the Company should be sent to the Company.

Members who hold shares in physical form should address their queries to the Company.

Members are requested to ensure that correspondence for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewals/split/consolidation of share certificates, issue of duplicate share certificates should be signed by the first named Member as per the specimen signature registered with the Company in case of joint holders. The Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and/or address.

Members are requested to indicate their DP ID & Client ID/ Ledger Folio number in their correspondence with the Company and also to provide their Email addresses and telephone numbers/FAX numbers to facilitate prompt response from the Company.

Exclusive E-Mail ID

The Company has designated an e-mail ID to enable the Members and Investors to correspond with the Company. The e-mail ID is cs@sayajiindore.com

Project Locations:

- i. Sayaji Hotel, Vadodara, Gujarat
- ii. Sayaji Hotel, Indore, Madhya Pradesh
- iii. Sayaji Hotel, Pune, Maharashtra
- iv. Sayaji Hotel, Bhopal, Madhya Pradesh
- v. Sayaji Hotel, Kolhapur, Maharashtra

The details of the units along with their addresses and telephone numbers are also available on the Company's website.



Market Information

Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

| Name and Address of the Stock Exchanges | Stock/Scrip Code | ISIN for CDSL/NSDL Dematerialized Shares |
|---|------------------|---|
| Bombay Stock Exchange | 523710 | INE318C01014 |
| Ahmedabad Stock Exchange | 52190 | INE318C01014 |
| Vadodara Stock Exchange | 140 | INE318C01014 |

Equity Share Price on BSE vis-à-vis BSE April, 2014 – March, 2015

| Month | BSE Sensex Closed | | Equity Share Price | | No of Shares Traded | Turnover |
|-------------|--------------------|--------|---------------------------|--------|---------------------|-------------|
| MOHUI | DOE Selisex Closen | High | Low | Close | during the month | Rs. In Lacs |
| April-2014 | 22417.80 | 135.50 | 121.50 | 129.60 | 149 | 1684951 |
| May-2014 | 24217.34 | 135.75 | 126.00 | 128.20 | 267 | 5687815 |
| June-2014 | 25413.78 | 142.00 | 127.25 | 137.50 | 229 | 2089142 |
| July-2014 | 25894.97 | 144.30 | 127.50 | 135.00 | 192 | 754518 |
| August-2014 | 26638.11 | 139.90 | 121.15 | 125.45 | 95 | 596858 |
| Sept2014 | 26630.51 | 136.95 | 120.50 | 132.00 | 180 | 1798753 |
| Oct.,-2014 | 27865.83 | 138.00 | 121.20 | 124.20 | 91 | 713055 |
| Nove2014 | 28693.99 | 134.50 | 122.00 | 128.00 | 139 | 2138505 |
| Dec2014 | 27499.42 | 139.70 | 124.50 | 134.25 | 121 | 1032214 |
| Jan2015 | 29182.95 | 137.55 | 126.00 | 129.10 | 193 | 1134629 |
| Feb2015 | 29361.50 | 140.50 | 122.00 | 128.00 | 167 | 1211016 |
| March-2015 | 27957.49 | 135.00 | 120.70 | 128.30 | 198 | 921597 |

SHARE TRANSFER SYSTEM / DIVIDEND ANDOTHER RELATED MATTERS

i. Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

ii. Nomination facility for shareholding -

As per the provisions of the Companies Act,2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Registrar and Transfer Agents of the Company or download the same from

the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

iii. Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s,members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

iv. Unclaimed Dividend -

There is no amount of unclaimed dividend lying in the books of the Company which require to be transfer into Investor Education & Protection Fund.



v. Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary at the Registered Office with a copy of the earlier correspondence.

vi. Reconciliation of Share Capital Audit

As required by the Securities & Exchange Board of India

(SEBI) quarterly audit of the Company's share capitalis being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited(CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and is also placed before Board of Directors.

Distribution of Shareholding as on March 31, 2015 -

| No. of Shares (Slab) | No.of Share holders | % | | |
|----------------------|---------------------|-------|---------------|--------------------|
| No. of Shales (Slab) | NU.UI SHATE HUIUEIS | 70 | No. of shares | % of share Capital |
| 1-500 | 3385 | 94.61 | 367079 | 2.10 |
| 501-1000 | 98 | 2.74 | 79707 | 0.45 |
| 1001-2000 | 29 | 0.81 | 45383 | 0.26 |
| 2001-3000 | 13 | 0.36 | 34354 | 0.20 |
| 3001-4000 | 5 | 0.14 | 19300 | 0.11 |
| 4001-5000 | 4 | 0.12 | 17960 | 0.10 |
| 5001-10000 | 8 | 0.22 | 62775 | 0.36 |
| 10001 or more | 36 | 1.00 | 16891442 | 96.42 |
| TOTAL | 3578 | 100 | 17518000 | 100.00 |

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository

Services (India) Limited (CDSL) whereby Members have an option to dematerialize their shares with either of the depositories.

Shareholding Pattern as on 31st March, 2015

| | No.of Shares held | % |
|---|-------------------|--------|
| Promoters | 8738430 | 49.88 |
| Banks, Financial Institutions, Insurance Companies & Mutual Funds | | |
| i. Banks | 0 | 0.00 |
| ii. Financial Institutions | 300 | 0.00 |
| iii. Insurance Companies | 0 | 0.00 |
| iv. Mutual Funds/UTI | 4000 | 0.02 |
| Central & State Governments | 0 | 0.00 |
| Foreign Institutional Investors | 0 | 0.00 |
| NRIs/Foreign Nationals | 2223838 | 12.70 |
| Directors | 5262103 | 30.03 |
| Public and Others | 1289329 | 7.37 |
| TOTAL | 17518000 | 100.00 |

Statement showing Shareholding of more than 1% of the Capital as on 31st March, 2015

| S.No. | Name of shareholders | No.of Shares held | % of shareholding |
|-------|---------------------------------|-------------------|-------------------|
| 1. | Mr. Raoof Razak Dhanani | 4772574 | 27.24% |
| 2. | Mrs. Anisha Dhanani | 2643256 | 15.09% |
| 3. | Ahilya Hotels Limited | 2455000 | 14.01% |
| 4. | Late. Mr. Sajid R. Dhanani | 2435511 | 13.90% |
| 5. | Mrs. Nasim Desai | 626900 | 3.58% |
| 6. | Mrs. Suchitra Dhanani | 320829 | 1.83% |
| 7. | Mr. Abdul Gani Sarfaraz Dhanani | 748687 | 4.27% |
| 8. | Ms. Sana Dhanani | 716623 | 4.09% |
| 9. | Mrs. Nasreen Yusuf Dhanani | 715097 | 4.08% |
| 10. | Mrs. Rohini S. Udar | 526000 | 3.00% |

Particulars of the Last 3 Annual General Meetings/Extra General meeting held

| S.No. | Date of AGM | Venue of AGM and Time | No of Special Items transacted | Whether Chairman of the Audit Committee has attended the meeting |
|-------|-------------|---|-----------------------------------|---|
| 1 | 23.08.2014 | Sayaji Hotel, Opposite Rajshree Talkies, Near Kala Ghoda, Sayajiganj, Vadodara – 390005 (Gujarat) at 3.00 P.M. | 8 | Yes |
| 2 | 24.09.2013 | Sayaji Hotel, Opposite Rajshree Talkies, Near Kala Ghoda, Sayajiganj, Vadodara – 390005 (Gujarat) at 3.00 P.M. | 3 | Yes |
| 3 | 25.09.2012 | Sayaji Hotel, Opposite Rajshree Talkies, Near Kala Ghoda, Sayajiganj, Vadodara – 390005 (Gujarat) at 3.30 P.M. | 2 | Yes |

There was no Extraordinary General Meeting was held during the year.

Details of Resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern

During the year under review, one resolution has been passed through the exercise of postal ballot to seek approval of the shareholders u/s 180(i)(a) of the Companies Act, 2013.

Mr. Neelesh Gupta proprietor of M/s Neelesh Gupta & Co., Company Secretary in practice (ICSI Membership No. 6381) was appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The details of voting pattern of postal ballot are as under –

| S. No. | Particulars | No. of Votes Contained In | Percentage of Voting |
|--------|--|---------------------------|----------------------|
| 1. | No. of total votes cast for the resolution | 13880112 | 100 |
| 2. | Number of votes cast against the resolution | 124 | 0 |
| 3. | Number of votes cast in favour of the resolution | 13879561 | 99.99 |
| 4. | Number of invalid votes/against options no indicated | 427 | 0.001 |



OTHER INFORMATIONS

| Board Meeting for consideration of Accounts for the financial year ended March 31, 2015. | 30 th May, 2015 |
|--|--|
| Date of closing of the financial year | 31st March, 2015 |
| Posting of Annual Reports | On or before 31.08.2015 |
| Book Closure Dates | 19.09.2015 to 22.09.2015 (both days inclusive) |
| No. of Shares in the Demat & % of the total shares in the Demat | 15498890 Shares (88.47% of the total Equity paid up capital of the Company |
| Total No. of shareholders as at 31.03.2015 | 3557 Equity share holders 8 Preference share holders |
| Particulars of Shares kept under the suspense A/c as per Clause 5A(I) and 5(A)(II) of the Listing Agreement | N.A./Nil |
| Details of the outstanding ADR/GDR/ Warrants | Nil |
| Cutoff date for remote e-voting | 18.09.2015 |
| Remote E-Voting period | 23.09.2015, 9.00 A.M. to 25.09.2015, 5.00 P.M. |
| Name of the Scrutinizers | Mr. Ritesh Gupta (ICSI Membership No. 5200) |
| Name of the Compliance Officer | Mr. Amit Sarraf |
| Last date for receipt of Proxy Forms | 24.09.2015 (upto 3.00 P.M.) |
| Date, Time & Venue of the 32 nd Annual General Meeting | Date –26.09.2015 Time –3.00 P.M. Venue – Sayaji Hotel, Opposite Rajshree Talkies, Near Kala Ghoda, Sayajiganj, Vadodara – 390005 (Gujarat) |
| Dividend Payment Date | N.A. |
| Probable date of dispatch of warrants | N.A. |





MANAGEMENT RESPONSIBILITY STATEMENT

The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance that the company's established policies and procedures have been followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls.

These financial statements have been audited by M/s K.L. Vyas & Company, Chartered Accountants, the Statutory Auditors of the Company.

For and on behalf of the Board of Directors

Place: Indore

T.N. Unni
Date: 12.08.2015

Chairman
DIN 00079237





Compliance with Code of Business Conduct and Ethics

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2015.

For Sayaji Hotels Limited

Place: Indore Date: 30.05.2015 Suchitra Dhanani Whole-Time Director DIN- 00712187

CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Whole-Time Director and Chief Financial officer of Sayaji Hotels Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended March, 31,2015 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the company during the year, which are fraudulent, illegal or illicit of the Company's Code of Conduct.
- c. We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Yours faithfully

For Sayaji Hotels Limited Sandesh Khandelwal Chief Financial Officer

For Sayaji Hotels Limited
Suchitra Dhanani
Place: Indore
Whole-time Director
Date: 12.08.2015
DIN-00712187



Auditor's Certificate for Corporate Governance Compliance

To, The Members, Sayaji Hotels Limited, Vadodara

We have examined the compliances of the conditions of Corporate Governance by SAYAJI HOTELS LIMITED, for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of my information and according to the explanations given to us and representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements in all respects.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For K.L. Vyas & Company FRN: 003289C Chartered Accountants

Place:Indore 12th August, 2015 (K.L.Vyas)
Partner
M. No. 72043



INDEPENDENT AUDITORS' REPORT

To, The Members, Sayaji Hotels Limited,

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Sayaji Hotels Limited (the Company), which comprise the Balance Sheet as at March 31st, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015

- from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29.1 to the financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K.L. Vyas & Company, Chartered Accountants, FRN: 003289C

Place : Indore. Partner

Date : 30th May, 2015 M. No. 072043





ANNEXURE REFERRED TO IN CLAUSE 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SAYAJI HOTELS LIMITED ON THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details of fixed assets, however for some fixed assets, situation of the assets is not given and identification numbers are also not been given, which need to be updated. We have been informed by Management that above Work is in progress.
 - (b) Physical verification of fixed assets has been carried out by the Management at most of the Units in accordance with a phased programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) (a) We are informed that the inventories of the company have been physically verified by the Management during the year.
 - (b) In our opinion, the procedures for physical verification of inventories followed by Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the records of the Company, we are of the opinion that the company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical and book records were not material.
- (iii) (a) Company has granted loans to 3 Companies (Previous Year 3 Companies) required to be covered in register maintained under section 189 of the Companies Act, 2013. the year end balance outstanding is Rs. 17.62 Lacs (Previous Year Rs.

- 17.62 Lacs) and maximum amount outstanding is Rs. 17.62 Lacs (Previous Year Rs. 917.90 Lacs).
- (b) The above loans granted are unsecured and interest free and are repayable on demand. However, loan amounting to Rs. 17.46 Lacs (Previous Year 17.46 Lacs) has been considered doubtful and provision for same has been made.
- (c) There is no overdue amount of loans granted to above companies, since same is repayable on demand and are not called upon to repay the same.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under, with regard to the deposits accepted from the public. According to information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) Central Government has not prescribed for the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013, for any of the business activity carried by the Company during the year under review.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, service tax & cess and other material statutory dues as may be applicable to it.



According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, wealth tax, excise duty and cess were in arrears, as at 31.03.2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, details of the dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute are given below.

| Name of Statue | Nature of Dues | Period to which the amount relates | Forum where the dispute is pending | Total Amount (Rs. In Lacs) |
|---|------------------------|------------------------------------|--|-------------------------------|
| Finance Act, 1994 and Service Tax laws | Service Tax | Mar.'05-Mar.'09 | High Court of M.P., Indore Bench, Indore | 256.78 |
| | Service Tax | 2009-2011 | Honourable CESTAT, Delhi. | 800.74 |
| | Service Tax | 2009-2013 | Honourable Commissioner (Appeals), Pune. | 39.27 |
| | Service Tax | Apr.'11-Jun.'12 | Honourable CESTAT, Delhi. | 538.54 |
| Income Tax Act, 1961. | Income Tax | A.Y.04-05 | Honourable ITAT, Ahmedabad. | 19.05 |
| | | A.Y.05-06 | Honourable ITAT, Ahmedabad. | 6.49 |
| | | A.Y.06-07 | Honourable ITAT, Ahmedabad. | 7.39 |
| | | A.Y.07-08 | Honourable ITAT, Ahmedabad. | 0.08 |
| | | A.Y.08-09 | Honourable ITAT, Ahmedabad. | 22.57 |
| | | A.Y.09-10 | Honourable ITAT, Ahmedabad. | 61.13 |
| | | A.Y.10-11 | Honourable ITAT, Ahmedabad. | 10.81 |
| | | A.Y.12-13 | Honourable ITAT, Ahmedabad. | 3.78 |
| | Tax deducted at Source | A.Y.11-13 | Commissioner of Income Tax, Pune | 1.02 |
| M.P. Value Added Tax Act, 2002 | Value Added Tax | 2010-11 | Appelate Tribunal, Commercial Taxes, Indore. | 0.56 |
| | | 2011-12 | Commissioner (Appeal), Commercial Taxes, Indore | 37.72 |
| | | 2012-13 | Commissioner (Appeal), Commercial Taxes, Indore | 2.87 |
| M.P. Luxury, Entertainment & Advertisement Tax | Luxury Tax | 2011-2012 | Commissioner (Appeal), Commercial Taxes, Indore | 2.35 |
| Act, 2011 | | 2012-2013 | Commissioner (Appeal), Commercial Taxes, Indore | 40.60 |
| | T(| DTAL | | 1851.75 |



- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time
- (viii) The company does have accumulated losses, however they are less than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the

- quarantees given by the company for loans taken by others from banks or financial institutions are prima facie, not prejudicial to the interests of the company.
- (xi) In our opinion and according to the information and explanations given to us, term loans taken by the company were applied for the purpose for which the loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For K.L. Vyas & Company, **Chartered Accountants.** FRN: 003289C

(K.L. Vyas) Place: Indore. **Partner** Date: 30th May, 2015 M. No. 072043

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BALANCE SHEET AS AT 31st MARCH 2015

(Rs. In Lacs)

| Particulars | Note No. | As at 31st March, 2015 | As at 31st March, 2014 |
|---|-------------|--------------------------|-------------------------|
| I EQUITY AND LIABILITIES | | | |
| (i) Shareholders' Funds | | | |
| (a) Share Capital | 2 | 2,668.46 | 1,751.80 |
| (b) Reserves & Surplus | 3 | 6,518.13 | 6,456.11 |
| Total Shareholder's Funds (i |) | 9,186.59 | 8,207.91 |
| (ii) Non-current liabilities | | 4 000 70 | 4 055 07 |
| (a) Long-term Borrowings | 4 5 | 4,008.72 | 4,655.97 |
| (b) Other Long Term Liabilities | 6 | 2,007.17 | 2,006.67 262.44 |
| (c) Long-Term Provisions | | 388.05 | |
| Total Non-Current Liabilities (ii (iii) Current liabilities |) | 6,403.94 | 6,925.08 |
| (a) Short-Term Borrowings | 7 | 417.30 | 546.38 |
| (b) Trade Payables | 8 | 747.97 | 761.63 |
| (c) Other Current Liabilities | 9 | 2,998.00 | 2,421.22 |
| (d) Short Term Provisions | 10 | 290.12 | 233.02 |
| Total Current Liabilities (iii | I | 4,453.39 | 3,962.25 |
| Grand Total (i+ii+iii | | 20,043.92 | 19,095.24 |
| II ASSETS | ' | 20,010.02 | 10,000.21 |
| (i) Non-Current Assets | | | |
| (a) Fixed Assets | 11 | | |
| i) Tangible Assets | | 13,835.60 | 14,256.83 |
| ii) Intangible Assets | | 17.53 | 27.11 |
| iii) Capital Work-in-Progress | | 516.45 | 29.17 |
| Total Fixed Assets | s | 14,369.58 | 14,313.11 |
| (b) Non-Current Investments | 12 | 2,091.49 | 1,925.43 |
| (c) Deferred Tax Assets (net) | 13 | 581.16 | 320.11 |
| (d) Long-Term Loans and Advances | 14 | 530.87 | 493.35 |
| (e) Other Non-Current Assets | 15 | 18.39 | 17.98 |
| () | | 3,221.91 | 2,756.87 |
| Total Non-Current Assets (i |) | 17,591.49 | 17,069.98 |
| (ii) Current Assets | ´ | | <u> </u> |
| (a) Inventories | 16 | 1,259.20 | 883.85 |
| (b) Trade Receivables | 17 | 746.89 | 636.76 |
| (c) Cash and Cash Equivalents | 18 | 95.09 | 177.93 |
| (d) Short-Term Loans and Advances | 19 | 351.25 | 325.88 |
| (e) Other Current Assets Total Current Assets (ii | 20 | 2452.43 | 0.84 2,025.26 |
| Grand Total (i+ii | | | |
| · | , | 20,043.92 | 19,095.24 |
| Significant Accounting Policies | 1 2 70 20 | | |
| Notes on Financial Statements This is the Balance Sheet referred to in our report of even date | 2 TO 29 | For and on behalf of the | |

This is the Balance Sheet referred to in our report of even date

For K.L.Vyas & Company Chartered Accountants Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani Director Director

