

Annual Report 2012-13



The
Byke
A HOTEL RETREAT



The **Byke**

Hospitality Limited





The
Byke
A HOTEL RETREAT

Place to Create Moments



Vision

“To be a Leader and preferred choice in the Hospitality industry while sustaining our Indian culture of

“Atithi Devo Bhavah”.



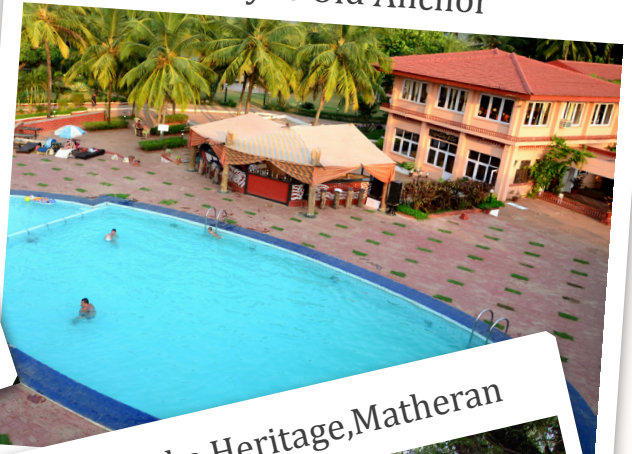
Mission

“To Deliver a world class experience, driven by superior strategic marketing, proven leadership, having presence across the country and extraordinary service - ultimately providing maximum financial returns to owners, investors and associates.

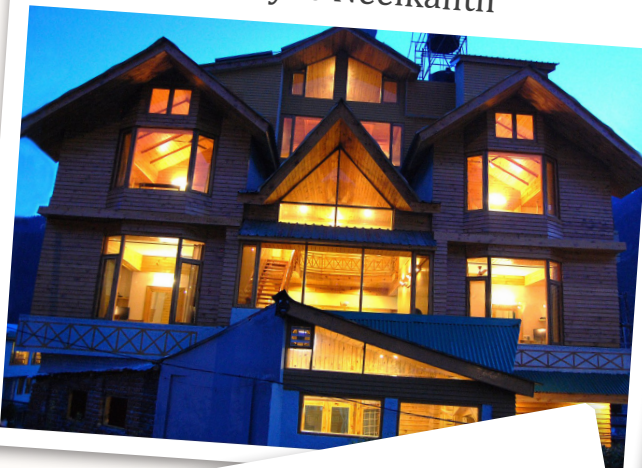
The Byke Hidden Paradise



The Byke Old Anchor



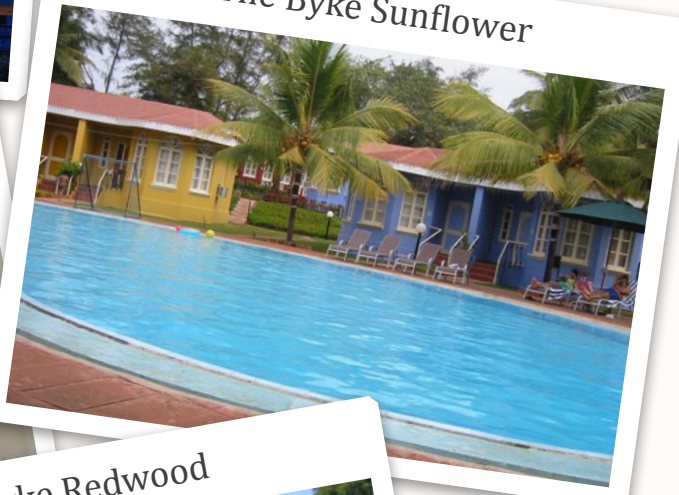
The Byke Neelkanth



The Byke Heritage, Matheran



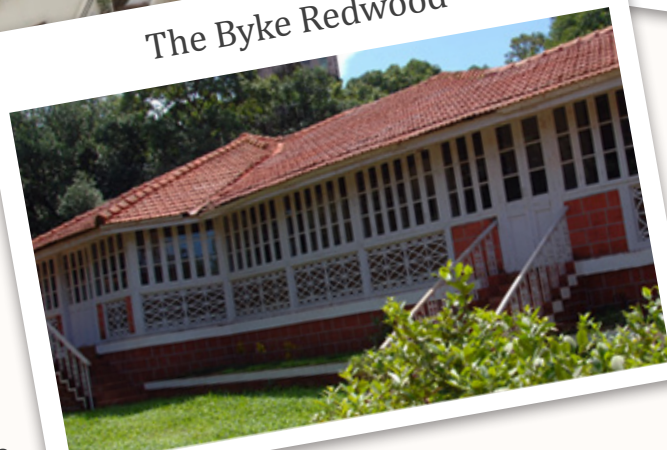
The Byke Sunflower



The Byke Pawanaa



The Byke Redwood



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The Byke Old Anchor, South Goa