K.L.Vyas Partner

Sandesh Khandelwal Chief Financial Officer Amit Sarraf Company Secretary

M.No. 072043 Indore, 30th May 2015



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2015

(Rs. In Lacs)

| Particulars | Note No. | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 |
|--|-------------|--|--|
| Continuing Operations | | | |
| INCOME | | | |
| Revenue From Operations | 21 | 13,536.66 | 12,342.51 |
| Other Income | 22 | 135.06 | 74.57 |
| TOTAL | | 13,671.72 | 12,417.08 |
| EXPENDITURE | | | , , |
| Cost of Material Consumed | 23 | 3,565.93 | 3,103.89 |
| Operating Expenses | 24 | 3530.43 | 3,118.35 |
| Employee Benefit Expenses | 25 | 2,943.21 | 2,408.53 |
| Other Expenses | 26 | 831.08 | 1,208.59 |
| · | | 10,870.65 | 9,839.36 |
| Operating profit before Intt. | | 2,801.07 | 2,577.72 |
| Finance Cost | 27 | 1,168.27 | 1,303.45 |
| Profit before Depreciation | | 1,632.80 | 1,274.27 |
| Depreciation | 11 | 2,040.60 | 1,507.43 |
| Add : Depreciation Written Back | | | 0.52 |
| Profit /(Loss) before exceptional & extraodinary items | | (407.80) | (232.64) |
| Exceptional Items - Expenses/(Income) | 28 | | (1,056.14 |
| Profit before Tax | | (407.80) | 823.50 |
| Tax Expenses | | | |
| Current Tax | | 220.30 | 375.66 |
| Deferred Tax | | (261.05) | (106.64) |
| Earlier year's Tax | | (102.02) | |
| Profit/(Loss) for the year from continuing operations | | (265.03) | 554.48 |
| Earning Per Equity Share of Face value of Rs. 10 Each | | | |
| (1) Basic | | (1.67) | 3.17 |
| (2) Diluted | | (1.67) | 3.17 |
| Significant Accounting Policies | 1 | | |
| Notes on Financial Statements | 2 to 29 | | |

This is the Statement of Profit & Loss referred to in our report of even date

For and on behalf of the Board of Directors

For K.L.Vyas & Company Chartered Accountants Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani Director Director

K.L.Vyas Partner

Sandesh Khandelwal Chief Financial Officer Amit Sarraf Company Secretary

M.No. 072043 Indore, 30th May 2015



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(Rs. In Lacs)

| Particulars | For the yea 31st Marc | ar ended h, 2015 | For the year ended 31st March, 2014 | |
|---|--------------------------|---------------------|--|----------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit before Tax from continuing operations Non-cash adjustment to reconcile profit before tax to net cash flows | | (407.80) | | 823.50 |
| Depreciation & Amortisation including adjustments | 2,040.60 | | 1,514.85 | |
| Profit on Sale of Investments | | | (1,104.98) | |
| Interest Expense | 1,168.27 | | 1,303.45 | |
| Interest Received | (38.43) | 3,170.44 | (36.06) | 1,677.26 |
| Operating profit before Working Capital changes | | 2,762.64 | | 2,500.76 |
| Adjustments for: | | | | |
| Increase/(Decrease) in other long term liabilities | 0.50 | | (7.52) | |
| Increase/(Decrease) in long term provisions | 125.61 | | 83.41 | |
| Increase/(Decrease) in trade payables | (13.66) | | 88.37 | |
| Increase/(Decrease) in other current liabilities | 576.78 | | (125.31) | |
| Increase/(Decrease) in short term provisions | 75.50 | | 4.45 | |
| Decrease/(Increase) in long term advances | (37.52) | | 22.99 | |
| Decrease/(Increase) in Inventories | (375.35) | | (0.60) | |
| Decrease/(Increase) in trade receivable | (110.13) | | 532.14 | |
| Decrease/(Increase) in short term advances | (60.41) | | 1,932.80 | |
| Decrease/(Increase) in other current assets | 0.84 | 182.16 | (0.06) | 2,530.67 |
| Cash generated from operations | | 2,944.80 | | 5,031.43 |
| Taxes (Paid)/Refund | | (101.64) | | (143.10) |
| Net cash from operating activities | | 2,843.16 | | 4,888.33 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed assets | (2,229.59) | | (762.58) | |
| Sale/Disposal of Fixed assets | 1.24 | | 10.85 | |
| Purchase of Trade Investments | (166.06) | | (745.20) | |
| Sale of Investments | | | 1,353.98 | |
| Maturity/(Investment) in current Investment | | | 3.64 | |
| Maturity/(Investment) in Fixed Deposits | 65.68 | | (4.06) | |
| Interest Received | 38.43 | | 36.06 | |
| Net cash used in investing activities | | (2,290.30) | | (107.31) |



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(Rs. In Lacs)

| Particulars | | For the year ended 31st March, 2015 | | For the year ended 31st March, 2014 | |
|--|---|--|----------|--|------------|
| C. | CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| | Proceeds/(Repayment) from Issue of Shares | 916.66 | | | |
| | Proceeds/(Repayment) of Share Premium | 458.33 | | | |
| | Proceeds/(Repayment) of Long Term Borrowings | (647.24) | | (2,587.80) | |
| | Proceeds/(Repayment) of loans from companies | | | (774.29) | |
| | Proceeds/(Repayment) of Secured Short Term Borrowings | (129.08) | | (167.48) | |
| | Interest Paid | (1,168.27) | | (1,304.37) | |
| Net cash generated from financing activities | | | (569.60) | | (4,833.94) |
| Net | t increase in cash and cash equivalents | (16.74) | | (52.92) | |
| Cas | sh and cash equivalents - Opening Balance | 111.83 | | 164.75 | |
| Cash and cash equivalents - Closing Balance | | | 95.09 | | 111.83 |

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For K.L.Vyas & Company Chartered Accountants Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani Director Director

K.L.Vyas Partner M.No. 072043 Indore, 30th May 2015

Sandesh Khandelwal Chief Financial Officer Amit Sarraf Company Secretary





NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

NOTE 1.

Sayaji Hotels Limited ("SHL" or the "Company"), is a listed public limited company incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay stock exchange, Vadodara stock exchange, Madhya Pradesh stock exchange & Ahmedabad stock exchange on India. The Company is primarily engaged in the business of owning, operating & managing hotels.

SIGNIFICANT ACCOUNTING POLICIES

Convention

To prepare financial statements in accordance with applicable Accounting Standards in India. A summary of accounting policies, which have been applied consistently, is set out below. The financial statements have also been prepared in accordance with relevant presentational requirement of the Companies Act, 2013.

Basis of Accounting

The financial statements have been prepared under the historical cost convention and on accrual basis and on going concern concept.

Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

Fixed Assets

To state Fixed Assets at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction/fabrication, related pre-operational expenses form part of the value of the assets capitalized. Expenses capitalized also includes applicable borrowing costs.

To capitalize software where it is expected to provide future enduring economic benefits. Capitalization costs includes license fees. The costs are capitalized in the year in which the relevant software is implemented for use. Subsequent expenditure related to an item of fixed assets is added to its book value only if increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation

No amortization is provided in the Accounts in respect of leasehold land in view of the long term tenure, which is akin to ownership.

Depreciation on Fixed Assets is provided for on Written Down Value Method, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used:

| PARTICULARS | DEPRECIATION | | |
|---------------------------------------|-------------------------------|--|--|
| Assets constructed on Leased Premises | Over the period of Lease Term | | |
| Computer Software | Over a period of Five Years | | |

Investments

To state current investments at lower of cost and fair value, and long term investments are stated at cost. Where applicable, provision is made where there is a permanent fall in valuation of long term investments.

Inventories

Inventories consisting of Stock of Food and Beverages and Stores & Operating Supplies are valued at cost or net realisable value, whichever is less, after providing for obsolescence & damage.

Cost is arrived at on Weighted Average basis. Cost comprises expenditure incurred in normal course of the business in bringing such inventories to its location. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and, where necessary, provision is made for such inventories.

SAYAJI SAYAJI HOTELS LTD

SAYAJI HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- (c) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

Income

Revenue comprises sale of rooms, food and beverages, allied services relating to Hotel operations. Revenue is recognized upon rendering of service. Life time club membership fees treated as income in the year of receipt.

Sale is exclusive of Luxury tax, Sales tax, Service Tax and other taxes. Sales tax under the composition scheme is also excluded.

Benefites to Workmen

Employee benefit plans comprise both defined benefit and defined contribution plans.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

Provident fund is a defined contribution plan. Each eligible employee and the company make contributions at a percentage of the basic salary specified under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

The Company's contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. The company has no further obligations under the plan beyond its periodic contributions. Benefit in terms of workmen demand pending settlement, medical reimbursement and leave travel concession are accounted, when paid and bonus to employees, is provided for on accrual basis. Leave Encashment is determined based on the available leave entitlement at the end of the year.

Taxes of Income

To provide and determine current tax as the amount of tax payable in respect of taxable income for the period.

To provide and recognize deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

Not to recognize deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence—that—the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Impairment of Assets

Impairment is ascertained at each balance sheet date in respect of company's fixed assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value and use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Accounting for Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized in terms of Accounting Standard 29-"Provisions, Contingent Liabilities and Contingent Assets" issued by The Institute of Chartered Accountant of India, when there is a present legal or statutory obligation as a result of past event where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation can not be made. Obligations are assessed on an ongoing basis and only those having largely probable outflow of resources are provided for.

Contingent Assets are not recognized in the financial statements.

SAYAJI SAYAJI

SAYAJI HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

Events occurring after the date of Balance Sheet date

Where material, events occurring after the date of Balance Sheet are considered up to the date of adoption of the accounts.

Accounting for Leases

In respect of operating lease transactions, the assets are not capitalized in the books of the Company and lease payments are charged to the Profit and Loss Account.

Periodic escalations in the lease rentals are considered as and when the same are effective as per the terms of lease and the same are not straight lined.

Claims

2

To disclose claims against the company not acknowledged as debts after a careful evaluation of the facts and legal aspect of the matter involved.

| | (Rs. In Lacs) |
|------------------------|--|
| As at 31st March, 2015 | As at 31st March, 2014 |
| 3,000.00 | 3,000.00 |
| 1,000.00 | 1,000.00 |
| 4,000.00 | 4,000.00 |
| | |
| 1,751.80 | 1,751.80 |
| ach 1,000.00 | |
| 2,751.80 | 1,751.80 |
| | |
| 1,751.80 | 1,751.80 |
| ach 916.66 | |
| 2,668.46 | 1,751.80 |
| | 3,000.00 1,000.00 4,000.00 1,751.80 2,751.80 1,751.80 1,751.80 1,751.80 |

(a) Terms/rights attached to equity shares:

2.1 The company has only one class of equity shares having a par value of Rs.10/- per share. Each Holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2015, the amount of per share dividend recognised as distributions to equity shareholders was Rs. Nil (Previous Year Rs.Nil)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

2.2 Details of Share holders holding more than 5% of Shares are as under:-

| | | As at 31st N | March, 2015 | As at 31st March, 2014 | |
|-----------------------------|----------|----------------------|-----------------|------------------------|-----------------|
| Name | Category | % of Shareholding | No of Shares | % of Shareholding | No of Shares |
| Late Shri Sajid R. Dhanani* | Promoter | 13.90% | 2,435,511 | 13.90% | 2,435,511 |
| Raoof Razak Dhanani | Promoter | 27.24% | 4,772,574 | 27.24% | 4,772,574 |
| Anisha Raoof Dhanani | Promoter | 15.09% | 2,643,256 | 15.09% | 2,643,256 |
| Ahilya Hotels Limited | Promoter | 14.01% | 2,455,000 | 14.01% | 2,455,000 |

^{*(}Share transmission is pending in the name of legal heirs)

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2.3 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

| | As at 31st March,20 |)15 | As at 31st March, 2014 | |
|--|---------------------|-------------|------------------------|-------------|
| Particulars | Number of Shares | Rs. In Lacs | Number of Shares | Rs. In Lacs |
| Outstanding at the beginning of the year | 17,518,000 | 1,751.80 | 17,518,000 | 1,751.80 |
| Add : Fresh issue during the year | | | | |
| Outstanding at the end of the year | 17,518,000 | 1,751.80 | 17,518,000 | 1,751.80 |

(b) Terms/rights attached to preference shares:

- 2.4 That during the year under review company has issued 10,00,000, 10% Cumulative Redeemable Preference Shares of Rs. 100/each at a premium of Rs.50/each. Out of above, 916662 shares of Rs. 100/each were subscribed & paid up during the year under review.
- 2.5 That above shares are to be redeemed within five years from the date of issue of same.
- 2.6 That above Preference share holders are having preference over payment of dividend to equity share holders and accordingly arrears of dividends is required to be cleared before payment to Equity Share holders.
- 2.7 Details of Share holders holding more than 5% of 10% Cumulative Preference Shares are as under:-

| | | As at 31st I | March, 2015 | As at 31st N | /larch, 2014 |
|---------------------|----------|-------------------|-----------------|-------------------|-----------------|
| Name | Category | % of Shareholding | No of Shares | % of Shareholding | No of Shares |
| Saba Dhanani | Promoter | 10.91% | 99,999 | | |
| Azhar Dhanani | Promoter | 13.64% | 125,000 | | |
| Zuber Yusuf Dhanani | Promoter | 13.64% | 124,999 | | |
| Sadiya Dhanani | Promoter | 7.27% | 66,666 | | |
| Kayum Dhanani | Promoter | 13.64% | 125,000 | | |
| Sara Dhanani | Promoter | 13.64% | 125,000 | | |
| Sanya Dhanani | Promoter | 13.64% | 124,999 | | |
| Suchitra Dhanani | Promoter | 13.64% | 124,999 | | |

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2.8 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:-

| | As at 31st Ma | rch,2015 | As at 31st March,2014 | |
|--|------------------|-------------|-----------------------|-------------|
| Particulars | Number of Shares | Rs. In Lacs | Number of Shares | Rs. In Lacs |
| Outstanding at the beginning of the year | | | | |
| Add : Issued during the year | 916,662 | 916.66 | | |
| Outstanding at the end of the year | 916,662 | 916.66 | | |

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| SAYAJI HOTELS LTD. |

| <u>NO</u> | TES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MAF | RCH, 2015 | (Rs In Lacs) |
|-----------|---|------------------------|------------------------|
| 3 | RESERVES AND SURPLUS: | As at 31st March, 2015 | As at 31st March, 2014 |
| | (a) Securities Premium Reserve | | |
| | Opening at beginning | 5,944.60 | 5,944.60 |
| | Addition during the year | 458.33 | |
| | Utilised during the year | | |
| | Closing at end | 6,402.93 | 5,944.60 |
| | (b) General Reserve | | |
| | Opening at beginning | 641.48 | 641.48 |
| | Addition during the year | | |
| | Utilised during the year | | <u></u> |
| | Closing at end | 641.48 | 641.48 |
| | (c) Profit & Loss Account - Surplus/(Deficit) | | |
| | Opening at beginning | (129.97) | (684.45) |
| | Adjustments relating to Fixed Assets (See Note. 11.1 | (131.28) | |
| | Addition during the year | (265.03) | 554.48 |
| | Closing at end | (526.28) | (129.97) |
| | Total (a+b+c) | 6,518.13 | 6,456.11 |
| | | | (Rs In Lacs) |
| 4 | LONG-TERM BORROWINGS: | As at 31st March, 2015 | As at 31st March, 2014 |
| | Secured Term Loans | | |
| | i) From Banks | 2,608.72 | 4,519.56 |
| | ii) From Financial Institutions | 1,400.00 | 132.76 |
| | Sub-Total (a) | 4,008.72 | 4,652.32 |
| | Unsecured Term Loans | | |
| | i) From NBFC | | 3.65 |
| | Sub-Total (b) | | 3.65 |
| | Total (a+b) | 4,008.72 | 4,655.97 |

4.1 All Secured loans have been netted from the instalments falling due within twelve months after the reporting date. Breakup of amount due within 12 month and after 12 months and summarized outstanding position as under: (Rs In Lacs)

| | As at 31st March, 2015 | | As | at 31st Marc | h, 2014 | |
|----------------------|------------------------|----------|-------------|--------------|----------|-------------|
| From Banks | Total | Current | Non-Current | Total | Current | Non-Current |
| State Bank of India | 2,933.09 | 1,356.25 | 1,576.84 | 4,138.53 | 1,192.20 | 2,946.33 |
| Axis Bank Ltd | 269.39 | 121.88 | 147.51 | 497.68 | 225.56 | 272.12 |
| State Bank of Mysore | 1,267.27 | 484.00 | 783.27 | 1,473.69 | 214.00 | 1,259.69 |
| HDFC Bank Ltd | 89.77 | 55.08 | 34.69 | 130.85 | 89.43 | 41.42 |
| ICICI Bank | 118.95 | 52.54 | 66.41 | | | |
| Sub Total (i) | 4,678.47 | 2,069.75 | 2,608.72 | 6,240.75 | 1,721.19 | 4,519.56 |

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SAYAJI HOTELS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Rs In Lacs)

| | As at 31st March, 2015 | | A | s at 31st Marc | h, 2014 | |
|-----------------------------|------------------------|----------|-------------|----------------|----------|-------------|
| From Financial Institutions | Total | Current | Non-Current | Total | Current | Non-Current |
| TFCI | 1,587.50 | 187.50 | 1,400.00 | 262.50 | 175.00 | 87.50 |
| MPFC | 42.09 | 42.09 | | 165.26 | 120.00 | 45.26 |
| Sub Total (ii) | 1,629.59 | 229.59 | 1,400.00 | 427.76 | 295.00 | 132.76 |
| GRAND TOTAL (i)+(ii) | 6,308.06 | 2,299.34 | 4,008.72 | 6,668.51 | 2,016.19 | 4,652.32 |

4.2 Unsecured loans have been netted from the instalments falling due within twelve months after the reporting date. Breakup of amount due within 12 month and after 12 months and summarized outstanding position as under:

(Rs In Lacs)

| | As at 31st March, 2015 | | As | at 31st Marc | h, 2014 | |
|-----------------------|------------------------|---------|-------------|--------------|---------|-------------|
| From NBFC | Total | Current | Non-Current | Total | Current | Non-Current |
| Magma Fincorp Limited | 7.50 | 7.50 | | 34.95 | 31.30 | 3.65 |
| TOTAL | 7.50 | 7.50 | | 34.95 | 31.30 | 3.65 |

- 4.3 Secured Term Loan from bank includes term loans outstanding from State Bank of India, Axis Bank Ltd, State Bank of Mysore, HDFC bank Ltd & ICICI Bank Ltd.
 - 4.3.1 Term loans outstanding of State Bank of India are secured by way of mortgage of land & building at Indore, Vadodara & Pune & hypothecation of movables, present & future except stocks of food beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc. offered to the bankers for securing the working capital finance. The terms of repayment of all term loans of State Bank of India is on quarterly basis & interest is payable on monthly basis.
 - These loans were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
 - 4.3.2 Term loans outstanding of Axis Bank Ltd include term loans account & vehicle loans account. Term loan outstanding is secured by way of first charge on Company's entire fixed assets, present & future, ranking parri passu with other existing term lenders.
 - The term of repayment of both the term loan is on quarterly basis & interest is payable on monthly basis. Vehicle loans outstanding are secured by way of hypothecation of the specific vehicles financed by bank. These loans were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
 - 4.3.3 Term loan outstanding of State Bank of Mysore is secured by way of mortgage of land & building at Indore, Vadodara & Pune & hypothecation of movables, present & future, except stocks of food beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc. The term of repayment of the term loan is on quarterly basis & the interest is payable on monthly basis. These loans were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
 - 4.3.4 Vehicle loans outstanding from HDFC Bank is secured by way of hypothecation of the specific vehicles financed by bank.
- 4.4 Secured term loans from Financial Institutions includes term loan outstanding of Tourism Finance Corporation of India Ltd(TFCIL) & Madhya Pradesh Finance Corporation (MPFC).
 - 4.4.1 Term loan outstanding from TFCIL is secured on pari-passu basis by way of mortgage of land & building at Indore, Pune & Vadodara & hypothecation of the movables, present & future, except stocks of food beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc & by way of pledge of shares belonging to promoters. Mortgage of lease hold right of Amber Garden, Indore along with building Structure thereon and first charge by way of hypothecation of movables of Bhopal Club project.

The term of repayment of the term loan is on quarterly basis & the interest is payable on monthly basis, This loan is personally guranteed by Smt Suchitra Dhanani.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

- 4.4.2 Term loan outstanding from MPFC are secured by way of mortgage of land & building at Indore & hypothecation of the movables, present & future, except stocks of food beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc bankers for securing the working capital finance. The term of repayment is on quarterly basis & interest is payable on monthly basis. These loan were personally guranteed by Late Shri Sajid dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
- 4.5 Loan outstanding from Magma Fincorp Limited is unsecured loan. Repayment is being made on EMI basis. Post dated cheques has been given for all instalments.

| | | (11) | o III Lado, |
|---|-------------------------------|--------------------------------------|-------------|
| 5 | OTHER LONG TERM LIABILITIES : | As at 31st March, 2015 As at 31st Ma | rch, 2014 |
| | Deposits From Tenants | 7.17 | 6.67 |
| | Others* | 2,000.00 | 2,000.00 |
| | Total | 2,007.17 | 2,006.67 |

*Payable towards repurchase of land at Indore hotel. This amount is now payable within 8 years. Interest @ 9% p.a is payable on the outstanding amount.

(Rs In Lacs)

(Rs In Lacs)

| 6 | LONG TERM PROVISIONS : | As at 31st March, 20 | 15 As at 31st March, 2014 |
|---|---------------------------------|----------------------|---------------------------|
| | Provision for Employee Benefits | | |
| | Provision for Gratuity | 186. | 80 132.93 |
| | Leave Encashment | 201. | 25 129.51 |
| | Total | 388. | 05 262.44 |

- 6.1 Provision for employee benefits includes provision of Gratuity & leave encashment payable after 12 month.
- 6.2 The Company makes annual contributions to the Employee's Group Gratuity scheme of the SBI Life Insurance Co. Ltd., a funded defined benefit plan for the qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per the terms of the scheme. Vesting occurs upon completion of five years of service.
 - 6.2.1 The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The following table sets out the status of the funded gratuity plan and the amounts recognized in the company's financial statements as at March 31, 2015:-





NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(In Rupees)

| PARTICULARS | | As at 31st March, 2015 | As at 31st March, 2014 |
|---|------|------------------------|------------------------|
| Changes in benefit obligations : | i) | | |
| Present value of obligation as at the beginning of the year | | 14,384,197.00 | 8,739,941.00 |
| Interest Cost | | 1,150,736.00 | 672,936.00 |
| Current Service Cost | | 4,337,312.00 | 3,343,609.00 |
| Actuarial (gain)/ loss on obligations | | 778,752.00 | 2,284,202.00 |
| Benefit paid | | | (656,491.00) |
| Present value of obligation as at the end of the year | | 20,650,997.00 | 14,384,197.00 |
| Change in plan assets : | ii) | | |
| Fair value of plan assets as at the beginning of the year | | 458,175.00 | 557,441.00 |
| Expected return on plan assets | | 40,686.00 | 50,170.00 |
| Contributions | | 500,000.00 | 500,000.00 |
| Benefits paid | | | (656,491.00) |
| Actuarial gain/ (loss) on plan assets | | (2,383.00) | 7,055.00 |
| Fair value of plan assets at the end of the year | | 996,478.00 | 458,175.00 |
| Excess of (obligation over plan assets)/ plan asset over obligation | | (19,654,519.00) | (13,926,022.00) |
| (Accrued liability)/ Prepaid benefit | | (19,654,519.00) | (13,926,022.00) |
| Net Gratuity and other cost at the end of the year | iii) | | |
| Current Service cost | | 4,337,312.00 | 3,343,609.00 |
| Interest on defined benefit obligation | | 1,150,736.00 | 672,936.00 |
| Expected return on plan assets | | (40,686.00) | (50,170.00) |
| Net actuarial gain recognized in the year | | 781,135.00 | 2,277,147.00 |
| Net gratuity and other cost | | 6,228,497.00 | 6,243,522.00 |
| Actual return on plan asset | | 38,303.00 | 57,225.00 |
| Category of Assets at the end of the year | iv) | | |
| Insurer Managed Funds | | 996,478.00 | 458,175.00 |
| Others | | Nil | Nil |
| Total | | 996,478.00 | 458,175.00 |
| Assumptions used | v) | | |
| Discount rate (p.a.) | | 8.00% | 8.00% |
| Attrition Rate | | Variable based on Age | 10 per thousand |
| Salary escalation rate (p.a.) | | 7.00% | 7.00% |
| Expected rate of return on plan assets (p.a.) | | 8.88% | 9.00% |

6.3 Leave Encashment:

The provision of leave encashment have been made on outstanding privilege leave of employees at the end of year and calculated on the basis of basic pay of employees. Attrition rate taken same as Actuarial valuation report of gratuity liability.

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SAYAJI HOTELS LIMITED

| NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 | | (Rs. In Lacs) |
|---|------------------------|------------------------|
| 7 SHORT-TERM BORROWINGS: | As at 31st March, 2015 | As at 31st March, 2014 |
| Secured | | |
| Working capital facilities from Banks | 409.32 | 523.40 |
| | 409.32 | 523.40 |
| Unsecured | | |
| Deposits From Public | | 14.55 |
| Loans From related parties | 7.98 | 8.43 |
| | 7.98 | 22.98 |
| Grand Total | 417.30 | 546.38 |

- 7.1 Working capital facilities include Cash Credit Facilities from State Bank of India outstanding Rs. 381.65 lacs (Previous Year Rs. 350.03 lacs) & Axis Bank outstanding Rs. 27.67 lacs (Previous Year Rs. 173.37 Lacs), both of which are secured by first charge by way of hypothecation of stocks of food, beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc. of the company and also by way of a second charge on the immovable properties of the company at Indore, Baroda and Pune. Cash Credit Facilities from Axis bank Ltd were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
- 7.2 Fixed deposits from Public was having maturity period of 12 months and interest was payable @ 10% pa compounded monthly.
- 7.3 Loans from related parties & others includes loan from directors & an associate company.

(Rs. In Lacs)

| 8 | TRADE PAYABLES: | As at 31st March, 2015 | As at 31st March, 2014 |
|---|-----------------|------------------------|------------------------|
| | Trade Payables* | 747.97 | 761.63 |
| | Total | 747.97 | 761.63 |

^{*}Trade payables are for goods purchased and services taken during the normal course of business.

- 8.1 The Company has not received information from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid at the year end together with interest paid/payable under the Act have not been given.
- 8.2 Trade Payable having scheduled payment beyond 12 months after reporting date Rs. Nil (Previous Year Rs. Nil) (Rs. In Lacs)

| | (|
|------------------------|---|
| As at 31st March, 2015 | As at 31st March, 2014 |
| | |
| | |
| 2,069.75 | 1,721.19 |
| 229.59 | 295.00 |
| 2,299.34 | 2,016.19 |
| | |
| 7.50 | 31.31 |
| 7.50 | 31.31 |
| | |
| 139.24 | 38.67 |
| 271.29 | 165.39 |
| 127.62 | 109.19 |
| 139.64 | 55.66 |
| 677.79 | 368.91 |
| 13.37 | 4.81 |
| 2,998.00 | 2,421.22 |
| | 2,069.75 229.59 2,299.34 7.50 7.50 139.24 271.29 127.62 139.64 677.79 13.37 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

- 9.1 Current maturities of term loans from bank includes Principal instalments payable to State Bank of India, Axis Bank Ltd, State Bank of Mysore and to HDFC Bank Ltd. Bank wise Current maturity is give under Note no 4.1. Other terms are same as given in Note no 4.3.
- 9.2 Current maturities of term loans from financial institutions includes Principal instalments payable to Tourism Finance Corporation of India Ltd, and Madhya Pradesh Finance Corporation. Financial Institution wise current maturities is given under Note no 4.1 Other terms are same as given in note no 4.4.
- 9.3 Current maturities of term loan from NBFC is of Magma Fincorp Limited. Other terms are same as given in note no 4.5
- 9.4 Statutory dues includes VAT, luxury tax, TDS, service tax & other statutory payables.
- 9.5 Advances received from customer includes advances against future bookings for functions to be held in next 12 Months
- 9.6 Other Current liabilities includes rent payable, interest payable and staff dues.

(Rs In Lacs)

| SHORT-TERM PROVISIONS: | As at 31st March, 2015 | As at 31st March, 2014 |
|---------------------------------|------------------------|------------------------|
| Provision for Employee Benefits | | |
| Provision for Gratuity | 9.75 | 6.33 |
| Leave Encashment | 10.59 | 5.97 |
| Bonus | 108.82 | 77.81 |
| Total (A) | 129.16 | 90.11 |
| Provision for current year Tax | 12.78 | 31.18 |
| Provision for Expenses | 148.18 | 111.73 |
| Total (B) | 160.96 | 142.91 |
| Total (A+B) | 290.12 | 233.02 |

INTENTIONALLY LEET BLANK



(Rs. In Lacs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

11. FIXED ASSETS:

| | | | | | | | | | | (|
|---|------------------|-------------------|----------------|------------------------------------|--------------------------|----------------------|---------|----------|--|-----------|
| | | | TANG | TANGIBLE ASSETS [Note No. 11a (i)] | [Note No. 11 | [(j)] | | | INTANGIBLE ASSETS [Note No. 11a (ii)] | |
| | Freehold Land | Leasehold Land | Buildings | Plant and Equipment | Furniture and Fixture | Service Equipment | Vehicle | Computer | Software & Licence | lotal |
| Gross Block At Cost | | | | | | | | | | |
| At April 1st,2013 | 2,637.00 | 2,294.06 | 11,427.06 | 3,387.14 | 5,416.93 | 732.10 | 571.59 | 389.92 | 83.10 | 26,938.90 |
| Addition | 1 | 1 | 243.47 | 20.19 | 322.49 | 16.23 | 87.04 | 27.27 | 16.71 | 733.40 |
| Disposal | - | | 20.04 | 21.13 | 88.90 | 0.52 | 53.08 | - | | 183.67 |
| At March 31st, 2014 | 2,637.00 | 2,294.06 | 11,650.49 | 3,386.20 | 5,650.52 | 747.81 | 605.55 | 417.19 | 99.81 | 27,488.63 |
| Adjustment | | | 2.64 | (4.42) | | | (0.93) | (0.94) | 0.94 | (2.71) |
| Addition | | | 635.46 | 394.92 | 559.49 | 47.89 | 43.52 | 41.01 | 20.02 | 1,742.31 |
| Disposal | : | | | : | 0.85 | 0.20 | 1 | - | | 1.05 |
| At March 31st, 2015 | 2,637.00 | 2,294.06 | 12,288.59 | 3,776.70 | 6,209.16 | 795.50 | 648.14 | 457.27 | 120.77 | 29,227.18 |
| | | | | | | | | | | |
| Depreciation | | | | ٠ | ٠ | | | | | |
| At April 1st, 2013 | 1 | : | 5,021.95 | 1,895.46 | 3,641.90 | 539.98 | 376.92 | 322.02 | 64.43 | 11,862.66 |
| Charge for the year | - | : | 651.03 | 209.05 | 493.88 | 51.97 | 63.56 | 29.65 | 8.28 | 1,507.42 |
| Disposals | | | 15.23 | 16.64 | 87.15 | 0.22 | 46.14 | | | 165.38 |
| At March 31st, 2014 | : | : | 5,657.75 | 2,087.87 | 4,048.63 | 591.73 | 394.34 | 351.68 | 72.71 | 13,204.70 |
| Adjustment (See Note) | - | - | - | 64.79 | 37.14 | 8.28 | 4.16 | 13.33 | 3.58 | 131.28 |
| Adjustment | - | 1 | 0.50 | (1.36) | - | - | (0.78) | (0.37) | 0.37 | (1.64) |
| Charge for the year | | | 296.07 | 307.12 | 907.40 | 99.63 | 74.76 | 29.04 | 26.58 | 2,040.60 |
| Disposals | | | | | 0.71 | 0.17 | | | | 0.88 |
| At March 31st, 2015 | : | : | 6,254.32 | 2,458.42 | 4,992.46 | 699.47 | 472.48 | 393.67 | 103.24 | 15,374.06 |
| | | | | | | | | | | |
| Net Block | | | | | | | | | | |
| At March 31st, 2014 | 2,637.00 | 2,294.06 | 5,992.74 | 1,298.33 | 1,601.89 | 156.08 | 211.22 | 65.52 | 27.10 | 14,283.93 |
| At March 31st, 2015 | 2,637.00 | 2,294.06 | 6,034.27 | 1,318.28 | 1,216.70 | 96.04 | 175.66 | 63.29 | 17.53 | 13,853.13 |
| Capital work in progress [Note No. 11a (iii)] | Opening . | Additions | Capitalisation | Closing | | | | | | |
| | | | | | | | | | | |

Pursuant to enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy of Depreciation. Accordingly the unamortised carrying value is being' depreciated/amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April, 2014, have been adjusted in the opening balance of Profit and Loss Account amounting to Rs. 131.28 Lacs.

29.17

2.15

489.43

29.17

29.17

At March 31st, 2014 At March 31st, 2015

^{11.2} Additions during the year includes pre-operative expenses amounting to Rs. 229.83 Lacs (P.Y. Rs. Nil)

| NON- | CURRENT INVESTMENTS : | As at 31st March, 2015 | As at 31st March, 2014 |
|------|--|------------------------|------------------------|
| A. | Trade Investments (Unquoted At Cost) | • | · |
| | Subsidiary | | |
| | Malwa Hospitality Pvt. Ltd. 6893998 Equity Shares of Rs.10/-fully paid up (PY 5494000 Equity S | 689.40 Shares) | 549.40 |
| | Aries Hotels Pvt. Ltd. 5218000 Equity Shares of Rs.10/-fully paid up (PY 5218000 Equity S | 770.20 Shares) | 770.20 |
| | <u>Associates</u> | | |
| | Barbeque-Nation Hospitality Ltd 6310558 Equity Shares of Rs.10/- fully paid-up (PY 6049998 Equity | 631.06 Shares) | 605.00 |
| | Other Investment | | |
| | Genex Hotels Pvt. Ltd. 5000 Equity Shares of Rs.10/-fully paid up (PY 5000 Equity Shares) | 0.50 | 0.50 |
| | Winner Hotels Pvt. Ltd 2300 Equity Shares of Rs.10/-fully paid up (PY 2300 Equity Shares) | 0.23 | 0.23 |
| | Sub-Total (A) | 2,091.39 | 1,925.33 |
| В. | Other Investments (Unquoted at Market Value) | | |
| | Bharat Equity Services Ltd. 1,00,000 Equity Shares of Rs.10 each fully paid up (PY 1,00,000 Equ | 0.10 uity Shares) | 0.10 |
| | (-) Provision for Diminution in value of investment | | |
| | Sub-Total (B) | 0.10 | 0.10 |
| | Total (A+B) | 2,091.49 | 1,925.43 |
| | Aggregate amount of quoted Investments | | |
| | Market Value of quoted Investments | | |
| | Aggregate book value of un-quoted Investments | 2,091.49 | 1,925.43 |

- 12.2 Aries Hotels Pvt Ltd. is subsidiary of the company with 52.37% shareholding therein.
- 12.3 Barbeque Nation Hospitality Ltd(BNHL) has become associate from the subsidiary of the company with 47.41% shareholding, on account of further issue of shares by the above company. (Rs. in Lacs)

| 13. | DEFERRED TAX ASSETS | As at 31st March, 2015 | As at 31st March, 2014 |
|-----|--|------------------------|------------------------|
| | On account of Timing Difference in | | |
| | Carry Forward losses & Depreciation | | |
| | Expenses Disallowed under I.T. Act., 1961 | 165.12 | 127.37 |
| | Depreciation on fixed assets | 416.04 | 192.74 |
| | Total Deferred Tax Assets | 581.16 | 320.11 |
| | Total Deferred Tax Liabilities | | |
| | Net Deferred Tax(Liability)/Assets* | 581.16 | 320.11 |
| | Amount debited/(Credited) to Profit & Loss Statement | (261.05) | (106.64) |
| | | | |

^{*} Deferred tax liability for the year have been arrived at by taking the tax rate of 33.99% (PY 33.99%) which is inclusive of education cess.



| NUI | ES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 | | (Rs. In Lacs |
|-----|--|-----------------------------|------------------------|
| 4. | LONG -TERM LOANS AND ADVANCES : | As at 31st March, 2015 | As at 31st March, 2014 |
| | (Unsecured and Considered Good) | | |
| | Security Deposits* | 501.79 | 493.3 |
| | Capital Advances | 28.11 | |
| | Other Loans & Advance | 0.97 | |
| | Less: Provision for doubtful advances | | |
| | Total = | 530.87 | 493.3 |
| | *Security Deposits includes balances with statutory Authority, electricity depos All above loans and advances have been given for business purpose. | sits & lease rent deposits. | (Rs. In Lacs |
| 5. | OTHER NON-CURRENT ASSETS | As at 31st March, 2015 | As at 31st March, 2014 |
| | (Unsecured and Considered Good) | | |
| | Fixed Deposits Against lien & Bank Guarantee* | 18.39 | 17.98 |
| | TOTAL | 18.39 | 17.98 |
| | *Maturing after 12 months | | (Rs. In Lacs |
| 6. | INVENTORIES: | As at 31st March, 2015 | As at 31st March, 2014 |
| | (Valued at lower of cost or NRV whichever is less & certified by management) | | |
| | Operating Supplies | 993.73 | 662.4 |
| | Food & Beverages | 222.93 | 178.8 |
| | Shopping Arcade Stock | 42.54 | 42.5 |
| | Total | 1,259.20 | 883.8 |
| | = | ., | (Rs. In Lacs |
| 7. | TRADE RECEIVABLES: | As at 31st March, 2015 | As at 31st March, 201 |
| | Unsecured | | |
| | Outstanding for a period exceeding six months from the due date of payment | | |
| | Considered Good | 216.33 | 173.8 |
| | Doubtful | 14.71 | 133.2 |
| | Others | | |
| | Considered good | 530.56 | 462.9 |
| | | 761.60 | 770.0 |
| | Provision for doubtful trade receivables | 14.71 | 133.2 |
| | Total | 746.89 | 636.7 |
| | = | | (Rs. In Lacs |
| 8. | CASH & BANK BALANCE: | As at 31st March, 2015 | As at 31st March, 201 |
| | Cash & Cash Equivalents | | |
| | Cash on Hand | 30.01 | 50.5 |
| | Balances with Bank | | |
| | On current Accounts: | CE 00 | 01.0 |
| | With Scheduled Bank Other Bank Balances | 65.08 | 61.2 |
| | In Earmarked Accounts: | | |
| | With original Matuirty of less than 12 months | | |
| | Fixed Deposits Against lien | | 66.1 |
| | With original Matuirty of more than 12 months | | 3011 |
| | Fixed Deposits Against lien | 18.39 | 17.9 |
| | Total | 113.48 | 195.9 |
| | Less: Term deposit with banks maturing after 12 months from Balance sheet date | | |
| | other earmarked/margin money/pledged deposits classified as non current. (Refe | , | 17.9 |
| | Total | 95.09 | 177.9 |