The Byke Hidden Paradise, North Goa



Corporate

Information _____ as on 5th Aug, 2013

BOARD OF DIRECTORS:

Mr. Anil Patodia
Mr. Satyanarayan Sharma
Mr. Pramod Patodia
CA Ram Ratan Bajaj
Mr. Ramesh Vohra
Mr. Bharat Thakkar

COMPANY SECRETARY AND COMPLIANCE OFFICER:

Mrs. Swati Gupta

BANKERS:

ICICI Bank Limited
HDFC Bank Limited
Axis Bank Limited
State Bank of Bikaner and Jaipur
Union Bank of India

STATUTORY AUDITOR:

M/s. A. P. Sanzgiri & Co.
Chartered Accountants
21/167, Anand Nagar,
Om Co –operative Hsg Society,
Nehru Road, Santacruz (East),
Mumbai – 400 055

REGISTRAR AND SHARE TRANSFER AGENT:

Sharepro Services (India) Private Limited
13 A/B, Samhita Warehousing Complex
2nd Floor, Off Andheri Kurla Road,
Sakinaka Telephone Exchange Lane
Sakinaka, Andheri (East), Mumbai – 400 072
Tel: +91 2267720331
Website: www.shareproservices.com
E-mail: sharepro@shareproservices.com

REGISTERED & CORPORATE OFFICE:

Shree Shakambhari Corporate Park,
Plot No. 156-158, Chakravarti Ashok Complex,
J.B. Nagar, Andheri (East),
Mumbai – 400 099
Tel: +91 22 6707 9666
Fax: + 91 22 6707 9696
E-mail: investors.care@thebyke.com
Website: www.thebyke.com

BOARD COMMITTEES:

Audit Committee:

CA Ram Ratan Bajaj – Chairman
Mr. Bharat Thakkar – Member
Mr. Anil Patodia – Member

Remuneration Committee:

Mr. Ramesh Vohra – Chairman
Mr. Bharat Thakkar – Member
CA Ram Ratan Bajaj – Member

Shareholders / Investors Grievance Committee:

Mr. Bharat Thakkar – Chairman
Mr. Satyanarayan Sharma – Member
Mr. Anil Patodia – Member



Letter to Shareholders



Dear Shareholders,

We all feel very proud that in a short span of time, our company, “The Byke Hospitality Limited” has created a niche for itself in the Hospitality sector and has established its brand “The Byke”. It has been a wonderful journey since 1999 when the company has ventured into the business of Hotel & Tourism. It is only because we constantly strive for excellence in every sphere. We keep looking for ways through which we can further improve our services to our esteemed guests and attain maximum customer satisfaction so that we can bring greater value to our shareholders. Our company’s governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders.

The hotel industry in India thrives largely due to the growth in tourism and travel. Tourism is one economic sector in India that has the potential to grow at a high rate and to ensure consequential development of the infrastructure at the destinations. The booming economy of India passed through a challenging phase. The weak global economy, the European debt crisis and the slowdown in the American economy impacted the Indian Hospitality Industry. While India’s growth has been impacted by the situation worldwide, there are several factors within India that have led to this drop in GDP. The tightening of the monetary policy, making it more expensive to borrow, is partly responsible for the slowdown in almost all sectors. The Reserve Bank of India decided to continue with this policy during this year to control inflation. The Current Account Deficit is a major cause of concern as also the weakening of the Indian Rupee.

Letter to Shareholders

We feel that given India's resilience and power it will only be a matter of time before the economy rebounds – the growth story must continue & only sustained and planned domestic reforms by the government are helping in overcoming challenges. We are pleased to inform you that our hotels & resorts continue to gain the recognition amongst the tourists coming to India. Setting up a milestone in the growth history, we are in process to join hands with State tourism departments of India by taking over their operational management of their state owned hotels.

The success of a company depends upon its ability to match the quality of services, amenities and facilities, brand recognition, location of properties, etc. The success of The Byke is based upon its ability to maximise satisfaction of the customers regarding room rates, quality of accommodation, brand recognition, service level and convenience of location and to a lesser extent, the quality and scope of other amenities, including food and beverage facilities.

It has been a wonderful journey of year 2012-13, this year our company has reach its first milestone by achieving turnover of more than Rs 100 crores and we are looking forward for successful launch of many other hotels in different locations in India and continue with our growth model . I am confident that the young and dynamic team of The Byke will continue to deliver its promises and exceed customer expectations. We will continue our practice of value addition for all our stakeholders over the long run with your continuous support and faith in us.

In conclusion, I would like to thank the extraordinary people who make the mission of The Byke their own. I also take this opportunity to extend my gratitude to all our fellow stake holders for their unstinted support. I particularly appreciate all levels of the management team, board and employees for their zealous commitment to our company's growth and success. I also acknowledge the suppliers, customers and bankers for their stellar contribution to our company.

Once again, I thank you for resting your trust on me and providing me the opportunity to lead our company in this very dynamic industry.

Best wishes,



Anil Patodia

Anil Patodia
Managing Director



MR. ANIL PATODIA
(Managing Director)

Mr. Anil Patodia took over the management of The Byke Hospitality Limited in March 2011. Mr. Patodia is a Commerce Graduate from the University of Rajasthan, having huge experience in the Hospitality and Manufacturing industries. Mr. Patodia is an acknowledged for his analytical acumen with respect to the various avenues of investment in this industry. Under the leadership of Mr. Patodia, the Byke- A Hotel Retreat, Matheran has created a niche for itself. A career Hotelier, Mr. Anil Patodia brings extensive hotel experience to The Byke Hospitality Limited in operations and marketing and is playing a key role in the global expansion and development of future hotels. He is also actively involved in the social activities. He is a member of Lions Club International and a working committee member of Mumbai Vaish Federation.

MR. SATYANARAYAN SHARMA
(Whole time director)



Mr. Satyanarayan Sharma is an Electrical Engineer having past vast experience of more than 25 years in hospitality industry. He is the visionary founder promoter of The Byke Hospitality Limited. His professional guidance and expert proficiency in understanding the holiday needs of the tourists and providing quality tailor – made products in the holiday space was instrumental in the successful growth of the company.



MR. PRAMOD PATODIA
(Executive Director)

Mr. Pramod Patodia experience in Hospitality industry spans across two decades. He has over 25 years of extensive experience in the field of management, administration, extensive hotel experience to the The Byke Hospitality in operations and management. Currently, he is overseeing the operations of all the hotels of the company.



MR. BHARAT THAKKAR
(Independent Director)

Mr. Thakkar is a post graduate in Commerce and has cleared ICWA Intermediate. Mr. Bharat Thakkar is an experienced professional with expertise in all facets of Insurance business with exposure across various geographies. During his professional journey at New India Assurance and United India Insurance Company, Mr Thakkar has handled Credit Insurance & Investments both in Equity & Debt. At United India Insurance, Mr Thakkar was Deputy General Manager for Investments & Accounts and was looking after Investments Strategies of the company and At New India Assurance, he was Head of Department for Investments and Credit Insurance. Mr Thakkar has been appointed as Independent Director of our company this year and his expertise shall be significant in making all the lucrative decisions for the company.

CA RAM RATAN BAJAJ
(Independent Director)



Mr. Ram Ratan Bajaj is a fellow member of the Institute of Chartered Accountants of India with over 34 years of post – qualification experience in handling finance, taxation, corporate law, accounts, project implementation, cost control and related matters. He has been associated with the company since March 30, 2011. His expertise has been significant in making the financials decisions of the company. He has an active involvement in social activities. He was a member of Bharat Bikas Parishad – a unique organisation for socio – cultural activities having around 1300 branches.