| 40 | TES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 | | (Rs. In Lacs) |
|-----|--|---|---|
| 19. | SHORT TERM LOANS & ADVANCES : | As at 31st March, 2015 | As at 31st March, 2014 |
| | Loans & Advances to related parties | 17.62 | 17.63 |
| | Advance to suppliers for goods & services* | 64.22 | 36.0 |
| | Prepaid Expenses | 37.36 | 52.9 |
| | Staff Advances & Loan | 10.18 | 14.6 |
| | Advance Income Tax | | 0.18 |
| | Mat Credit Entitlement | | 34.80 |
| | Balance with Govt. authorities | 202.10 | 157.23 |
| | Others | 60.67 | 53.20 |
| | Less: Provision for doubtful advances (Refer Note 28.1) | (40.90) | (40.90 |
| | Total | 351.25 | 325.88 |
| 00 | *Advances to suppliers for goods & services includes advances against purc 12 Months & are for business purpose. | | (Rs. In Lacs |
| 20. | OTHER CURRENT ASSETS: | As at 31st March, 2015 | As at 31st March, 2014 |
| | Interest Accrued on FDRs | | 0.84 |
| | TOTAL | | 0.8 ⁴ |
| 04 | Devenue From Organica | A 104 - 1 M 1 004 F | (Rs. In Lacs) |
| 21. | Revenue From Operations : | As at 31st March, 2015 | As at 31st March, 2014 |
| | Rooms | 4,389.79 | 4,088.50 |
| | Food and Beverages | 8,069.46 | 7,250.61 |
| | Other Services* | 1,077.41 | 1,003.40 |
| | TOTAL **Revenue from others convices includes income from club wortel income and | 13,536.66 | 12,342.51 |
| | *Revenue from others services includes income from club, rental income and | | |
| | | u ilicollie ilolli baliquet selv | |
| 22 | | | (Rs. In Lacs) |
| 22. | Other Income : | As at 31st March, 2015 | (Rs. In Lacs As at 31st March, 2014 |
| 22. | Other Income : Interest Earned* | As at 31st March, 2015 38.43 | (Rs. In Lacs) As at 31st March, 2014 |
| 22. | Other Income : Interest Earned* Other Non - Operating Income | As at 31st March, 2015 38.43 7.07 | (Rs. In Lacs) As at 31st March, 2014 36.06 |
| 22. | Other Income : Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification | As at 31st March, 2015 38.43 7.07 24.86 | (Rs. In Lacs) As at 31st March, 2014 |
| 22. | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back | As at 31st March, 2015 38.43 7.07 | (Rs. In Lacs) As at 31st March, 2014 36.06 30.87 |
| 22. | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back Profit on Sale of Mutual funds | As at 31st March, 2015 38.43 7.07 24.86 64.70 | (Rs. In Lacs As at 31st March, 2014 36.06 30.87 7.64 |
| 22. | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back | As at 31st March, 2015 38.43 7.07 24.86 64.70 135.06 | (Rs. In Lacs As at 31st March, 2014 36.06 30.87 7.64 74.57 urity deposits |
| | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back Profit on Sale of Mutual funds TOTAL *Includes interest on Bank deposits Rs. 5.34 Lacs (PY 7.16 Lacs) & on loans Rs. 33.09 Lacs (PY 28.90 Lacs) | As at 31st March, 2015 38.43 7.07 24.86 64.70 135.06 | (Rs. In Lacs As at 31st March, 2014 36.06 30.87 7.64 74.57 urity deposits (Rs. in Lacs |
| | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back Profit on Sale of Mutual funds TOTAL *Includes interest on Bank deposits Rs. 5.34 Lacs (PY 7.16 Lacs) & on loans Rs. 33.09 Lacs (PY 28.90 Lacs) Food & Beverages Consumed: | As at 31st March, 2015 38.43 7.07 24.86 64.70 135.06 s & advances and other sec | (Rs. In Lacs As at 31st March, 2014 36.06 30.87 7.64 74.57 urity deposits (Rs. in Lacs As at 31st March, 2014 |
| 22. | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back Profit on Sale of Mutual funds TOTAL *Includes interest on Bank deposits Rs. 5.34 Lacs (PY 7.16 Lacs) & on loans Rs. 33.09 Lacs (PY 28.90 Lacs) | As at 31st March, 2015 38.43 7.07 24.86 64.70 135.06 s & advances and other sec As at 31st March, 2015 | (Rs. In Lacs As at 31st March, 2014 36.06 30.87 7.64 74.57 urity deposits (Rs. in Lacs As at 31st March, 2014 |
| | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back Profit on Sale of Mutual funds TOTAL *Includes interest on Bank deposits Rs. 5.34 Lacs (PY 7.16 Lacs) & on loans Rs. 33.09 Lacs (PY 28.90 Lacs) Food & Beverages Consumed: Opening Stock | As at 31st March, 2015 38.43 7.07 24.86 64.70 135.06 s & advances and other sec As at 31st March, 2015 178.82 | (Rs. In Lacs As at 31st March, 2014 36.06 30.87 7.64 74.57 urity deposits (Rs. in Lacs As at 31st March, 2014 166.97 3,115.86 |
| | Other Income: Interest Earned* Other Non – Operating Income Excesss Inventory Found on Physical Verification Excess/(Short) Provision of Earler Year Written Back Profit on Sale of Mutual funds TOTAL *Includes interest on Bank deposits Rs. 5.34 Lacs (PY 7.16 Lacs) & on loans Rs. 33.09 Lacs (PY 28.90 Lacs) Food & Beverages Consumed: Opening Stock | As at 31st March, 2015 38.43 7.07 24.86 64.70 135.06 s & advances and other sec As at 31st March, 2015 178.82 3,610.04 | (Rs. In Lacs As at 31st March, 2014 36.06 30.87 7.64 74.57 |



24.

25.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

| | · · | ended 31st March,2015 onsumption | For the year ended 31st March,201 Consumption | |
|-------------|-------------|-------------------------------------|--|---------|
| | Rs. In Lacs | % | Rs. In Lacs | % |
| Imported | 7.59 | 0.21% | 17.02 | 0.55% |
| Indigeneous | 3,558.34 | 99.79% | 3,086.87 | 99.45% |
| TOTAL | 3,565.93 | 100.00% | 3,103.89 | 100.00% |

(Rs. in Lacs)

| Operating Expenses* : | As at 31st March, 2015 | As at 31st March, 2014 |
|-------------------------------|------------------------|------------------------|
| Stores & Operating Supplies** | 580.90 | 374.68 |
| Repairs and Maintenance | | |
| Building | 86.08 | 81.16 |
| Plant & Machinery | 110.63 | 100.23 |
| Others | 136.27 | 97.01 |
| Laundry Expenses | 167.02 | 154.28 |
| Guest pick up Expenses | 291.47 | 322.64 |
| Cable TV Expenses | 56.51 | 51.65 |
| Other Operating Expenses *** | 907.93 | 817.72 |
| Power and Fuel | 1,193.62 | 1,118.98 |
| GRAND TOTAL | 3,530.43 | 3,118.35 |

^{*} Net of Expenses capitalised of Rs. 27.30 Lacs (P.Y. Rs. Nil)

^{***}Other Operating Expenses includes house keeping & upkeeping expenses, expenses for F&B operations & club.

| | · · | d 31st March,2015 Imption | For the year ended 31st March,2014 Consumption | |
|-------------|-------------|------------------------------|---|--------|
| | Rs. In Lacs | % | Rs. In Lacs | % |
| IImported | 6.95 | 1.20% | 0.76 | 0.20% |
| Indigeneous | 573.95 | 98.80% | 373.92 | 99.80% |
| TOTAL | 580.90 | 100% | 374.68 | 100% |

(Rs. in Lacs)

| . Employee Benefit Expenses* : | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|--------------------------------------|---------------------------------------|------------------------------------|
| Salaries, Wages and Allowances | 2,547.26 | 2,095.17 |
| Contribution to P.F. and other Funds | 241.15 | 165.90 |
| Workmen and Staff Welfare Expenses | 57.55 | 112.25 |
| Workmen and Staff Uniform Expenses | 97.25 | 35.21 |
| TOTAL | 2,943.21 | 2,408.53 |

^{*} Net of Expenses capitalised of Rs. 96.69 Lacs (P.Y. Rs. Nil)

^{**}Stores & operating supplies includes crockery & cutlery, linen & other consumables etc.



| пои | ES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 | | (Rs. In Lacs) |
|-----|--|------------------------|------------------------|
| 26. | | As at 31st March, 2015 | As at 31st March, 2014 |
| 20. | Other Expenses*: Lease Rent | 148.09 | 194.37 |
| | Brand Royalty | 94.49 | 88.22 |
| | Rates & Taxes | 114.42 | 112.06 |
| | Insurance | 22.50 | 23.91 |
| | Travelling and Conveyance | 47.82 | 49.56 |
| | Postage, Telegram and Telephones | 46.24 | 43.48 |
| | Advertisement and Publicity | 56.15 | 63.52 |
| | Legal & Professional | 131.90 | 111.57 |
| | Printing and Stationery | 42.67 | 93.57 |
| | Credit Card Commission | 96.22 | 58.75 |
| | Other Expenses | 84.54 | 118.23 |
| | Auditors' Remuneration | | |
| | Statutory audit | 3.50 | 3.50 |
| | Certification other matters | 0.50 | 0.50 |
| | Water charges | 3.37 | 14.08 |
| | Prior Period Exp. Sundry Balances W/off | (1.62) | 0.93 |
| | Bad Debts W/off | (59.79) 0.08 | 232.34 |
| | Dau Debis W/OII | 0.00 | 232.34 |
| | Total | 831.08 | 1,208.59 |
| | * Net of Expenses capitalised of Rs. 58.94 Lacs (P.Y. Rs. Nil) | | (Rs. In Lacs) |
| | 26.1 Provision for doubtful debts | As at 31st March, 2015 | As at 31st March, 2014 |
| | Opening Balance | 133.25 | 33.49 |
| | Add: Provision during the year | | 232.34 |
| | , | 133.25 | 265.83 |
| | Less: Bad debts written off | 118.54 | 132.58 |
| | Closing Balance | 14.71 | 133.25 |
| | | | (Rs. In Lacs) |
| 27. | Finance Cost*: | As at 31st March, 2015 | As at 31st March, 2014 |
| | Interest on term Loan | 852.04 | 1,072.63 |
| | Interest on Others | 302.77 | 219.29 |
| | Other expenses | 4.66 | 7.24 |
| | Other borrowing cost | 8.80 | 4.29 |
| | Total | 1,168.27 | 1,303.45 |
| | * Net of Expenses capitalised of Rs. 33.17 Lacs (P.Y. Rs. Nil) Interest expense Interest on others includes interest on credit facilities. Other expenses inc processing fees & upfront fees of loans. | | |
| | , V | | (Rs. In Lacs) |
| 28. | Exceptional item Expense/(Income): | As at 31st March, 2015 | As at 31st March, 2014 |
| | Depreciation. | | 7.94 |
| | Provision for Doubtful advances (Refer note 28.1) | | 40.90 |
| | Profit on sale of investment* | | (1,104.98) |
| | Total | | (1,056.14) |
| | *Profit on sale of 415000 equity shares of Rs. 10 each of Barbeque Nation Hospitality Ltd at Rs 334.54 per share to Tamara Private Li | imited. | (Rs. In Lacs) |
| | 28.1 Provision for doubtful Advances | As at 31st March, 2015 | As at 31st March, 2014 |
| | Opening Balance | 40.90 | 140.19 |
| | Add: Provision during the year | | 40.90 |
| | 10 Holon daring the year | 40.90 | 181.09 |
| | Less: Doubtful advances written off | 40.30 | 140.19 |
| | | i | |
| l | Closing Balance | 40.90 | 40.90 |



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Additional Disclosures

29.1 Contingent liability not provided for:

- 29.1.1. Guarantee given on behalf of other companies Rs 6873.60 lacs (P.Y Rs 4421.82 lacs). This includes Guarantee given to State Bank of India on Behalf of Barbeque-Nation Hospitality Ltd amounting Rs 4,000 lacs (P.Y 4000.00 lacs), guarantee given to Axis Bank Ltd on Behalf of Sana Hospitality Services Pvt .Ltd amounting to Rs 421.82 lacs (P.Y Rs 421.82 lacs), guarantee given to State bank of India on Behalf of Malwa Hospitality Pvt .Ltd amounting to Rs.2400 lacs (P.Y. Nil) & HDFC Bank Ltd Rs.51.78 lacs Outstanding balance of loan there against for the year ended 31st March, 2015 from SBI is Rs 4764.09 lacs (P.Y 3501.90 Lacs) ,Axis Bank Ltd is Rs 212.51 Lacs (P.Y 250.19 Lacs) and from HDFC bank Ltd. RS 45.08 lacs (P.Y. Nil)
- 29.1.2. Disputed statutory liabilities in respect of service tax not provided for:
- (a) In Respect of indore hotel, for the period from 01.03.05 to 31.03.09 the Hon'ble Tribunal has passed the order against the Company after giving the benefit of abatement and waiver of penalty imposed in the order passed by Learned Commissioner. Tax demand of Rs 175.01 lacs is pending as per the Tribunal's order Company has challenged said order before Indore bench of Hon'ble High Court of MP and got interim stay of the demand. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs.175.01 Lacs)
- (b) In Respect of indore hotel, for the period from 01.04.09 to 31.03.11 the Commissioner has passed the order against the Company without even considering the benefit given by the Hon'ble Tribunal in their prior order. Tax demand of Rs. 400.37 lacs has been raised alongwith equal amount of penalty. Company has challenged said order before Hon'ble Tribunal & got unconditional stay on merits for the entire demand Had the benefit of abatement & waiver of penalty given by the Hon'ble Tribunal in their prior order been considered by the Learned Commissioner, the demand would have been reduced to Rs. 139.97 lacs. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs. 400.37 Lacs)
- (c) In Respect of indore hotel for the period from 01.04.11 to 30.06.12 the Commissioner has issued show cause against the Company without even considering the benefit given by the Hon'ble Tribunal in their prior order. Tax demand of Rs 269.27 lacs has been raised alongwith equal amount of penalty Company has challenged said order before Hon'ble Tribunal. Had the benefit of abatement & waiver by of penalty given to the Hon'ble Tribunal in their prior order been considered by the Learned Commissioner, the demand would have been reduced to Rs. 127.98 lacs. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs.269.27 lacs)
- (d) In Respect of Pune hotel for the period from 01.04.09 to 30.06.12 Commissioner has passed an order against the company and raised a tax demand of Rs.39.27 lacs, company has filed an appeal before commissioner (Appeal), which is yet to be decided. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs. Nil)
- 29.1.3. Custom duties saved against imports under EPCG scheme is Rs 594.13 lacs (P.Y Rs 594.13 lacs)
- 29.1.4. Disputed liability of Rs 131.30 lacs not provided for in respect of Income Tax (AY 2007-08, AY 2008-09, AY 2009-10, AY 2010-11, AY 2012-13). The matters are pending before Income tax Appellate Tribunal, Ahemdabad. (P.Y Rs. 131.30 lacs)
- 29.1.5. Disputed liability of Rs 1.02 lacs not provided for in respect of TDS (AY 2010-11, AY 2011-12 & AY 2012-13). The matter is pending before CIT, Pune. (P.Y. Rs. 1.02 lacs)
- 29.1.6. Disputed liability of Rs 83.55 lacs not provided for in respect of Commercial tax (FY 2011-12 & 2012-13). The matters are pending before Commissioner -Appeal Commercial tax, Indore. (P.Y. Rs. Nil)
- 29.1.7. Disputed liability of Rs .56 lacs not provided for in respect of Commercial tax (FY2010-11). The matter is pending before Appelate Tribunal- Commercial tax ,Indore. (P.Y. Rs. Nil)

29.2 Capital Commitments

Estimated capital commitments not provided for Rs.81.23 Lacs (PY 15.92 lacs)

29.3 The Company has not received information from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and accordingly disclosure regarding to amount paid/Payable at the year end together with interest paid/payable under the Act have not been given.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

29.4 Segment Reporting:

The Company's only business being hoteliering, disclosure of segment-wise information is not applicable under Accounting Standard 17 - 'Segmental Information' (AS-17) notified by the Companies (Accounting Standards) Rules, 2006 (as amended). There is no geographical segment to be reported since all the operations are undertaken in India.

29.5 Impairment of Assets:

That the Board of Directors, is of the opinion that the discounted net future generation from the Assets in use & shown in the schedule of Fixed Assets, is more than the carrying amount of Fixed Assets in Balance Sheet, as such, no provision for Impairment of Assets is required to be made in terms of the requirement of Accounting Standard (AS–28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India for the year ended 31st March'2015.

- 29.6 In the opinion of the Directors, value of long term trade investment in shares of subsidiary companies & others have the value at which they are stated in the Balance Sheet. Further investment made is in the nature of trade investment. in view of above no provision is required to be made for any temporary in the value of investment define.
- 29.7 In the opinion of the Directors, Current Assets, Loans & Advances have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business. Further, Directors are of the opinion that all the liabilities have been duly reflected in the Balance Sheet and nothing is remained to be disclosed for. Sundry Debtors, Creditors and Advances are subject to reconciliation and confirmation.
- 29.8 In the opinion of Board of Directors there exists adequate accounting & internal control system designed to prevent and detect fraud or errors and in the opinion of Board of Directors that any uncorrected misstatements resulting from either fraud or errors are in the managements opinion immaterial both individually & aggregate in the Financial statements.

29.9 Details of Related Party Disclosure:

i) Key Management Personnel

Mr.Raoof Razak Dhanani (Director) Mr. Kayum Dhanani (Director)

Mrs. Suchitra Sajid Dhanani, Whole Time Director
Mr. Sandesh Khandelwal (Chief financial officer)
Mr. Amit Sarraf (Company Secretary)

ii) Subsidiary Companies

Aries Hotels Pvt. Ltd.

Malwa Hospitality Pvt. Ltd.

iii) Entity in which company /KMP / Relatives of KMP can exercise significant influence

S S Management

S.N. Travels

Taurus Corium Impex Pvt. Ltd.

Barbeque-Nation Hospitality Limited

Genex Hotels Pvt. Ltd.

Winner Hotels Pvt. Ltd.

Trans Agro India Pvt. Ltd.

A.R. Hospitality Pvt. Ltd.

Tungabhadra Furtilizer & Chemical Ltd.

Zuber Y Dhanani

Azher Y Dhanani

Saba R Dhanani

Sadiya R Dhanani

Sara K Dhanani

Sanya S Dhanani

Rizwan R Sheikh

(Rs. In Lacs)

| Sr.No. | Nature of Transactions | As at 31st March, 2015 | As at 31st March, 2014 |
|--------|---|------------------------|------------------------|
| Α | KEY MANAGEMENT PERSONNEL | | |
| | REMUNERATION/ SALARY | 54.74 | 12.26 |
| | ISSUE OF PREFERENCE SHARE (INCLUDING PREMIUM) | 375.00 | |
| | PAYMENT OF INTEREST | 23.26 | |
| В. | SUBSIDIARY COMPANIES | | |
| | SALE TRANSACTION | 3.72 | |
| | INVESTMENT MADE DURING THE YEAR | 140.00 | 745.20 |
| C | ASSOCIATE COMPANIES/ FIRMS/ RELATIVES | | |
| | GUEST PICK UP EXPENSES | 40.69 | 40.06 |
| | RECEIVABLE AT THE YEAR END (NET OF PROVISION) | 0.16 | 0.16 |
| | PAYABLE AT THE YEAR END | 89.54 | 7.98 |
| | SALE TRANSACTION | 3.11 | 12.19 |
| | PAYMENT OF ROYALTY | 94.49 | 88.22 |
| | INVESTMENTS DURING THE YEAR | 26.06 | 0.50 |
| | PAYMENT OF INTEREST | 84.46 | |
| | ISSUE OF PREFERENCE SHARE (INCLUDING PREMIUM) | 1,000.00 | |
| | PAYMENT OF PROFESSIONAL FEE | 9.00 | |

(Rs. In Lacs)

554.48

10/-

3.17

As at 31st March, 2014

17,518,000.00

17,518,000.00

| 29.10 Earning/(Loss |) per share | (EPS) is ເ | calculated | as under : |
|---------------------|-------------|------------|------------|------------|
|---------------------|-------------|------------|------------|------------|

Numerator:

Net Profit after tax as per Statement of Profit & Loss Dividend on Preference Shares & Income Tax Thereon Net Profit/(Loss) attributable to equity share holders

Denominator:

Number of Equity shares Weighted average number of equity shares outstanding during the year

- Nominal value of Equity Shares (in Rs.)
- Earning/(Loss) per share

29.11 Earnings in Foreign Currency:

29.11.1 **Earnings in Foreign Currency** Sale of Rooms and Food Beverages

29.11.2 CIF Value of imports & Expenditure (on accrual basis) Import Value of Capital Goods

| As at 31st March, 2014 |
|------------------------|
| 697.51 |
| |
| 8.78 |
| |

For and on behalf of the Board of Directors

As at 31st March, 2015

(265.03)

(292.56)

17,518,000.00

17,518,000.00

27.53

10/-

(1.67)

29.12 The company has reclassified previous year figures to conform to this year' classification.

As per our report of even date attached

For K.L.Vyas & Company **Chartered Accountants**

Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani Director Director

K.L.Vyas

Partner Sandesh Khandelwal **Amit Sarraf** M.No. 072043 **Chief Financial Officer Company Secretary** Indore, 30th May 2015

INDEPENDENT AUDITORS' REPORT

To, The Members, Sayaji Hotels Limited,

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Sayaji Hotels Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, comprising of the consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial control system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the paragraph of the "other matters" below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in

TUD UUL SAYAJI SAYAJI HOTELS LTD

SAYAJI HOTELS LIMITED CONSOLIDATED FINANCIAL STATEMENT

conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statement of One Subsidiary. whose financial statement reflects total assets of Rs. 1423.16 Lacs as at 31st March, 2015 as well as total revenue of Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also includes the group's share of profit after taxes. of an associate of Rs. 761.41 Lacs for the year ended 31st March, 2015, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associates and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associates is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' report of holding company, subsidiary companies and associates, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associates companies, none of the directors of the Group Companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The consolidated financial statements has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 30.1 to the consolidated financial statements;
 - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associates.