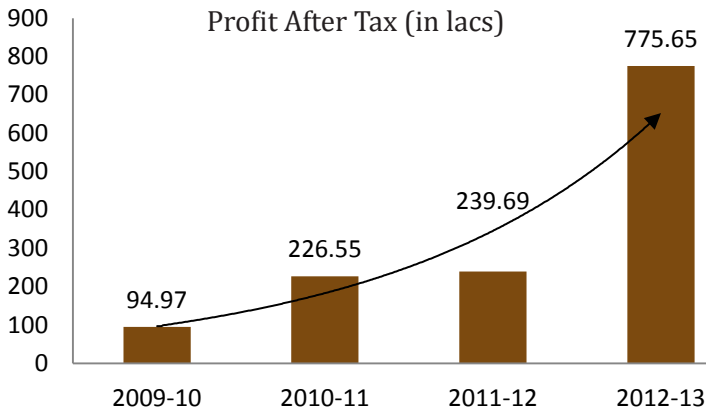
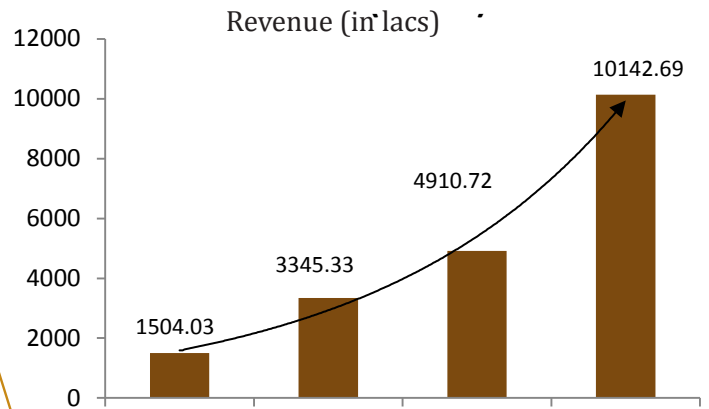


MR. RAMESH VOHRA
(Independent Director)

Mr. Ramesh Vohra, aged 71 years, is in the business of supply and service of engineering products to provide global solutions to the Oil, Gas, Exploration Marine and Construction companies for more than four decades. Some of the major clients include ONGC and the Indian Railways. He is actively involved in the social activities. He is a member of Lions Club for past 12 years.

Revenue

The Byke hospitality Ltd has shown a tremendous growth by doubling its revenue from Rs 4910.72 lacs to Rs.10142.69 lacs.

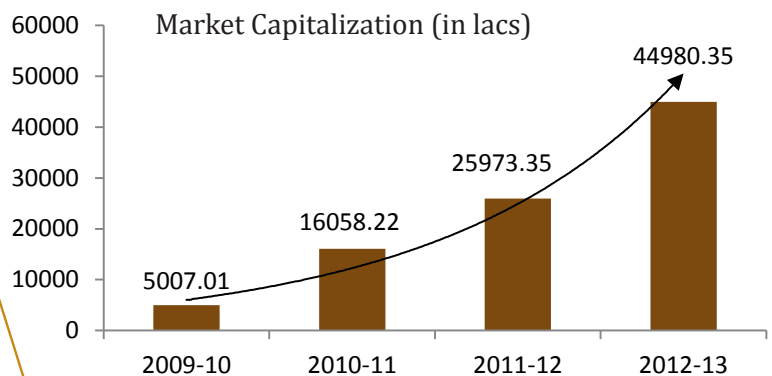


Profit after Tax

The Profit of the company has shown a drastic upwards change from Rs.239.59 lacs in 2011-2012 to Rs 775.65 lacs in 2012-2013

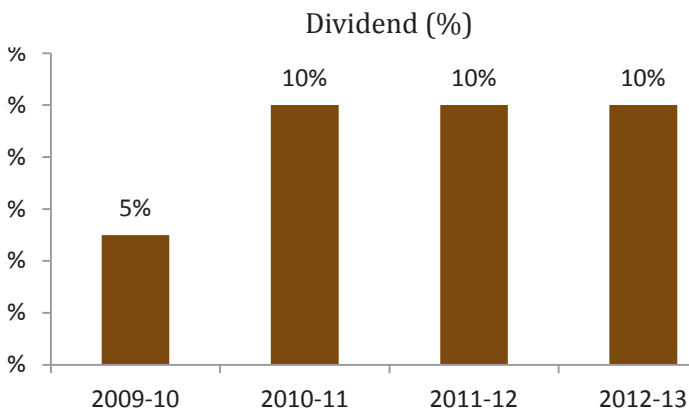
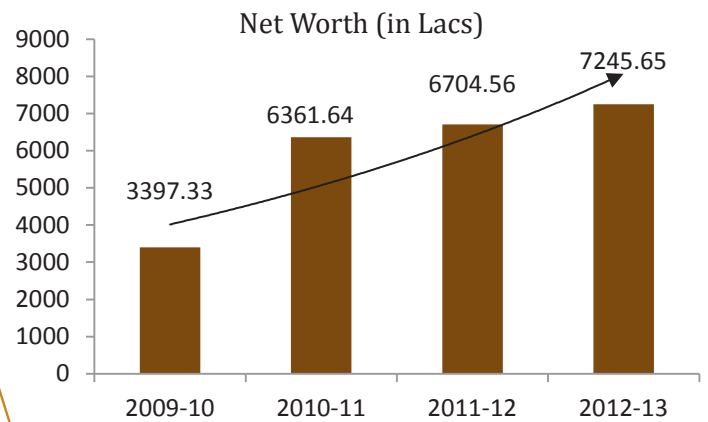
Market Capitalisation

The market capitalisation of the company has doubled since last year.



Net Worth

The net worth has been more than doubled since 2009-10.



Dividend

The Byke has consistent dividend track record since last four years.

TO THE MEMBERS

Your Directors are pleased to present their Twenty Third Annual Report together with its Audited Accounts of your company for the year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS

(Amount in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Income:		
Income from Sales & Operation	10092.53	4905.97
Other Income	50.16	4.74
Total Income	10,142.69	4910.71
Expenditure:		
Less: Operating & Other Expenses	8338.22	4392.10
Profit before Depreciation, Finance Costs and Tax	1,804.47	518.61
Less: Depreciation	418.75	111.92
Less: Finance Costs	229.74	51.84
Profit before Tax	1155.97	354.85
Less: Provision for Tax	380.31	145.45
Add: MAT Credit	-	30.28
Profit after Tax	775.66	239.69
Add: Balance brought forward from the previous year	589.67	582.61
Amount available for Appropriation	1365.33	822.30
Appropriations:		
Short /Excess provision of taxes of earlier years (Net)	-	0.38
-Dividend	200.49	200.49
A dividend of 10% i.e. Rs.1/- per Equity Share was recommended by the Board of Directors on May 29, 2013 (In respect of the previous year, a final dividend of 10% i.e. Rs. 1/- per Equity Share was declared and paid to the Members)		
Tax on Dividend	34.07	32.52
- Balance carried to Balance Sheet	130.77	589.67

DIVIDEND

Your Directors are pleased to recommend a dividend of 10% i.e. Rs.1/- per Equity Share of Rs.10 each subject to the approval of the shareholders at the ensuing Annual General Meeting for the financial year ended March 31st, 2013. Dividend would involve a cash outgo of Rs. 200.49 lakhs towards dividend and Rs. 34.07 lakhs towards tax on dividend. Dividend, as recommended by the Board, if approved at the Annual General Meeting, will be paid on or after September 21, 2013 to those members or their mandates whose names appear in the register of members as on September 13, 2013. In respect of shares held in dematerialised form, it will be paid to members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as beneficial owners as on September 13, 2013.

OPERATIONS AND FINANCIAL OVERVIEW

Your company has recorded significant performance growth during the financial year under review. With your company's aggressive expansion plan and asset light business model, the total income of the company for the financial year ended March 31,2013 has increased from Rs. 4910.71 lac to Rs. 10,142.69 lac. Profit after tax of your company has increased by 224% as compared to previous financial year. The company has registered profit after tax of Rs. 775.66 lakhs as compared to profit of Rs. 239.69 lakhs in the previous year. The total turnover of the company for the year was recorded at Rs. 10092.54 lakhs as compared to Rs. 4905.97 lakhs in the previous year, an increase of around 105 % over last year.

EXPANSION /AUGMENTATION OF HOTELS

During the year, company continued to move ahead with its strategy to achieve its growth objectives. Accordingly, under its expansion your company has entered into a Lease contract to operate two new hotels i.e, The Byke-Neelkanth in Manali and The Byke – Hidden Paradise in Goa, under 'The Byke' brand. The company's steps to start its new operations with "The Byke - Neelkanth, Manali" with 40 guest rooms and "The Byke – Hidden Paradise Goa ",with 40 guest rooms in first year of operation, have been very successful and achieved high occupancy ratio.

The above mentioned these two new hotels have received excellent feedback and accolades from both trade analysts and discerning international travelers; eventually the company has reached new heights. With this presently your company owns or operates seven hotels at the locations viz.