For K.L. Vyas & Company, Chartered Accountants, FRN: 003289C

(K.L. Vyas) Partner M. No. 072043

Place : Indore.
Date : 12th August, 2015

ANNEXURE REFERRED TO IN CLAUSE 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SAYAJI HOTELS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015.

- (i) (a) The Group has maintained proper records showing full particulars including quantitative details of fixed assets, however for some fixed assets of Holding Company, situation of the assets is not given and identification numbers are also not been given, which need to be updated. We have been informed by Management that above Work is in progress.
 - (b) Physical verification of fixed assets has been carried out by the Management at most of the Units in accordance with a phased programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals, which in our opinion, is reasonable having regard to the size of the respective companies and nature of their assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) (a) We are informed that the inventories of the group have been physically verified by the Management during the year.
 - (b) In our opinion, the procedures for physical verification of inventories followed by Management are reasonable and adequate in relation to the size of the Group and the nature of its business.
 - (c) On the basis of our examination of the records of the Group, we are of the opinion that the Group is maintaining proper records of inventories. The discrepancies noticed on verification between the physical and book records were not material.
- (iii) (a) The Holding Company and its subsidiaries have granted loans to 6 Companies (Previous Year 6 Companies) and an individual required to be covered in register maintained under section 189 of the Companies Act, 2013, the year end balance outstanding is Rs. 447.48 Lacs (Previous Year Rs. 453.33 Lacs) and maximum amount outstanding is Rs. 453.33 Lacs (Previous Year Rs. 1353.61 Lacs).
 - (b) The above loans granted are unsecured and interest free and are repayable on demand. However, loan amounting to Rs. 17.46 Lacs (Previous Year 17.46 Lacs) has been considered doubtful and provision for same has been made.

- (c) There is no overdue amount of loans granted to above companies, since same is repayable on demand and are not called upon to repay the same.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the respective companies in the Group and the nature of their business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. Further on the basis of examination of the books and records of respective companies in the Group and according to the information and explanation given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in aforesaid internal controls.
- (v) In our opinion and according to the information and explanations given to us, the Group has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under, with regard to the deposits accepted from the public. According to information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) Central Government has not prescribed for the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013, for any of the business activity carried by the Group during the year under review.
- (vii) (a) According to the information and explanations given and as per the records of the respective companies in the Group examined, in our opinion, the group is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, service tax & cess and other material statutory dues as may be applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, wealth tax, excise duty and cess were in arrears, as at 31.03.2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations



given to us, details of the dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess

which have not been deposited on account of any dispute are given below.

Sayaji Hotels Ltd.

| Name of Statue | Nature of Dues | Period to which the amount relates | Forum where the dispute is pending | Total Amount (Rs. In Lacs) |
|---|------------------------|------------------------------------|--|-------------------------------|
| Finance Act, 1994 and Service Tax laws | Service Tax | Mar.'05-Mar.'09 | High Court of M.P., Indore Bench, Indore | 256.78 |
| | Service Tax | 2009-2011 | Honourable CESTAT, Delhi. | 800.74 |
| | Service Tax | 2009-2013 | Honourable Commissioner (Appeals), Pune. | 39.27 |
| | Service Tax | Apr.'11-Jun.'12 | Honourable CESTAT, Delhi. | 538.54 |
| Income Tax Act, 1961. | Income Tax | A.Y.04-05 | Honourable ITAT, Ahmedabad. | 19.05 |
| | | A.Y.05-06 | Honourable ITAT, Ahmedabad. | 6.49 |
| | | A.Y.06-07 | Honourable ITAT, Ahmedabad. | 7.39 |
| | | A.Y.07-08 | Honourable ITAT, Ahmedabad. | 0.08 |
| | | A.Y.08-09 | Honourable ITAT, Ahmedabad. | 22.57 |
| | | A.Y.09-10 | Honourable ITAT, Ahmedabad. | 61.13 |
| | | A.Y.10-11 | Honourable ITAT, Ahmedabad. | 10.81 |
| | | A.Y.12-13 | Honourable ITAT, Ahmedabad. | 3.78 |
| | Tax deducted at Source | A.Y.11-13 | Commissioner of Income Tax, Pune | 1.02 |
| M.P. Value Added Tax Act, 2002 | Value Added Tax | 2010-11 | Appelate Tribunal, Commercial Taxes, Indore. | 0.56 |
| | | 2011-12 | Commissioner (Appeal), Commercial Taxes, Indore | 37.72 |
| | | 2012-13 | Commissioner (Appeal), Commercial Taxes, Indore | 2.87 |
| M.P. Luxury, Entertainment & Advertisement Tax | Luxury Tax | 2011-2012 | Commissioner (Appeal), Commercial Taxes, Indore | 2.35 |
| | | 2012-2013 | Commissioner (Appeal), Commercial Taxes, Indore | 40.60 |
| | T(| OTAL | | 1851.75 |

Barbeque-Nation Hospitality Ltd.

| Name of Statue | Nature of Dues | Period to which the amount relates | Forum where the dispute is pending | Total Amount (Rs. In Lacs) |
|--|-----------------|------------------------------------|---|-------------------------------|
| A.P. Value Added Tax Act, 2005 | Value Added Tax | 2009-2010 to 2013-2014 | Commercial Tax Officer, Hyderabad | 7.13 |
| Rajasthan Value Added Tax Act, 2003 | Value Added Tax | 2010-2011 to October'2014 | Commercial Tax Officer, Jaipur. | 2.38 |
| West Bengal Value Added Tax Rules, 2005 | Value Added Tax | 2009-2010 & 2010-2011 | Deputy Commissioner, Sales Tax, Kolkata. | 13.38 |
| West Bengal Sales Tax Rules, 1995 | Sales Tax | 2009-2010 & 2010-2011 | Deputy Commissioner, Sales Tax, Kolkata. | 9.94 |
| TOTAL | | | | 32.83 |

- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- (viii) The group does not have any accumulated losses as at 31st March, 2015. The Group has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (ix) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that none of the Companies in the Group has defaulted in repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the companies in the group for loans

- taken by others from banks or financial institutions are prima facie, not prejudicial to the interests of the Group.
- (xi) In our opinion and according to the information and explanations given to us, term loans taken by the respective companies in the group were applied for the purpose for which the loans were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the companies in the Group has been noticed or reported during the course of our audit.

For K.L. Vyas & Company, Chartered Accountants, FRN: 003289C

(K.L. Vyas)

Place : Indore. Partner

Date: 12th August, 2015 M. No. 072043

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CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2015

(Rs. In Lacs)

| | | Particulars | Note No. | As at 31st March, 2015 | As at 31st March, 2014 |
|----|---------|---|-------------|---------------------------|---------------------------|
| I. | EQUIT | Y AND LIABILITIES | | | |
| | (I) S | Shareholders' Funds | | | |
| | a | . Share Capital | 2 | 2,668.46 | 1,751.80 |
| | b | . Reserves & Surplus | 3 | 7,138.34 | 9,631.37 |
| | С | . Money received against share warrants | | | 0.01 |
| | | Total Shareholder's Funds (i) | | 9,806.80 | 11,383.18 |
| | (ii) N | Ainority Interest | | 1,125.10 | 5,842.61 |
| | (iii) N | lon-current liabilities | | | |
| | a | . Long-term Borrowings | 4 | 6,126.13 | 7,738.77 |
| | b | o. Other Long Term Liabilities | 5 | 2,007.17 | 2,071.96 |
| | С | . Long-Term Provisions | 6 | 405.20 | 386.05 |
| | | Total Non-Current Liabilities (iii) | | 8,538.50 | 10,196.78 |
| | (iv) C | Current liabilities | | | |
| | a | . Short-Term Borrowings | 7 | 739.30 | 1,167.93 |
| | b | . Trade Payables | 8 | 811.11 | 2,310.39 |
| | С | . Other Current Liabilities | 9 | 3,199.55 | 4,080.48 |
| | d | I. Short Term Provisions | 10 | 303.31 | 851.14 |
| | | Total Current Liabilities (iv) | | 5,053.27 | 8,409.94 |
| | | Grand Total (i+ii+iii+iv) | | 24,523.67 | 35,832.51 |
| | | | | | |





CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2015

(Rs. in Lacs)

| | Particulars | Note No. | As at 31st March, 2015 | As at 31st March, 2014 |
|---------|----------------------------------|-------------|---------------------------|---------------------------|
| II ASS | BETS | | | |
| (i) | Non-Current Assets | | | |
| | a. Fixed Assets | 11 | | |
| | i) Tangible Assets | | 16,575.16 | 22,586.68 |
| | ii) Intangible Assets | | 21.79 | 27.11 |
| | iii) Capital Work-in-Progress | | 1,358.40 | 2,264.05 |
| | iv) Goodwill on Consolidation | | 28.44 | |
| | Total Fixed Assets | | 17,983.79 | 24,877.84 |
| | b. Non-Current Investments | 12 | 1,577.23 | 117.80 |
| | c. Deferred Tax Assets (net) | 13 | 747.97 | 353.80 |
| | d. Long-Term Loans and Advances | 14 | 1,488.43 | 3,036.35 |
| | e. Other Non-Current Assets | 15 | 18.39 | 17.97 |
| | Sub-Total Sub-Total | | 3832.02 | 3525.92 |
| | Total Non-Current Assets (i) | | 21,815.81 | 28,403.76 |
| (ii) | Current Assets | | | |
| | a. Current Investments | 16 | | 456.13 |
| | b. Inventories | 17 | 1,416.94 | 1,951.71 |
| | c. Trade Receivables | 18 | 796.69 | 865.75 |
| | d. Cash and Cash Equivalents | 19 | 100.42 | 1,080.68 |
| | e. Short-Term Loans and Advances | 20 | 393.81 | 3,017.30 |
| | f. Other Current Assets | 21 | | 57.18 |
| | Total Current Assets (ii) | | 2,707.86 | 7,428.75 |
| | Grand Total (i+ii) | | 24,523.67 | 35,832.51 |
| - | cant Accounting Policies | 1 | | |
| Notes o | n Financial Statements | 2 TO 30 | | |

This is the Consolidated Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

For K.L. Vyas & Company **Chartered Accountants** Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani

Director

Director

K.L.Vyas **Partner**

M.No. 072043

Sandesh Khandelwal **Chief Financial Officer**

Amit Sarraf Company Secretary

Indore, 12th August, 2015



CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2015

(Rs. In Lacs)

| | | (ns. III Laus) | | | |
|--|-------------|-------------------------------------|-------------------------------------|--|--|
| Particulars | Note No. | For the year ended 31st March, 2015 | For the year ended 31st March, 2014 | | |
| Continuting Operations | | | | | |
| INCOME | | | | | |
| Revenue From Operations | 22 | 14,284.83 | 39,045.24 | | |
| Other Income | 23 | 136.21 | 312.84 | | |
| TOTAL | | 14,421.04 | 39,358.08 | | |
| EXPENDITURE | | | | | |
| Cost of Material Consumed | 24 | 3,707.89 | 13,301.46 | | |
| Operating Expenses | 25 | 3,699.86 | 7,858.10 | | |
| Employee Benefit Expenses | 26 | 3,136.80 | 5,671.09 | | |
| Other Expenses | 27 | 1,049.82 | 5,594.45 | | |
| · | | 11,594.37 | 32,425.10 | | |
| OPERATING PROFIT BEFORE INTT. | | 2,826.67 | 6,932.98 | | |
| Finance Cost | 28 | 1,309.03 | 1,963.47 | | |
| PROFIT BEFORE DEPRECIATION | | 1,517.64 | 4,969.51 | | |
| Depreciation | 11 | 2,467.98 | 2,785.16 | | |
| Add : Depreciation Written Back | | | 0.52 | | |
| Profit /(Loss) before exceptional & extraodinary items | | (950.34) | 2,184.87 | | |
| Exceptional Items & Prior Period Items | 29 | | (1,011.43) | | |
| Profit before Tax | | (950.34) | 3,196.30 | | |
| Provision for Taxation | | 220.30 | 1,221.24 | | |
| Earlier year taxes | | (97.27) | 13.81 | | |
| PROFIT/(LOSS) AFTER CURRENT YEAR | | (1,073.37) | 1,961.25 | | |
| TAX BUT BEFORE DEFERRED TAX | | , | | | |
| Deferred Tax | 13 | (425.08) | (96.04) | | |
| Profit/(Loss) after tax before share of results of associates and minority interests | | (648.29) | 2,057.29 | | |
| Minority Interest | | (185.23) | 680.45 | | |
| Share of net profit of associate | | 761.41 | | | |
| PAT AFTER MINORITY INTEREST | | 298.35 | 1,376.84 | | |
| Earning Per Equity Share | | | | | |
| (1) Basic | | 1.55 | 7.86 | | |
| (2) Diluted | | 1.55 | 7.86 | | |
| Significant Accounting Policies | 1 | | | | |
| Notes on Financial Statements | 2 to 30 | | | | |

This is the Consolidated Statement of Profit & Loss referred to in our report of even date

For and on behalf of the Board of Directors

For K.L.Vyas & Company Chartered Accountants Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani Director Director

K.L.Vyas Partner

Sandesh Khandelwal Chief Financial Officer

Amit Sarraf Company Secretary

M.No. 072043 Indore, 12th August, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

(Rs. In Lacs)

| Particulars | For the year ended 31st March, 2015 | | For the year ended 31st March 2014 | |
|---|--|------------|---------------------------------------|-----------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Profit before Tax from continuing operations | | (950.34) | | 3,196.30 |
| Non-cash adjustment to reconcile profit before tax to net cash flows | | | | |
| Depreciation & Amortisation including adjustments | 2,467.98 | | 2,792.58 | |
| Loss on Sale of Fixed Assets | | | 2.04 | |
| Profit on Sale of Investments | | | (1,113.71) | |
| Interest Expense | 1,309.03 | | 1,963.47 | |
| Interest Received | (38.86) | | (135.41) | |
| Dividend income | | 3,738.15 | (138.92) | 3,370.0 |
| Operating profit before Working Capital changes | | 2,787.81 | | 6,566.3 |
| Adjustments for : | | | | |
| Increase/(Decrease) in other long term liabilities | 0.50 | | 57.77 | |
| Increase/(Decrease) in long term provisions | 142.76 | | 115.49 | |
| Increase/(Decrease) in trade payables | 50.19 | | (817.24) | |
| Increase/(Decrease) in other current liabilities | 621.52 | | 313.94 | |
| Increase/(Decrease) in short term provisions | 88.53 | | 71.31 | |
| Decrease/(Increase) in long term advances | (38.54) | | (717.20) | |
| Decrease/(Increase) in Inventories | (533.09) | | (330.19) | |
| Decrease/(Increase) in trade receivable | (159.93) | | 557.92 | |
| Decrease/(Increase) in short term advances | (89.22) | | (1,098.12) | |
| Decrease/(Increase) in other current assets | 0.84 | | (56.39) | |
| | | 83.56 | | (1,902.71 |
| Cash generated from operations | | 2,871.37 | | 4,663.6 |
| Taxes (Paid)/Refund | | (107.07) | | (469.19 |
| Net cash from operating activities | | 2,764.30 | | 4,194.4 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed assets | (4,333.58) | | (4,830.42) | |
| Sale/Disposal of Fixed assets | 1.24 | | 66.97 | |
| Purchase of Trade Investments | (26.06) | | (91.97) | |
| Sale of Investments | | | 1,113.71 | |
| Maturity/(Investment) in current Investment | | | (452.49) | |
| Maturity/(Investment) in Fixed Deposits | 65.68 | | 70.32 | |
| Interest Received | 38.86 | | 135.41 | |
| Dividend income | | | 138.92 | |
| Adjustment in cash and cash equivalent pursuant to subsidiary becoming an associate | (835.93) | | | |
| Net cash used in investing activities | | (5,089.79) | | (3,849.55 |

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

(Rs. In Lacs)

| Particulars | For the ye 31st Marc | | For the yea 31st Marc | |
|--|-------------------------|----------|--------------------------|--------|
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds from Issue of Equity shares by holding company | 1,374.99 | | | |
| Proceeds/(Repayment) of Long Term Borrowings | 1,470.16 | | (3,895.06) | |
| Proceeds/(Repayment) of loans from companies | (300.00) | | (152.74) | |
| Proceeds/(Repayment) of Secured Short Term Borrowings | (129.07) | | (347.70) | |
| Interest Paid | (1,309.03) | | (1,970.72) | |
| Proceeds/(Repayment) of share warrants | | | 0.01 | |
| Proceeds from Issue of Equity shares to Minority Shareholders by Subsidiary | 345.00 | | 6,474.76 | |
| Net cash generated from financing activities | | 1,452.05 | | 108.55 |
| Net increase in cash and cash equivalents | (873.44) | | 453.45 | |
| Cash and cash equivalents - Opening Balance | 973.86 | | 520.41 | |
| Cash and cash equivalents - Closing Balance | | 100.42 | | 973.86 |

This is the Consolidated Cash Flow Statement referred to in our Report of even date

For and on behalf of the Board of Directors

For K.L.Vyas & Company Chartered Accountants Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani Director Director

K.L.Vyas Partner M.No. 072043 Indore, 12th August, 2015

Sandesh Khandelwal Chief Financial Officer

Amit Sarraf Company Secretary



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

NOTE 1

Sayaji Hotels Limited ("SHL" or the "Company"), is a listed public limited company incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay stock exchange, Vadodara stock exchange, Madhya Pradesh stock exchange & Ahmedabad stock exchange on India. The Company is primarily engaged in the business of owning, operating & managing hotels.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

Subsidiaries

The Consolidated financial Statements comprise the individual financial statements of Sayaji Hotels Limited and it's subsidiaries as on 31st March 2015 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:

The excess of cost to the Company of its investment in the subsidiaries over the Company's portion of equity as at the date of making the investment is recognized in the financial statements as Goodwill on Consolidation.

The excess of Company's share in equity of each subsidiary over the cost of the acquisition at the date on which the Investment is made, is recognized as Capital Reserve on Consolidation and included as Reserves and Surplus under Shareholder's Equity in the Consolidated Balance Sheet.

Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in subsidiary companies are made and further movement in their share in the equity, subsequent to the dates of investment.