S. NO.	NAME OF THE HOTEL	LOCATION
1.	The Byke – Heritage	Matheran (Maharashtra)
2.	The Byke – Redwood	Matheran (Maharashtra)
3.	The Byke – Old Anchor	Goa
4.	The Byke- Hidden Paradise	Goa
5.	The Byke- Sunflower	Goa
6.	The Byke – Neelkanth	Manali (Himachal Pradesh)
7.	The Byke – Paawana	Shekhawati (Rajasthan)

Company under its expansion plan is also in negotiations with various state tourist departments to manage & operate their state owned hotels under the joint brand name. The company expects to start its operations of the Hotels under the brand “The Byke” at Shimla (Himachal Pradesh), Navi Mumbai & Mahablashewar (Maharashtra), Aronda (Goa), Kollam (Kerala), Hampi (Karnataka) and Jodhpur (Rajasthan) in coming years.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Your company continued to carry out initiatives aimed at contributing to the socio-economic well being and development of the communities and the ecosystem that it interacts with. These are discussed in detail in the Management Discussion and Analysis Report forming part of this Annual Report.

CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance along with a certificate from the statutory auditors of the company regarding the compliance of Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of the company’s operational and financial performance as well as the initiative taken by the company for its expansion, the existing hotel properties and the proposed business ventures & upcoming hotels of Byke are separately discussed in the Management Discussion and Analysis Report which forms part of this Annual Report.

DIRECTORS

Mr. Bharat Thakkar has been appointed as Additional Directors on February 14, 2013. Mr. Bharat Thakkar is an Independent Director and holds office up to the date of ensuing Annual General Meeting (AGM) of the company and is eligible for appointment as director. The company has received notice under Section 257 of the Act, in respect of him, proposing his appointment as a director of the company. Resolution seeking approval of the members for the appointment of Mr. Bharat Thakkar as director of the company has been incorporated in the notice of the forthcoming AGM along with brief details about him.

Mr. Pramod Kumar Patodia and Mr. Ramesh Vohra, Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. As stipulated in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, brief resume of Mr. Bharat Thakkar, Mr. Pramod Kumar Patodia and Mr. Ramesh Vohra have already been provided in the Notice.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors’ Responsibility Statement, it is hereby confirmed that:

- i. in the preparation of the annual accounts for the financial year ended March 31st, 2013, the applicable accounting standards have been followed and that there are no material departures from the same;
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31st, 2013 and of profit of the company for the said period;

- iii. the directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for detecting fraud and other irregularities; and
- iv. the directors have prepared the accounts for the financial year ended March 31, 2013 on a 'going concern' basis.

PUBLIC DEPOSITS

During the year 2012-13, your company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

LISTING AND TRADING OF SHARES

The Equity Shares of your company continue to remain listed and traded on the Bombay Stock Exchange Limited and Madras Stock Exchange Limited. With effect from December 30, 2011 the Equity Shares of your company are allowed to Trade on National Stock Exchange as well.

The Listing fee payable under the Listing Agreement for the financial year 2013-2014 has been duly paid to the Bombay Stock Exchange Limited and Madras Stock Exchange Limited.

AUDITORS' REPORT

The Auditors Report to the shareholders does not contain any qualifications hence does not require any comments on the same. A company, whose securities are listed on the Stock Exchanges, is compulsorily required to follow the accounting standards prescribed by the Institute of Chartered Accountants of India.

AUDITORS

M/s A.P.Sanzgiri & Co, Chartered Accountants, statutory auditors of the company holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under section 224(IB) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There were no employees drawing remuneration more than prescribed limit under Section 217 (2A) of the Companies Act, 1956.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities which are being carried on by the company, Rules 2A and 2B of the companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption respectively are not applicable to the company.

Further, there were no foreign exchange earnings or outgo during the year under review.

ACKNOWLEDGEMENT AND APPRECIATION

Your Directors wish to take this opportunity to place on record their appreciation for the unstinted support and co-operation of the company's Customers, shareholders, bankers, various regulatory authorities and the central and state government officials. The Directors would also like to appreciate the employees of the company at all levels for their hard work, dedication and commitment for making the company to reach at new heights. The valuable contributions made by the employees have enabled the company to achieve remarkable growth.