The list of subsidiaries, which are included in the consolidation and the Company's holding therein is given below.

| Name of the Subsidiary | Proportion of Ow | <u>vnership Interest</u> |
|-----------------------------------|---------------------|--------------------------|
| | Current Year | Previous Year |
| Malwa Hospitality Pvt. Ltd. | 51.66% | 64.68% |
| Aries Hotels Pvt. Ltd. | 52.37% | 52.37% |
| Barbeque-Nation Hospitality Ltd.* | | 54.70% |

^{*}In current year subsidiary has become associate.

Associates

On acquisition of an associate capital reserve arising from such acquisition is included in the carrying amount of the investment and also disclosed separately.

Only share of net profits / losses of associates is considered in Consolidated Statement of Profit and Loss The carrying amount of the investment in associates is adjusted by the share of net profits / losses in the Consolidated Balance Sheet.

The list of Associate, which are included in the consolidation and the Company's holding therein is given below

| Name of the Associate | Proportion of Ownership Interest | |
|----------------------------------|----------------------------------|--|
| | <u>Current Year</u> | |
| Barbeque-Nation Hospitality Ltd. | 47.41% | |
| Genex Hotels Pvt. Ltd. | 50.00% | |

Convention

To prepare financial statements in accordance with applicable Accounting Standards in India. A summary of accounting policies, which have been applied consistently, is set out below. The financial statements have also been prepared in accordance with relevant presentational requirement of the Companies Act, 2013.

Basis of Accounting

The financial statements have been prepared under the historical cost convention and on accrual basis and on going concern concept.

Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Fixed Assets

To state Fixed Assets at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction/fabrication, related pre-operational expenses form part of the value of the assets capitalized. Expenses capitalized also includes applicable borrowing costs.

To capitalize software where it is expected to provide future enduring economic benefits. Capitalization costs includes license fees. The costs are capitalized in the year in which the relevant software is implemented for use.

Subsequent expenditure related to an item of fixed assets is added to its book value only if increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured.

Depreciation and amortisation

No amortization is provided in the Accounts in respect of leasehold land in view of the long term tenure, which is akin to ownership.

Depreciation on Fixed Assets is provided for on Written Down Value Method, based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used;

| PARTICULARS | DEPRECIATION |
|---------------------------------------|-------------------------------|
| Assets constructed on Leased Premises | Over the period of Lease Term |
| Computer Software | Over a period of Five Years |

Investments

To state current investments at lower of cost and fair value, and long term investments are stated at cost. Where applicable, provision is made where there is a permanent fall in valuation of long term investments.

Inventories

Inventories consisting of Stock of Food and Beverages and Stores & Operating Supplies are valued at cost or net realisable value, whichever is less, after providing for obsolescence & damage.

Cost is arrived at on First in First Out basis. Cost comprises expenditure incurred in normal course of the business in bringing such inventories to its location. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and, where necessary, provision is made for such inventories.

Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- (c) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

Income

Revenue comprises sale of rooms, food and beverages, allied services relating to Hotel operations. Revenue is recognized upon rendering of service. Life time club membership fees treated as income in the year of receipt.

Sale is exclusive of Luxury tax, Sales tax, Service Tax and other taxes. Sales tax under the composition scheme is also excluded.

Other income

Dividend is recognised when the right to receive the same is established. Interest income is accounted on accrual basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Benefits to Workmen

Employee benefit plans comprise both defined benefit and defined contribution plans.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

Provident fund is a defined contribution plan. Each eligible employee and the company make contributions at a percentage of the basic salary specified under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

The Company's contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. The company has no further obligations under the plan beyond its periodic contributions.

Benefit in terms of workmen demand pending settlement, medical reimbursement and leave travel concession are accounted, when paid and bonus to employees, is provided for on accrual basis. Leave Encashment is determined based on the available leave entitlement at the end of the year.

Taxes of Income

To provide and determine current tax as the amount of tax payable in respect of taxable income for the period.

To provide and recognize deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

Not to recognize deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Impairment of Assets

Impairment is ascertained at each balance sheet date in respect of company's fixed assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value and use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Accounting for Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized in terms of Accounting Standard 29-"Provisions, Contingent Liabilities and Contingent Assets" issued by The Institute of Chartered Accountant of India, when there is a present legal or statutory obligation as a result of past event where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation can not be made. Obligations are assessed on an ongoing basis and only those having largely probable outflow of resources are provided for.

Contingent Assets are not recognized in the financial statements.

Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

Events occurring after the date of Balance Sheet date

Where material, events occurring after the date of Balance Sheet are considered up to the date of adoption of the accounts.

Accounting for Leases

In respect of operating lease transactions, the assets are not capitalized in the books of the Company and lease payments are charged to the Profit and Loss Account.

Periodic escalations in the lease rentals are considered as and when the same are effective as per the terms of lease and the same are not straight lined.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Claims

To disclose claims against the company not acknowledged as debts after a careful evaluation of the facts and legal aspect of the matter involved.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2 SHARE CAPITAL: (Rs. In Lacs)

| AUTHORISED | As at 31st March, 2015 | As at 31st March, 2014 |
|---|------------------------|------------------------|
| 30,000,000 Equity Shares of Rs.10/- each | 3,000.00 | 3,000.00 |
| (Previous year 30,000,000 Equity Shares of Rs.10/- each) | | |
| 1,000,000 Preference Shares of Rs. 100/- each | 1,000.00 | 1,000.00 |
| (Previous year 1,000,000 Preference Shares of Rs. 100/- each) | | |
| TOTAL | 4,000.00 | 4,000.00 |
| ISSUED | | |
| 1,75,18,000 Equity Shares of Rs. 10/- each | 1,751.80 | 1,751.80 |
| (Previous year 1,75,18,000 Equity Shares of Rs. 10/- each) | | |
| 1,000,000 10% Cumulative Redeemable Preference Shares of | 1,000.00 | |
| Rs. 100/- each (Previous year Nil) | 0.754.00 | 4 754 00 |
| TOTAL | 2,751.80 | 1,751.80 |
| SUBSCRIBED & PAID-UP | | |
| 1,75,18,000 Equity Shares of Rs. 10/- each | 1,751.80 | 1,751.80 |
| (Previous year 1,75,18,000 Equity Shares of Rs. 10/- each) | 010.00 | |
| 916,662 10% Cumulative Redeemable Preference Shares of Rs. 100/- each (Previous year Nil) | 916.66 | |
| TOTAL | 2,668.46 | 1,751.80 |

Terms/rights attached to equity shares:

- 2.1 The company has only one class of equity shares having a par value of Rs.10/- per share. Each Holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2015, the amount of per share dividend recognised as distributions to equity shareholders was Rs. Nil (Previous Year Rs.Nil)
- 2.2 Details of Share holders holding more than 5% of Shares of Sayaji Hotels Limited are as under:-

| | As at 31st I | March, 2015 | As at 31st Marc | s at 31st March, 2014 | |
|-----------------------------|--------------|----------------------|-----------------|-----------------------|-----------------|
| Name | Category | % of Shareholding | No of Shares | % of Shareholding | No of Shares |
| Late Shri Sajid R. Dhanani* | Promoter | 13.90% | 2,435,511 | 13.90% | 2,435,511 |
| Raoof Razak Dhanani | Promoter | 27.24% | 4,772,574 | 27.24% | 4,772,574 |
| Anisha Raoof Dhanani | Promoter | 15.09% | 2,643,256 | 15.09% | 2,643,256 |
| Ahilya Hotels Limited | Promoter | 14.01% | 2,455,000 | 14.01% | 2,455,000 |

^{*(}Share transmission is pending in the name of legal heirs)

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

2.3 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:-

| | 015 | As at 31st March,2014 | | | |
|--|------------------|-----------------------|------------------|-------------|--|
| Particulars | Number of Shares | Rs. In Lacs | Number of Shares | Rs. In Lacs | |
| Outstanding at the beginning of the year Add : Fresh issue during the year | 17,518,000 | 1,751.80 | 17,518,000 | 1,751.80 | |
| Outstanding at the end of the year | 17,518,000 | 1,751.80 | 17,518,000 | 1,751.80 | |

(b) Terms/rights attached to preference shares:

- 2.4 That during the year under review company has issued 1,000,000 10% Cumulative Redeemable Preference Shares of Rs. 100/each at a premium of Rs.50/each. Out of above, 916,662 shares of Rs. 100/each were subscribed & paid up during the year under review.
- 2.5 That above shares are to be redeemed within five years from the date of issue of same.
- 2.6 That above Preference share holders are having preference over payment of dividend to equity share holders and accordingly arrears of dividends is required to be cleared before payment to Equity Share holders.
- 2.7 Details of Share holders holding more than 5% of 10% Cumulative Preference Shares are as under:-

| | | As at 31st March, 2015 As at 31st March, | | | |
|---------------------|----------|--|-----------------|----------------------|-----------------|
| Name | Category | % of Shareholding | No of Shares | % of Shareholding | No of Shares |
| Saba Dhanani | Promoter | 10.91% | 99,999 | | |
| Azhar Dhanani | Promoter | 13.64% | 125,000 | | |
| Zuber Yusuf Dhanani | Promoter | 13.64% | 124,999 | | |
| Sadiya Dhanani | Promoter | 7.27% | 66,666 | | |
| Kayum Dhanani | Promoter | 13.64% | 125,000 | | |
| Sara Dhanani | Promoter | 13.64% | 125,000 | | |
| Sanya Dhanani | Promoter | 13.64% | 124,999 | | |
| Suchitra Dhanani | Promoter | 13.64% | 124,999 | | |

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2.8 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-

| | As at 31st March,2015 | | As at 31st March, 2014 | |
|--|-----------------------|-------------|------------------------|-------------|
| Particulars | Number of Shares | Rs. In Lacs | Number of Shares | Rs. In Lacs |
| Outstanding at the beginning of the year Add : Fresh issue during the year | 916,662 | 916.66 | | |
| Outstanding at the end of the year | 916,662 | 916.66 | | |



| NO | TES T | O CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH | , <u>2015</u> | (Rs. In Lacs) |
|----|-------|---|----------------------|--------------------------|
| 3 | RES | SERVES AND SURPLUS : | As at 31 March, 2015 | As at 31 March, 2014 |
| | (a) | Capital Reserve on Consolidation | | |
| | | Opening at beginning | 4,034.66 | 1,534.63 |
| | | Add: Adjustment on account of change in stake in a subsidiary. | | 2,500.03 |
| | | Less: Adjustment on account subsidiary becoming an associate. | (4,063.10) | |
| | | Balance Transferred to goodwill on consolidation | (28.44) | |
| | | Closing at end | | 4,034.66 |
| | (b) | Securities Premium Reserve | | |
| | | Opening at beginning | 5,944.60 | 5,944.60 |
| | | Addition during the year | 458.33 | |
| | | Utilised during the year | | |
| | | Closing at end | 6,402.93 | 5,944.60 |
| | (c) | General Reserve | | |
| | | Opening at beginning | 641.48 | 641.48 |
| | | Addition during the year | | |
| | | Utilised during the year | | |
| | | Closing at end | 641.48 | 641.48 |
| | (d) | Surplus/(Deficit) | | |
| | | Opening at beginning | (989.37) | (2,555.70) |
| | | Adjustments relating to Fixed Assets (See Note. 11.1) | (131.28) | |
| | | Adjustments relating to Fixed Assets of Associates | (9.58) | |
| | | Adjustment on account of change in Minoroty Interest in Associate | (0.29) | |
| | | Adjustment on account of change in stake in a subsidiary. | | 189.48 |
| | | Adjustment on account subsidiary becoming an associate | 926.10 | |
| | | | (204.42) | (2,366.22) |
| | | Addition during the year | 298.35 | 1,376.85 |
| | | Closing at end | 93.93 | (989.37) |
| | | Total (a+b+c+d) | 7,138.34 | 9,631.37 |
| 4 | L0 | NG-TERM BORROWINGS : | | (Rs. In Lacs) |
| | Sec | cured Term Loans | As at 31 March, 2015 | As at 31 March, 2014 |
| | | i) From Banks | 4,726.13 | 7,198.37 |
| | | ii) From Financial Institutions | 1,400.00 | 536.76 |
| | | Sub-Total (a) | 6,126.13 | 7,735.13 |
| | Uns | secured Term Loans | | |
| | | i) From NBFC | | 3.64 |
| | | Sub-Total (b) | | 3.64 |
| | | Total (a+b) | 6,126.13 | 7,738.77 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

4.1 All Secured loans have been netted from the instalments falling due within twelve months after the reporting date. Breakup of amount due within 12 month and after 12 months and summarized outstanding position as under: (Rs In Lacs)

| | As at 31st March, 2015 | | | As at 31st Ma | rch, 2014 | |
|-----------------------------|------------------------|----------|-------------|---------------|-----------|-------------|
| From Banks | Total | Current | Non-Current | Total | Current | Non-Current |
| State Bank of India | 5,017.19 | 1,356.25 | 3,660.94 | 7,597.34 | 1,972.20 | 5,625.14 |
| Axis Bank Ltd | 269.39 | 121.88 | 147.51 | 497.68 | 225.56 | 272.12 |
| State Bank of Mysore | 1,267.27 | 484.00 | 783.27 | 1,473.69 | 214.00 | 1,259.69 |
| HDFC Bank Ltd | 134.85 | 66.85 | 68.00 | 130.85 | 89.43 | 41.42 |
| ICICI Bank | 118.95 | 52.54 | 66.41 | | | |
| Sub Total (i) | 6,807.65 | 2,081.52 | 4,726.13 | 9,699.56 | 2,501.19 | 7,198.37 |
| From Financial Institutions | | | | | | |
| TFCI | 1,587.50 | 187.50 | 1,400.00 | 666.50 | 175.00 | 491.50 |
| MPFC | 42.09 | 42.09 | | 165.26 | 120.00 | 45.26 |
| Sub Total (ii) | 1,629.59 | 229.59 | 1,400.00 | 831.76 | 295.00 | 536.76 |
| GRAND TOTAL (i)+(ii) | 8,437.24 | 2,311.11 | 6,126.13 | 10,531.32 | 2,796.19 | 7,735.13 |

4.2 Unsecured loans have been netted from the instalments falling due within twelve months after the reporting date. Breakup of amount due within 12 month and after 12 months and summarized outstanding position as under:

(Rs In Lacs)

| | As at 31st March, 2015 | | | As at 31st Ma | rch, 2014 | |
|-----------------------|------------------------|---------|-------------|---------------|-----------|--------------|
| From NBFC | Total | Current | Non-Current | Total | Current | Non- Current |
| Magma Fincorp Limited | 7.50 | 7.50 | | 34.95 | 31.31 | 3.64 |
| TOTAL | 7.50 | 7.50 | | 34.95 | 31.31 | 3.64 |

- 4.3 Secured Term Loan from bank includes term loans outstanding from State Bank of India, Axis Bank Ltd, State Bank of Mysore, HDFC bank Ltd & ICICI Bank Ltd.
 - 4.3.1 Term loans of Sayaji Hotels Ltd. outstanding of State Bank of India are secured by way of mortgage of land & building at Indore, Vadodara & Pune & hypothecation of movables, present & future except stocks of food beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc. offered to the bankers for securing the working capital finance. The terms of repayment of all term loans of State Bank of India is on quarterly basis & interest is payable on monthly basis.

 These loans were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
 - 4.3.2 Term loan of Malwa hospitality Pvt. Ltd. outstanding of State Bank of India are secured by way of hypothecation of entire fixed assets of company.
 - 4.3.3 Term loans of Sayaji Hotels Ltd. outstanding of Axis Bank Ltd include term loans account & vehicle loans account. Term loan outstanding is secured by way of first charge on Company's entire fixed assets, present & future, ranking parri passu with other existing term lenders.
 - The term of repayment of both the term loan is on quarterly basis & interest is payable on monthly basis. Vehicle loans outstanding are secured by way of hypothecation of the specific vehicles financed by bank. These loans were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
 - 4.3.4 Term loan of Sayaji Hotels Ltd outstanding of State Bank of Mysore is secured by way of mortgage of land building at Indore, Vadodara & Pune & hypothecation of movables, present & future, except stocks of food beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc. The term of repayment of the term loan is on quarterly basis & the interest is payable on monthly basis. These loans were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.

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SAYAJI HOTELS LIMITED CONSOLIDATED FINANCIAL STATEMENT

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

- 4.3.5 Vehicle of Sayaji Hotels Ltd loans outstanding from HDFC Bank Ltd. is secured by way of hypothecation of the specific vehicles financed by bank.
- 4.3.6 Vehicle loans Malwa hospitality Pvt. Ltd. outstanding from HDFC Bank Ltd. is secured by way of hypothecation of the specific vehicles financed by bank.
- 4.3.7 In previous year term loans of Barbeque Nation Hospitality Limited outstanding from State Bank of India is secured on paripassu basis on the entire fixed assets of the Company and also on paripassu basis, with the term lenders of Sayaji Hotels Ltd, over the entire fixed assets of Sayaji Hotels Limited by way of mortgage of land and buildings at Indore, Pune and Vadodara and hypothecation of the movables, present and future, except stocks of all kinds including operating supplies and spares offered to the bankers for securing the working capital finance. These loans were secured by corporate guarantee given by Sayaji Hotels Limited.
- 4.4 Secured term loans from Financial Institutions includes term loan outstanding of Tourism Finance Corporation of India Ltd(TFCIL) & Madhya Pradesh Finance Corporation (MPFC).
 - 4.4.1 Term loan of Sayaji Hotels Ltd outstanding from TFCIL is secured on pari-passu basis by way of mortgage of land & building at Indore, Pune & Vadodara & hypothecation of the movables, present & future, except stocks of food beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc & by way of pledge of shares belonging to promoters.
 - Mortgage of lease hold right of Amber Garden, Indore along with building Structure thereon and first charge by way of hypothecation of movables of Bhopal Club project.
 - The term of repayment of the term loan is on quarterly basis & the interest is payable on monthly basis, This loan is personally guaranteed by Smt Suchitra Dhanani.
 - 4.4.2 Term loan of Sayaji Hotels Ltd outstanding from MPFC are secured by way of mortgage of land & building at Indore & hypothecation of the movables, present & future, except stocks of food beverages, operating supplies, stores, spares, bookdebts (excluding credit card receivables), bills etc bankers for securing the working capital finance. The term of repayments on quarterly basis & interest is payable on monthly basis. These loan were personally guaranteed by Late Shri Sajid dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee.
- 4.5 Loan outstanding from Magma Fincorp Limited is unsecured loan. Repayment is being made on EMI basis. Post dated cheques has been given for all instalments.

 (Rs In Lacs)

| 5 | OTHER LONG TERM LIABILITIES : | As at 31st March, 2015 | As at 31st March, 2014 |
|---|--|------------------------------|----------------------------|
| | Deposits From Tenants | 7.17 | 6.67 |
| | Others* | 2,000.00 | 2,000.00 |
| | Rent equalisation reserve | | 65.29 |
| | Total | 2,007.17 | 2,071.96 |
| | *Payable towards repurchase of land at Indore hotel. This amount is now paya | ble within 8 years. Interest | @ 9% p.a is payable on the |

outstanding amount.

Payable towards repurchase of land at Indore notel. This amount is now payable within 8 years. Interest @ 9% p.a is payable on the outstanding amount.