For and On behalf of the Board of Directors

Sd/-
Anil Patodia
Managing Director
Mumbai
August 5, 2013



Annexure I to the Directors' Report

for the year ended 31st March, 2013

Particulars as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

A. CONSERVATION OF ENERGY

- a. Energy Conservation measures taken: The operations of your company are not energy-intensive. However, adequate measures have been initiated to reduce energy consumption.
- b. Additional investments and proposals, if any, are being implemented for reduction of consumption of energy:
1. Installation and retrofitting of energy efficient CFL/LED lights.
 2. Solar hot water system in large resorts.
 3. Installation of motion and time control for lighting systems.
 4. Energy audits were being conducted for identification and reductions.
- c. Impact of the measures taken/to be taken at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:
- The above measures have resulted in reduction of energy consumption.
- d. Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the Rules in respect of industries specified in the schedule: Not Applicable

B. TECHNOLOGY ABSORPTION

Research & Development (R&D)

1. Areas in which R&D is carried out during the year.	: The Company has not carried any R&D activities
2. Benefits derived as a result of the above efforts	: Not Applicable
3. Future plan of action	: Not Applicable
4. Expenditure on R&D	: Nil
5. Technology absorption, adaptation and innovation	: Nil
6. Imported technology for last 5 years	: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with regard to Foreign Exchange Earnings and Outgo are given in the Notes to Accounts.

For and on behalf of the Board

Mumbai
August 5, 2013

Sd/-
Anil Patodia
Managing Director

The Byke Hospitality Limited (“The Byke” or “the company”) is a fast growing company operating its hotel properties in key tourist destinations across India. The company entered in Hospitality Industry in 1999 to capitalise on the vast opportunities. Within a short period of time, it has created a niche for itself in the hospitality sector. It has strengthened its presence in the premium resorts market and has become niche in “Pure Veg” Sector. Presently, The Byke hotel properties are situated in Goa, Rajasthan, Maharashtra & Himachal Pradesh. The company has aggressive expansion plans and is considering new markets for growth and ensuring attractive occupancy and room rates.

This chapter presents an overview of the markets and opportunities as well as the operational and financial performance of the company during the year 2012-13. It also highlights company’s strategy, and discusses important initiatives taken by the company during the year to achieve its growth and performance objectives. Some statements in this discussion describing the projections, estimates, expectations or outlook may be forward looking. Actual results may, however, differ materially from those stated on account of various factors such as changes in government regulations, tax regimes, economic developments within India and abroad, exchange rates and interest rates fluctuations, impact of competition, demand and supply constraints.

INTRODUCTION AND KEY HIGHLIGHTS

The Byke Hospitality Limited believes that there is a significant potential for growth of hospitality business in India and abroad accordingly, the company is executing an aggressive expansion plan to propel top-line growth. The company entered into lease agreements to operate two new hotel properties, one in North Goa (Hidden Paradise) and the other in Manali (Neelkanth), with a total capacity of 80 rooms,

thus taking the total capacity to 465 rooms. The company is on track in terms of more than doubling the room capacity by leasing and owning new properties over the next two years. The company aims to strategically position the new properties in the premium segment and in such areas where demand for hotel rooms is high and thus maintain profitable room occupancy.

The performance of the company during the year was excellent. During the year the total income of the company has increased to Rs. 10142.69 lacs as compared to previous financial years’ figure of Rs. 4910.71 lacs. The profit before tax has increased to Rs. 1155.98 lacs and this figure is the highest recorded in the last 5 years. The net profit after tax has reached to Rs. 775.57 lacs which represents an increase of 224%. EBITDA has increased from Rs. 518.61 lacs to Rs. 1804.47 lacs, which represents an increase of about 248%.

STRATEGY AT “THE BYKE HOSPITALITY LIMITED

The company is executing an aggressive expansion plan by doubling its room capacity over the next two years through owned & leased model. In line with its ‘asset light’ strategy, company is also foraying into the room charter business, which allows quick expansion and offers higher margins. As part of its strategy to tap the rising online bookings trend, the company is launching a unique customised web portal to drive new business.



- **Product Up gradation / Renovation:**

The company is renovating its existing properties to raise their revenue generating potential. During the year, the company has successfully completed renovation of one of its resort "The Byke - Old Anchor", Goa. The Byke - Old Anchor now has classy interiors, lush green lawns, poolside bar and a grooving discotheque. The rooms, banquet halls and reception area are fully renovated with a royal touch for guest comfort and delight. The number of luxury rooms has also been increased from 152 to 240 so as to accommodate more guests during the peak season. The Byke has given a complete new look to Old Anchor.



- **Robust expansion underway; room capacity to double over two years:**

Company is executing an aggressive expansion plan by leveraging the leased property model to rapidly scale up operations. The company is on track in terms of more than doubling its room capacity by leasing & owning new properties. Management's strategy to position new properties in the premium segment across carefully selected locations, wherein demand for rooms is high, is expected to help it command premium vis-à-vis its existing competitors.