(Rs. In Lacs)

| LONG TERM PROVISIONS : | As at 31st March, 2015 | As at 31st March, 2014 |
|---------------------------------|------------------------|------------------------|
| Provision for Employee Benefits | | |
| Provision for Gratuity | 192.27 | 201.51 |
| Leave Encashment | 212.93 | 184.54 |
| Total | 405.20 | 386.05 |

- 6.1 Provision for employee benefits includes provision of Gratuity & leave encashment payable after 12 month.
- 6.2 The Company makes annual contributions to the Employee's Group Gratuity scheme of the SBI Life Insurance Co. Ltd., a funded defined benefit plan for the qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per the terms of the scheme. Vesting occurs upon completion of five years of service.
 - 6.2.1 The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. The following table sets out the status of the funded gratuity plan and the amounts recognized in the company's financial statements as at March 31, 2015:-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Rs. in Lacs)

| | | As at 31st March, 2015 | As at 31st March, 2014 |
|---|------|---------------------------|---------------------------|
| Changes in benefit obligations : | i) | | |
| Present value of obligation as at the beginning of the year | | 143.84 | 134.14 |
| Interest Cost | | 11.51 | 10.47 |
| Current Service Cost | | 44.40 | 68.63 |
| Actuarial (gain)/ loss on obligations | | 12.23 | 20.33 |
| Benefit paid | | | (6.56) |
| Present value of obligation as at the end of the year | | 211.98 | 227.00 |
| Change in plan assets : | ii) | | |
| Fair value of plan assets as at the beginning of the year | | 4.58 | 18.38 |
| Expected return on plan assets | | 0.41 | 1.65 |
| Contributions | | 5.00 | 5.00 |
| Benefits paid | | | (6.56) |
| Actuarial gain/ (loss) on plan assets | | (0.02) | 0.07 |
| Fair value of plan assets at the end of the year | | 9.96 | 18.55 |
| Excess of (obligation over plan assets)/ plan asset over obligation | | (202.02) | (208.45) |
| (Accrued liability)/ Prepaid benefit | | (202.02) | (208.45) |
| Net Gratuity and other cost at the end of the year | iii) | | |
| Current Service cost | | 44.40 | 68.63 |
| Interest on defined benefit obligation | | 11.51 | 10.47 |
| Expected return on plan assets | | (0.41) | (1.65) |
| Net actuarial gain recognized in the year | | 12.25 | 20.26 |
| Net gratuity and other cost | | 67.76 | 97.70 |
| Actual return on plan asset | | 0.38 | 1.73 |
| Category of Assets at the end of the year | iv) | | |
| Insurer Managed Funds | | 9.96 | 18.55 |
| Others | | Nil | Nil |
| Total | | 9.96 | 18.55 |
| Assumptions used | v) | | |
| Discount rate (p.a.) | | 8.00% | 8.00% |
| Attrition Rate | | Variable based on Age | 10 per thousand |
| Salary escalation rate (p.a.) | | 7.00% | 8.50% |
| Expected rate of return on plan assets (p.a.) | | 8.88% | 9.00% |

6.3 Leave Encashment:

The provision of leave encashment have been made on outstanding privilege leave of employees at the end of year and calculated on the basis of basic pay of employees. Attrition rate taken same as Actuarial valuation report of gratuity liability.

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SAYAJI HOTELS LIMITED CONSOLIDATED FINANCIAL STATEMENT

| SHORT-TERM BORROWINGS: | As at 31st March, 2015 | As at 31st March, 2014 |
|---------------------------------------|------------------------|------------------------|
| Secured | | |
| Working capital facilities from Banks | 409.32 | 523.40 |
| | 409.32 | 523.40 |
| Unsecured | | |
| Deposits From Public | | 14.55 |
| Loans From related parties | 329.98 | 629.98 |
| Loans From others | | |
| | 329.98 | 644.53 |
| Grand Total | 739.30 | 1,167.93 |

- 7.1 Working capital facilities of Sayaji Hotels Ltd include Cash Credit Facilities from State Bank of India outstanding Rs 381.65 lacs & Axis Bank outstanding Rs 27.67 lacs both of which are secured by first charge by way of hypothecation of stocks of food, beverages, operating supplies, stores, spares, book-debts (excluding credit card receivables), bills etc. of the company and also by way of a second charge on the immovable properties of the company at Indore, Baroda and Pune. Cash Credit Facilities from Axis bank Ltd were personally guranteed by Late Shri Sajid Dhanani, Company is in the process for making alternative arrangement for replacement of the personal guarantee. Working capital facilities of Barbeque Nation Hospitality Itd include Cash Credit Facilities from State Bank of India which was secured by way of hypothecation of movables, present & future, including stocks of all kinds, operating supplies and spares and by way of second charge on the entire fixed assets of the Company, the same is repaid fully in the current financial year.
- 7.2 Fixed deposits from Public has maturity period of 12 months and interest is payable @ 10% pa compounded monthly.
- 7.3 Loans from related parties & others includes loan from directors, associates and friends & relatives of directors. (Rs. In Lacs)

| 8 | TRADE PAYABLES: | As at 31st March, 2015 | As at 31st March, 2014 |
|---|-----------------|------------------------|------------------------|
| | Trade Payables* | 811.11 | 2,310.39 |
| | Total | 811.11 | 2,310.39 |

^{*}Trade payables are for goods purchased and services taken during the normal course of business.

- 8.1 The Company has not received information from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid at the year end together with interest paid/payable under the Act have not been given.
- 8.2 Trade Payable having scheduled payment beyond 12 months after reporting date Rs. Nil (Previous Year Rs. Nil)

| OTHER CURRENT LIABILITIES : | | (Rs. In Lacs) |
|--|------------------------|------------------------|
| Current Maturities of Long-Term Loans | As at 31st March, 2015 | As at 31st March, 2014 |
| Secured Term Loans | | |
| From Banks | 2,081.52 | 2,501.18 |
| From Financial Institutions | 229.59 | 295.00 |
| Total (A) | 2,311.11 | 2,796.18 |
| Unsecured Term Loans | | |
| From NBFC | 7.50 | 31.31 |
| Total (B) | 7.50 | 31.31 |
| Others | | |
| Creditors for capital Expenditure | 287.12 | 357.38 |
| Advance received from customers# | 278.58 | 179.22 |
| Statutory Dues | 142.47 | 465.67 |
| Others | 159.08 | 200.17 |
| Total (C) | 867.25 | 1,202.44 |
| Interest Accrued but not Due on Borrowings (D) | 13.69 | 50.55 |
| Grand Total (A+B+C+D) | 3,199.55 | 4,080.48 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

- 9.1 Current maturities of term loans from bank includes Principal instalments payable to State Bank of India, Axis Bank Ltd, State Bank of Mysore and to HDFC. Bank wise Current maturity is give under Note no 4.1. Other terms are same as given in Note no 4.3.
- 9.2 Current maturities of term loans from financial institutions includes Principal instalments payable to Tourism Finance Corporation of India Ltd, and Madhya Pradesh Finance Corporation. Financial Institution wise current maturities is given under Note no 4.1 Other terms are same as given in note no 4.4.
- 9.3 Current maturities of term loan from NBFC is of Magma Fincorp Limited. Other terms are same as given in note no 4.5
- 9.4 Statutory dues includes VAT, luxury tax, TDS, service tax & other statutory payables.
- 9.5 Advances received from customer includes advances against future bookings for functions to be held in next 12 Months
- 9.6 Other Current liabilities includes rent payable, interest payable and staff dues.

(Rs. In Lacs)

| 0. SHORT-TERM PROVISIONS: | As at 31st March, 2015 | As at 31st March, 2014 |
|---------------------------------|------------------------|------------------------|
| Provision for Employee Benefits | | |
| Provision for Gratuity | 9.75 | 6.94 |
| Leave Encashment | 10.59 | 89.27 |
| Bonus | 119.01 | 77.80 |
| Total (A) | 139.35 | 174.01 |
| Provision for current year Tax | 12.78 | 565.24 |
| Provision for Expenses | 151.18 | 111.89 |
| Total (B) | 163.96 | 677.13 |
| Total (A+B) | 303.31 | 851.14 |

INTERTIONALLY LEET BLANK

(Rs. In Lacs)

SAYAJI HOTELS LIMITED CONSOLIDATED FINANCIAL STATEMENT

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31" MARCH, 2015

11. FIXED ASSETS:

245.85 4,881.72 169.42 131.28 2,467.98 1.05 32,398.38 22,613.78 16,596.95 35,908.45 (1.65)0.88 15,801.43 3,510.74 39,173.34 (2.71)(11,652.92)13,943.81 16,559.56 2,785.17 3,354.85) Total INTANGIBLE ASSETS [Note No. 11a (ii)] 134.60 134.60 i i (134.60)i i 134.60 134.60 i i i Goodwill i i (134.60)Software & 152.48 21.79 108.54 43.94 32.86 133.61 93.64 31.73 125.37 35.16 111.82 27.11 0.94 (52.67)3.58 0.37 (52.66)Licence 378.15 74.73 609.89 91.13 13.33 90.80 535.16 (0.94)507.38 72.71 450.86 51.96 416.59 159.03 i (192.70)(0.37)(99.19)Computer 55.92 625.98 216.90 95.43 65.12 47.54 4.16 (0.93)96.22 700.84 381.33 (4.57)483.94 227.07 586.47 (20.43)398.91 (0.78)86.22 Vehicle 3,056.23 81.73 829.34 118.88 260.57 110.62 0.17 710.46 1,943.58 Equipment 645.77 0.52 0.20 852.30 8.28 0.22 2,410.98 (2,308.42)1,112.65 (520.92)Service TANGIBLE ASSETS [Note No. 11a (i)] and Fixture 727.85 87.16 37.14 ,089.43 Furniture 1,115.04 0.85 7,089.94 5,174.49 3,867.39 1,915.45 7,386.05 116.73 8,384.36 1,440.27 (2,733.84)3,876.28 4,516.97 0.71 (468.34)Plant and Equipment 4,722.89 21.12 64.79 313.80 280.83 16.64 406.49 1,958.33 (4.42)1,134.34 (1.36)5,015.57 (1,629.37)4,516.12 2,027.14 2,291.33 (203.46)2,557.79 2,724.24 251.56 20.04 (22.10)651.04 15.23 688.10 7,311.95 11,672.59 13,658.30 0.49 l 2.64 2,005.17 i 5,021.95 5,657.76 6,014.83 11,441.07 6,346.35Buildings & Improvements Leasehold Land 560.72 804.08 31.52 6,080.29 5,852.85 1 i 2,294.06 1,313.02 2.63 1,871.11 l 1 (1,871.11)4,981.74 2,294.06 (4,558.79)31.79 2,668.79 2,637.00 i ı 1 2,668.79 2,668.79 1 i 1 l ı l l 1 l 1 i 2,668.79 Freehold Land Adjustment on account of Subsidiary Adjustment on account of change in **Gross Block At Cost** a subsidiary to associate. becoming an associate. Adjustment (Note 11.1) At March 31st, 2015 At March 31st, 2014 At March 31st, 2015 At March 31st, 2014 At March 31st, 2015 At March 31st, 2014 Depreciation Charge for the year Charge for the year At April 1st, 2013 At April 1st, 2013 Adjustment Adjustment Net Block Disposals Addition Disposal Disposal Addition Disposal

| 28.44 | | 28.44 | | | At March 31st, 2015 |
|----------|--------------|--|-----------|----------|---|
| | | | | | At March 31st, 2014 |
| Closing | ote no 3(a)] | Additions as per contra in [Note no $3(a)$] | Additions | Opening | Goodwill on Consolidation [Note No. 11a (iv)] |
| | | | | | |
| 1,358.40 | 357.50 | 3,076.02 | 2,527.87 | 2,264.05 | At March 31st, 2015 |
| 2,264.05 | 1 | 1 | 1,319.69 | 944.36 | At March 31st, 2014 |
| Closing | Adjustment | Capitalisation | Additions | Opening | Capital work in progress [Note No. 11a (iii)] |

11.1 Pursuant to enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy of Depreciation. Accordngly the unamortised carrying value is being depreciated/amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April, have been adjusted in the opening balance of Profit and Loss Account amounting to Rs. 131.28 Lacs.



| NC | ON-CURRENT INVESTMENTS : | | As at 31st March,2015 | As at 31st March,20 |
|----|--|--------|-----------------------|---------------------|
| Α | Trade Investments (Unquoted At Cost) | | | |
| | Barbeque-Nation Hospitality Ltd. | | | |
| | 6310558 Equity Shares of Rs.10/-each fully paid-up | 631.06 | | |
| | Add :- Accumulated Share in Profit/(Loss) at the beginning of the year | 76.83 | | |
| | Add :-Profit earned during the year | 761.41 | | |
| | Less :- Share in depreciation, net of deferred tax | (9.58) | | |
| | Less :- Adjustment on account of change in Minoroty Interest | (0.29) | 1,459.43 | |
| | Genex Hotels Pvt. Ltd. 5000 Equity Shares of Rs.10/-fully paid up | | 0.50 | 0. |
| | Winner Hotels Pvt. Ltd 2300 Equity Shares of Rs.10/-fully paid up | | 0.23 | 0. |
| | Excellent Estate Developers Pvt Ltd 65000 Equity Shares of Rs.10/-fully paid up | | 6.50 | 6. |
| | Ahilya Hotels Ltd 276185 Equity Shares of Rs.10/-fully paid up | | 110.47 | 110. |
| | Sub-Total (A) | | 1,577.13 | 117. |
| В | Other Investments (Unquoted at Market Value) | | | |
| | Bharat Equity Services Ltd. 1,00,000 Equity Shares of Rs.10 each fully paid up (-) Provision for Diminution in value of investment | | 0.10 | 0. |
| | Sub-Total (B) | | 0.10 | 0. |
| | Total (A+B) | | 1,577.23 | 117. |
| | Aggregate amount of quoted Investments | | | |
| | Market Value of quoted Investments | | | |
| | Aggregate book value of un-quoted Investments | | 1,577.23 | 117. |
| | | | - | (Rs. In Lacs |
| DE | FERRED TAX ASSETS : | | As at 31st March,2015 | As at 31st March,20 |
| 0n | account of Timing Difference in | | | |
| | Expenses Disallwed under I.T. Act., 1961 | | 165.12 | 199.96 |
| | Depreciation on fixed assets | | 582.85 | 153.84 |
| To | tal Deferred Tax Assets | | 747.97 | 353.80 |
| To | tal Deferred Tax Liabilities | | | |
| Ne | et Deferred(Liability)/Assets | | | 328.49 |
| Ne | et Deferred Tax(Liability)/Assets* | | 747.97 | 353.80 |
| An | nount debited/(Credited) to Profit & Loss Statement | | (425.08) | (96.04) |



| NOT | ES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st Mar | CH, 2015 | |
|-----|--|--------------------------------|-----------------------|
| | | | (Rs. In Lacs) |
| 14 | LONG -TERM LOANS AND ADVANCES : | As at 31st March,2015 | As at 31st March,2014 |
| | (Unsecured and Considered Good) | | |
| | Security Deposits* | 1,029.49 | 2,392.14 |
| | Advance to suppliers for Capital goods | 28.11 | 74.98 |
| | Loans & Advances to related parties | 429.86 | 435.72 |
| | Balance with Govt. authorities | | 119.63 |
| | Other Loans & Advances | 0.97 | 13.88 |
| | TOTAL | 1,488.43 | 3,036.35 |
| | *Security Deposits includes balances with statutory Authority , electricity deposits & lease r | ent deposits. | |
| | All the above loans & advances have been given for business purpose. | | |
| | | | (Rs. In Lacs) |
| 15 | OTHER NON-CURRENT ASSETS: | As at 31st March,2015 | As at 31st March,2014 |
| | (Unsecured and Considered Good) | | |
| | Fixed Deposits Against lien & Bank Guarantee* | 18.39 | 17.97 |
| | TOTAL | 18.39 | 17.97 |
| | *Maturing after 12 months | | |
| | | | (Rs. In Lacs) |
| 16 | CURRENT INVESTMENTS: | As at 31st March,2015 | As at 31st March,2014 |
| | Investments in Mutual Funds* | | |
| | Kotak Mutual Fund Kotak Equity Arbitrage Fund | | 102.31 |
| | (955825.068 units @ NAV of Rs 10.70) | | 102.51 |
| | Kotak Floater Short Term | | 101.38 |
| | (10021.9685 units @ NAV of Rs 1011.62) | | |
| | SBI Mutual Fund | | |
| | SBI Ultra Short Term Debt Fund | | 252.44 |
| | (25161.109 Units @ NAV of Rs 1003.25) | | |
| | TOTAL | | 456.13 |
| | *Investment in Mutual Fund includes investment of Barbeque Nation Hospitality Ltd in Kotal | k Mutual Fund & SBI Mutual Fur | d. |
| | | | (Rs. In Lacs) |
| 17 | INVENTORIES: | As at 31st March,2015 | As at 31st March,2014 |
| | (Valued at lower of cost or NRV whichever is less & certified by manageme | ent) | |
| | Operating Supplies | 1,138.51 | 1,134.92 |
| | Food & Beverages | 235.89 | 774.25 |
| | Shopping Arcade Stock | 42.54 | 42.54 |
| | TOTAL | 1,416.94 | 1,951.71 |



| B | TRADE RECEIVABLES : | As at 31st March,2015 | As at 31st March,201 |
|---|---|------------------------|------------------------|
| | Unsecured | | |
| | Outstanding for a period exceeding six months from the due date of payr | | 010.1 |
| | Considered Good | 216.40 | 212.1 |
| | Doubtful | 14.71 231.11 | 159.5 371. 6 |
| | Others | 231.11 | 3/1.0 |
| | Considered good | 580.29 | 653.6 |
| | 50.10.00.00 geou | 811.40 | 1,025.3 |
| | Provision for doubtful trade receivables | 14.71 | (159.5 |
| | TOTAL | 796.69 | 865.7 |
| | | | |
| | CASH & CASH EQUIVALENTS: | As at 31st March,2015 | (Rs. In Lacs |
| | Cash & Cash Equivalents | | As at 31st March,201 |
| | Cash on Hand | 32.83 | 127.3 |
| | Balances with Bank | | |
| | On current Accounts: | 67.50 | 040.1 |
| | With Scheduled Bank | 67.59 | 646.5 |
| | On deposit accounts With Scheduled Bank | | 200.0 |
| | | | 200.0 |
| | Other Bank Balances In Earmarked Accounts: | | |
| | With original Matuirty of less than 12 months | | |
| | Fixed Deposits Against lien | | 66. ⁻ |
| | Balances held as security against guarantees | | 40.6 |
| | With original Matuirty of more than 12 months | | 40.0 |
| | Fixed Deposits Against lien | 18.39 | 17.9 |
| | Tivou Doposits Against non | | |
| | | 118.81 | 1,098.6 |
| | Less: Term deposit with banks maturing after 12 months from Balance shee date & other earmarked/margin money/pledged deposits classified as non current.(Refer Note 15) | 18.39 | 17.9 |
| | TOTAL | 100.42 | 1,080.0 |
| | | | (Rs. In Lacs |
| | SHORT TERM LOANS & ADVANCES : | As at 31st March,2015 | As at 31st March,201 |
| | Loans & Advances to related parties | 17.62 | 543.7 |
| | Less: Provision for doubtful advances | | (16.6 |
| | Advance to suppliers for goods & services* | 75.99 | 17.6 |
| | Inter corporate deposits to related parties | | 1,500.0 |
| | Prepaid Expenses | 39.56 | 389. |
| | Staff Advances & Loan | 10.28 | 32.4 |
| | Advance Income Tax | 3.96 | 0.1 |
| | Mat Credit Entitlement | | 34.8 |
| | Balance with Govt. authorities | 226.63 | 503.5 |
| | Others | 60.67 | 53. |
| | Less: Provision for doubtful advances | (40.90) | (40.9 |
| | TOTAL | 393.81 | 3,017.3 |

12 Months & are for business purpose.

(Rs. In Lacs)

| 21 | OTHER CURRENT ASSETS: | As at 31st March,2015 | As at 31st March,2014 |
|----|---|-----------------------|-----------------------|
| | Interest Accrued on Deposit & investments | | 57.18 |
| | TOTAL | | 57.18 |

(Rs. In Lacs)

| 22. Revenue From Operations : | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|-------------------------------|------------------------------------|---------------------------------------|
| Rooms | 4,940.46 | 4,088.50 |
| Food and Beverages | 8,266.92 | 33,497.51 |
| Other Services* | 1,077.45 | 1,459.23 |
| TOTAL | 14,284.83 | 39,045.24 |

^{*}Revenue from others services includes income from club, rental income and income from banquet service etc.

(Rs. In Lacs)

| 23. | Other Income : | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|-----|--|------------------------------------|---------------------------------------|
| | Interest Earned* | 38.86 | 135.41 |
| | Other Non –Operating Income | 7.79 | 30.87 |
| | Excesss Inventory Found on Physical Verification | 24.86 | |
| | Excess/(Short) Provision of Earler Year | 64.70 | |
| | Profit on Sale of Investments | | 7.64 |
| | Dividend income from current investments | | 138.92 |
| | TOTAL | 136.21 | 312.84 |

^{*}Includes interest on Bank deposits Rs. 5.34 Lacs (PY 5.42 Lacs) & on loans & advances Rs. 33.52 Lacs (PY 9.46 Lacs)

(Rs. In Lacs)

| 24. | Food & Beverages Consumed : | For the year ended 31st March,2015 | 31st March,2014 |
|-----|-----------------------------|------------------------------------|-----------------|
| | Opening Stock | 178.82 | 519.22 |
| | Add : Purchases* | 3,764.96 | 13,556.50 |
| | | 3,943.78 | 14,075.72 |
| | Less : Closing Stock | 235.89 | 774.25 |
| | TOTAL | 3,707.89 | 13,301.47 |

^{*}Includes vegetable & non-vegetable items, grocery items, dairy products, tobacco products, alcoholic & non-alcoholic beverages etc.

^{*}Net of Expenses capitalised of Rs. 13.73 Lacs (P.Y. Rs. Nil)

| | For the year ended | 31st March,2015 | For the year ended 31st | t March,2014 |
|-------------|--------------------|-----------------|-------------------------|--------------|
| | Consum | ption | Consumptio | n |
| | Rs. In Lacs | % | Rs. In Lacs | % |
| Imported | 7.59 | 0.20% | 312.08 | 2.35% |
| Indigeneous | 3,700.30 | 99.80% | 12,989.39 | 97.65% |
| TOTAL | 3,707.89 | 100.00% | 13,301.47 | 100.00% |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Rs. in Lacs)

| 25. Operating Expenses ** | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|------------------------------|------------------------------------|---------------------------------------|
| Stores & Operating Supplies* | 621.32 | 1,140.54 |
| Repairs and Maintenance | | |
| Building | 87.92 | 164.67 |
| Plant & Machinery | 113.33 | 195.64 |
| Others | 137.10 | 329.42 |
| Laundry Expenses | 179.63 | 154.29 |
| Guest pick up Expenses | 296.67 | 322.64 |
| Cable TV Expenses | 66.14 | 51.64 |
| Other Operating Expenses# | 913.83 | 1,844.71 |
| Power and Fuel | 1,283.92 | 3,654.55 |
| GRAND TOTAL | 3,699.86 | 7,858.10 |

^{*}Stores & operating supplies includes crockery & cutlery, linen & other consumables etc.

#Other Operating Expenses includes party and function expenses, laundry expenses, guest pick up expenses & cable tv expenses etc.

^{**} Net of Expenses capitalised of Rs. 27.30 Lacs (P.Y. Rs. Nil)

| | | For the year ended 31st March,2015 Consumption | | March,2014 n |
|-------------|-------------|---|-------------|-----------------|
| | Rs. in Lacs | % | Rs. in Lacs | % |
| Imported | 7.12 | 1.15% | 0.76 | 0.03% |
| Indigeneous | 614.20 | 98.85% | 2,943.84 | 99.97% |
| TOTAL | 621.32 | 100% | 2,944.60 | 100% |

(Rs. in Lacs)

| 26 . | Emplo | yee E | Benefit | Expenses* | : |
|-------------|-------|-------|---------|-----------|---|
|-------------|-------|-------|---------|-----------|---|

Salaries, Wages and Allowances Contribution to P.F. and other Funds Workmen and Staff Welfare Expenses Workmen and Staff Uniform Expenses

TOTAL

| For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|---------------------------------------|---------------------------------------|
| 2,708.19 | 4,856.52 |
| 261.93 | 429.79 |
| 58.10 | 182.78 |
| 108.58 | 202.00 |
| 3,136.80 | 5,671.09 |



^{*} Net of Expenses capitalised of Rs. 96.69 Lacs (P.Y. Rs. Nil)



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Rs. In Lacs)

| 27. Other Expenses* | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|----------------------------------|---------------------------------------|------------------------------------|
| Lease Rent | 287.02 | 2,965.31 |
| Amortisation of lease deposit | 4.32 | |
| Brand Royalty | 98.26 | |
| Rent | 1.70 | |
| Rates & Taxes | 126.39 | 394.97 |
| Insurance | 22.62 | 36.60 |
| Travelling and Conveyance | 49.94 | 204.33 |
| Postage, Telegram and Telephones | 49.60 | 140.05 |
| Advertisement and Publicity | 80.00 | 309.74 |
| Legal & Professional | 143.15 | 327.61 |
| Printing and Stationery | 47.15 | 284.29 |
| Credit Card Commission | 99.53 | 58.75 |
| Other Expenses | 92.80 | 605.90 |
| Audit Fees | | |
| Statutory audit | 4.50 | 16.50 |
| Certification other matters | 0.75 | 0.65 |
| Taxation matters | | 2.40 |
| Water charges | 3.37 | 14.08 |
| Prior Period Exp. | (1.62) | 0.93 |
| Bad Debts W/off | 0.08 | 232.34 |
| Sundry Balances W/off | (59.74) | |
| Total | 1,049.82 | 5,594.45 |

^{*}Net of Expenses capitalised of Rs. 58.94 Lacs (P.Y. Rs. Nil)

(Rs. In Lacs)

| Provision for doubtful debts | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|--------------------------------|------------------------------------|------------------------------------|
| Opening Balance | 133.25 | 33.49 |
| Add: Provision during the year | | 232.34 |
| | 133.25 | 265.83 |
| Less: Bad debts written off | 118.54 | 132.58 |
| Closing Balance | 14.71 | 133.25 |





NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

(Rs. In Lacs)

| 28. | Finance Cost : | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|-----|-----------------------|------------------------------------|---------------------------------------|
| | Interest on term Loan | 965.75 | 1,732.66 |
| | Interest on Others | 328.70 | 219.29 |
| | Other expenses | 5.00 | 7.23 |
| | Other borrowing cost | 9.58 | 4.29 |
| | Total | 1.309.03 | 1.963.47 |

Interest expense includes interest paid on term loans & vehicle loans. Interest on others includes interest on credit facilities. Other expenses includes bank charges. Other borrowing cost includes processing fees & upfront fees of loans.

(Rs. In Lacs)

| 29. | Exceptional item of Sayaji Hotels Ltd includes : | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|-----|--|---------------------------------------|---------------------------------------|
| | a. Depreciation. | | 7.94 |
| | b. Provision for Doubtful advances | | 40.90 |
| | c. Profit on sale of investment* | | (1104.98) |
| | d. Prior period expenses** | | 44.71 |
| | Total (a+b+c+d+e) | | (1,011.43) |

^{*}Includes profit on sale of 415000 shares of Barbeque Nation Hospitality ltd at Rs 334.54 per share to Tamara Pvt. Ltd.

(Rs. In Lacs)

| Provision for doubtful Advances | For the year ended 31st March,2015 | For the year ended 31st March,2014 |
|--|------------------------------------|---------------------------------------|
| Opening Balance | 40.90 | 140.19 |
| Add: Provision during the year | | 40.90 |
| | 40.90 | 181.09 |
| Less: Bad debts written off | | 140.19 |
| Less: Provision no longer required, written back | | |
| Closing Balance | 40.90 | 40.90 |
| | | |



^{*} Net of Expenses capitalised of Rs. 33.17 Lacs (P.Y. Rs. Nil)

^{**}Include lease rentals not provided for in earlier years

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2015

Additional Disclosures

30.1 Contingent liability not provided for:

- 30.1.1 Guarantee given on behalf of other companies Rs 6873.60 lacs (P.Y Rs 4421.82 lacs). This includes Guarantee given to State Bank of India on Behalf of Barbeque-Nation Hospitality Ltd amounting Rs 4,000 lacs (P.Y 4000.00 lacs), guarantee given to Axis Bank Ltd on Behalf of Sana Hospitality Services Pvt .Ltd amounting to Rs 421.82 lacs (P.Y Rs 421.82 lacs), guarantee given to State bank of India on Behalf of Malwa Hospitality Pvt .Ltd amounting to Rs.2400 lacs (P.Y. Nil) & HDFC Bank Ltd RS.51.78 lacs Outstanding balance of loan there against for the year ended 31st March, 2015 from SBI is Rs 4764.09 lacs (P.Y 3501.90 Lacs) ,Axis Bank Ltd is Rs 212.51 Lacs (P.Y 250.19 Lacs) and from HDFC bank Ltd. RS 45.08 lacs (P.Y. Nil)
- 30.1.2. Disputed statutory liabilities in respect of service tax not provided for:
 - (a) In Respect of indore hotel, for the period from 01.03.05 to 31.03.09 the Hon'ble Tribunal has passed the order against the Company after giving the benefit of abatement and waiver of penalty imposed in the order passed by Learned Commissioner. Tax demand of Rs 175.01 lacs is pending as per the Tribunal's order Company has challenged said order before Indore bench of Hon'ble High Court of MP and got interim stay of the demand. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs.175.01 Lacs)
 - (b) In Respect of indore hotel, for the period from 01.04.09 to 31.03.11 the Commissioner has passed the order against the Company without even considering the benefit given by the Hon'ble Tribunal in their prior order. Tax demand of Rs. 400.37 lacs has been raised alongwith equal amount of penalty. Company has challenged said order before Hon'ble Tribunal & got unconditional stay on merits for the entire demand. Had the benefit of abatement & waiver of penalty given by the Hon'ble Tribunal in their prior order been considered by the Learned Commissioner, the demand would have been reduced to Rs. 139.97 lacs. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs. 400.37 Lacs)
 - c) In Respect of indore hotel for the period from 01.04.11 to 30.06.12 the Commissioner has issued show cause against the Company without even considering the benefit given by the Hon'ble Tribunal in their prior order. Tax demand of Rs 269.27 lacs has been raised alongwith equal amount of penalty Company has challenged said order before Hon'ble Tribunal. Had the benefit of abatement & waiver by of penalty given the Hon'ble Tribunal in their prior order been considered by the Learned Commissioner, the demand would have been reduced to Rs. 127.98 lacs. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs.269.27 lacs)
 - (d) In Respect of Pune hotel for the period from 01.04.09 to 30.06.12 Commissioner has passed an order against the company and raised a tax demand of Rs.39.27 lacs, company has filed an appeal before commissioner (Appeal), which is yet to be decided. Interest liability will also arise in case of unfavorable decision. (P.Y. Rs. Nil)
- 30.1.3. Custom duties saved against imports under EPCG scheme is Rs 594.13 lacs (P.Y Rs 594.13 lacs)
- 30.1.4. Disputed liability of Rs 131.30 lacs not provided for in respect of Income Tax (AY 2007-08, AY 2008-09, AY 2009-10, AY 2010-11, AY 2012-13). The matters are pending before Income tax Appellate Tribunal, Ahemdabad. (P.Y Rs. 131.30 lacs)
- 30.1.5. Disputed liability of Rs 1.02 lacs not provided for in respect of TDS (AY 2010-11, AY 2011-12 & AY 2012-13). The matter is pending before CIT,Pune. (P.Y. Rs. 1.02 lacs)
- 30.1.6. Disputed liability of Rs 83.55 lacs not provided for in respect of Commercial tax (FY 2011-12 & 2012-13). The matters are pending before Commissioner -Appeal Commercial tax ,Indore. (P.Y. Rs. Nil)
- 30.1.7. Disputed liability of Rs .56 lacs not provided for in respect of Commercial tax (FY2010-11). The matter is pendin pending before Appelate Tribunal- Commercial tax ,Indore. (P.Y. Rs. Nil)

30.2 Capital Commitments

Estimated capital commitments not provided for Rs.82.73 Lacs (PY 19.42 lacs)

30.3 The Company has not received information from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and accordingly disclosure regarding to amount paid/Payable at the year end together with interest paid/payable under the Act have not been given.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

30.4 Segment Reporting:

The Company's only business being hoteliering, disclosure of segment-wise information is not applicable under Accounting Standard 17 - 'Segmental Information' (AS-17) notified by the Companies (Accounting Standards) Rules, 2006 (as amended). There is no geographical segment to be reported since all the operations are undertaken in India.

30.5 Impairment of Assets:

That the Board of Directors, is of the opinion that the discounted net future generation from the Assets in use & shown in the schedule of Fixed Assets, is more than the carrying amount of Fixed Assets in Balance Sheet, as such, no provision for Impairment of Assets is required to be made in terms of the requirement of Accounting Standard (AS–28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India for the year ended 31st March'2015.

- 30.6 In the opinion of the Directors, value of long term trade investment in shares of subsidiary companies & others have the value at which they are stated in the Balance Sheet. Further investment made is in the nature of trade investment. in view of above no provision is required to be made for any temporary in the value of investment define
- **30.7** In the opinion of the Directors, Current Assets, Loans & Advances have the value at which they are stated in the Balance Sheet, if realized in the ordinary course of business. Further, Directors are of the opinion that all the liabilities have been duly reflected in the Balance Sheet and nothing is remained to be disclosed for. Sundry Debtors, Creditors and Advances are subject to reconciliation and confirmation.
- **30.8** In the opinion of Board of Directors there exists adequate accounting & internal control system designed to prevent and detect fraud or errors and in the opinion of Board of Directors that any uncorrected misstatements resulting from either fraud or errors are in the managements opinion immaterial both individually & aggregate in the Financial statements.

30.9 Details of Related Party Disclosure:

i) Key Management Personnel

Mr.Raoof Razak Dhanani (Director) Mr. Kayum Dhanani (Director)

Mrs. Suchitra Sajid Dhanani, Whole Time Director
Mr. Sandesh Khandelwal (Chief financial officer)
Mr. Amit Sarraf (Company Secretary)

ii) Entity in which company /KMP / Relatives of KMP can exercise significant influence

S S Management

S.N. Travels

Taurus Corium Impex Pvt. Ltd.

Barbeque-Nation Hospitality Limited

Genex Hotels Pvt. Ltd.

Winner Hotels Pvt. Ltd.

Trans Agro India Pvt. Ltd.

A.R. Hospitality Pvt. Ltd.

Tungabhadra Furtilizer & Chemical Ltd.

Zuber Y Dhanani

Azher Y Dhanani

Saba R Dhanani

Sadiya R Dhanani

Sara K Dhanani

Sanva S Dhanani

Rizwan R Sheikh



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2015

(Rs. In Lacs)

| Sr.No. | Nature of Transactions | As at 31st March, 2015 | As at 31st March, 2014 |
|--------|---|------------------------|------------------------|
| Α | KEY MANAGEMENT PERSONNEL | | |
| | REMUNERATION | 55.19 | 32.07 |
| | ISSUE OF PREFERENCE SHARE (INCLUDING PREMIUM) | 375.00 | |
| | RECEIVABLE AT THE YEAR END | | 345.52 |
| | PAYMENT OF INTEREST | 70.36 | 3.91 |
| | PAYABLE AT THE YEAR END | 300.00 | 600.00 |
| В. | ENTITY IN WHICH KMP / RELATIVES OF KMP CAN EXERCISE | | |
| | SIGNIFICANT INFLUENCE | | |
| | GUEST PICK UP EXPENSES | 40.69 | 40.06 |
| | LEASE RENT PAID | | 2.40 |
| | RECEIVABLE AT THE YEAR END | 0.16 | 39.40 |
| | PAYABLE AT THE YEAR END | 92.93 | 7.98 |
| | INVESTMENTS | 26.06 | 0.50 |
| | SALE TRANSCATION | 3.11 | 12.19 |
| | PAYMENT OF ROYALTY | 97.88 | 88.22 |
| | PAYMENT OF INTEREST | 87.93 | |
| | ISSUE OF PREFERENCE SHARE (INCLUDING PREMIUM) | 1,000.00 | |
| | PAYMENT OF PROFFESSIONAL FEE | 9.00 | |

(Rs. In Lacs)

| 30.10 Earning/(Loss) per share (EPS) is calculated as under : | | As at 31st March, 2015 | As at 31st March, 2014 |
|---|--|------------------------|------------------------|
| a) | Numerator: | | |
| | Net Profit after tax as per Statement of Profit & Loss | 298.35 | 1,376.84 |
| | Dividend on Preference Shares & Income Tax Thereon | 27.53 | |
| | Net Profit/(Loss) attributable to equity share holders | 270.82 | 1,376.84 |
| b) | Denominator: | | |
| | Number of Equity shares | 17,518,000.00 | 17,518,000.00 |
| | Weighted average number of equity shares outstanding during the year | 17,518,000.00 | 17,518,000.00 |
| c) | Nominal value of Equity Shares (in Rs.) | 10/- | 10/- |
| d) | Earning/(Loss) per share | 1.55 | 7.86 |

30.11 Earnings in Foreign Currency:

30.11.1 Earnings in Foreign Currency
Sale of Rooms and Food Beverages
30.11.2 CIF Value of imports & Expenditure (on accrual basis)
Import Value of Capital Goods and expenditure

| As at 31st March, 2015 | As at 31st March, 2014 |
|------------------------|------------------------|
| 789.81 | 1,225.80 |
| | |
| 182.81 | 365.30 |

30.12 The company has reclassified previous year figures to conform to this year' classification.

As per our report of even date attached

For and on behalf of the Board of Directors

For K.L.Vyas & Company Chartered Accountants Firm Regn. No. 003289C

T.N Unni Suchitra Dhanani Director Director

K.L.Vyas Partner M.No. 072043 Indore, 12th August, 2015

Sandesh Khandelwal Chief Financial Officer Amit Sarraf Company Secretary

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FORM No.MGT-11

Proxy Form

| [Pursuant to section 105(6) of Companies Act, 2013 and rule 19(3) CIN: L51100GJ1982PLC005131 Name of the Company: Sayaji Hotels Limited Registered Office: Kala Ghoda, Sayaji Gunj, Opp to Rajsh | | 2014] |
|---|---|------------|
| Name of the member(s): Registered Address: E-mail Id: Folio No/Client Id: DP ID: | | |
| I/We being the Member(s) of | shares of the above named Company, hereby app | point |
| 1. Name: | 3. Name: | |
| Address: | Address: | |
| E-mail ID: | E-mail ID: | |
| Signature, or failing him | Signature | |
| | | |
| 2. Name: | | |
| Address: | | |
| E-mail ID: | | |
| Signature, or failing him | | |
| as my/our proxy to attend and vote (on poll) for me/us and Company, to be held on the 26th day of September ,2015 a Opp. Rajshree Talkies, Near Kala Ghoda, Sayajigunj, Vad respect of such resolution as are indicated below: Resolution No: | t 3.00 p.m. at its Registered office situated at "Sayaj | ji Hotel", |
| | | |
| ORDINARY RESOLUTION: 1. (a) Adoption of the standalone financial statements of Reports of Board of Directors and Auditors thereon | | |
| (b) Consideration and Adoption of Consolidated Finance report of Auditors thereon | cial Statement for the year ended on 31st March 201 | 5, and |
| Appointment of Director in place of Mr. Raoof Razak Director in place of Mr. Rao | nanani (DIN- 00174654), who retires by rotation and, | , being |
| 3. Ratification of appointment of M/s K. L. Vyas & Co., Chart the Company and fix their remuneration. | tered Accountants (Firm Regn. No. 003289C) as audi | itors of |
| SPECIAL BUSINESS: | | |
| 4. Adoption of new set of Articles of Association of the C | Company | |
| 5. Approval for sale of Business of Barbeque-Nation Re | | |
| Signed this day of | Af | fix 1 Rs. |
| Signature of shareholder | R | evenue |
| - | | Stamp |
| Signature of Proxy holder(s) | | |

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Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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SAYAJI HOTELS LTD. H-1, Sch. No. 54, Vijay Nagar, Indore-452010, (M.P.) Tel.: +91 731 4006666, Fax: 91 731 4003131

www.sayajihotels.com