- **"Asset-light" business Model:**

A business model focusing on minimizing "in-house" resources and maximizing usage of outsourcing opportunities. This reduces the huge capital expenditure and saves the finance costs. The crux of the Asset Light approach is to enhance the firm's long-term value through enlarging valuable resources

without having huge capital expenditure.

In line with its 'asset light' strategy, The Byke leased two new properties in FY 2012-13: Hidden Paradise (Goa) and Neelkanth (Manali). Furthermore, the company is expected to follow the leasing model for most projects in the future. The Byke's upcoming projects in Shimla and Jodhpur are based on the leasing model.

- **New properties to cater to the premium segment boost room rates:**

The company operates seven hotels at some of the most favoured holiday destinations across India—the company's portfolio comprises luxury/premium class hotels, primarily in Goa, Maharashtra, Himachal Pradesh and Rajasthan, with a current capacity of 465 rooms. Company aims to strategically position the new properties in the premium segment. These properties are to be set up in areas, where demand for hotel rooms is high (such as Kollam, Hampi, Jodhpur and Shimla). With this strategy, the company expects to maintain profitable room occupancy.

- **MICE (meetings, incentives, conferences and exhibitions):**

The Byke is focusing on catering largely to business travellers, mostly corporate for conducting various forms of business meetings, international conferences and conventions, events and exhibitions. The company provides complete solution and assistance to corporate for organising various events at its hotels. Conduction of such corporate events could be a major source of revenue generation in near future.



- **The Byke – Ayurvedic Massage & Spa Centre:**

The philosophy of our spas is rooted inherently in India's ancient approach to wellness. The ethos of our carefully recreated treatments is drawn on the rich and ancient wellness heritage of India; the fabled lifestyle and culture of Indian royalty and the healing therapies that embrace Indian spirituality.



“A relaxing ayurvedic massage at *The Byke – Ayurvedic Massage & Spa Centre* is a whole rejuvenating experience for your mind, body and soul”

- **Unique chartering model to open new revenue stream, boost margins:**

Under its asset light strategy, company book's third-party hotel rooms on wholesale basis and lease them to guests at higher rates during peak seasons. Lower costs in the chartering model provide a high-margin business opportunity, while an asset light approach allows quick expansion and offers flexibility during lean economic periods. The company is also considering booking rooms for third-party hotel operators and earn commission income.

- **Brand 'Byke' to be bolstered by premium offerings, niche market and own portal:**

A strong brand is the key to a successful hotel business and The Byke is expected to capitalise on its three-pronged strategy to boost the brand 'Byke'. The company is enhancing focus on the luxury accommodation

segment, to gain a sizeable share in the 'vegetarians only' niche segment. Also, the upcoming unique customised web portal is expected to bolster its online presence.

- **Well positioned to benefit from growth in the industry:**

The Byke major focus on the online booking space is expected to be fruitful. As per the online travel and bookings website, Expedia, the US \$7.1-bn Indian market is recording the fastest growth in the Asia-Pacific region. The company expects internet penetration to surge manifold, due to growth in Tier 2 and Tier 3 cities, and lead to exponential growth in the online travel bookings market. With a sprawling presence in the online domain, The Byke stands to benefit from this key trend.

HUMAN RESOURCE MANAGEMENT

Your company lays great emphasis on the importance of human resources and recognizes the fact that no organization can grow without a committed team of employees at all level. Accordingly, the company continues on its commitment to retain and recruit quality professional and endeavours to be a preferred employer in industry. The company promotes the deserving employees and provide them with a high performance environment. The company has formulated systems to monitor the performance, guest satisfaction and employee recognition. The company has also initiated various welfare initiatives for the staff, which includes free education and health care facilities for staff and their family members. The company organises "Free Health Check-ups" for the employees and their family members in its premises on a regular basis. The company has started "Free Education programme" for its employees and their children. The company also provides assistance to its staff in form of short term loans in case of emergency.

MARKET AND OPPORTUNITIES

The fortunes of the hospitality industry have always been linked to the prospects of the tourism industry and tourism is the foremost demand driver of the industry. The Indian hospitality industry has emerged as one of the key industries driving growth of the services sector in India. The Indian hospitality industry has recorded healthy growth fuelled by robust inflow of foreign tourists as well as increased tourist movement within the country and it has become one of the leading players in the global industry.

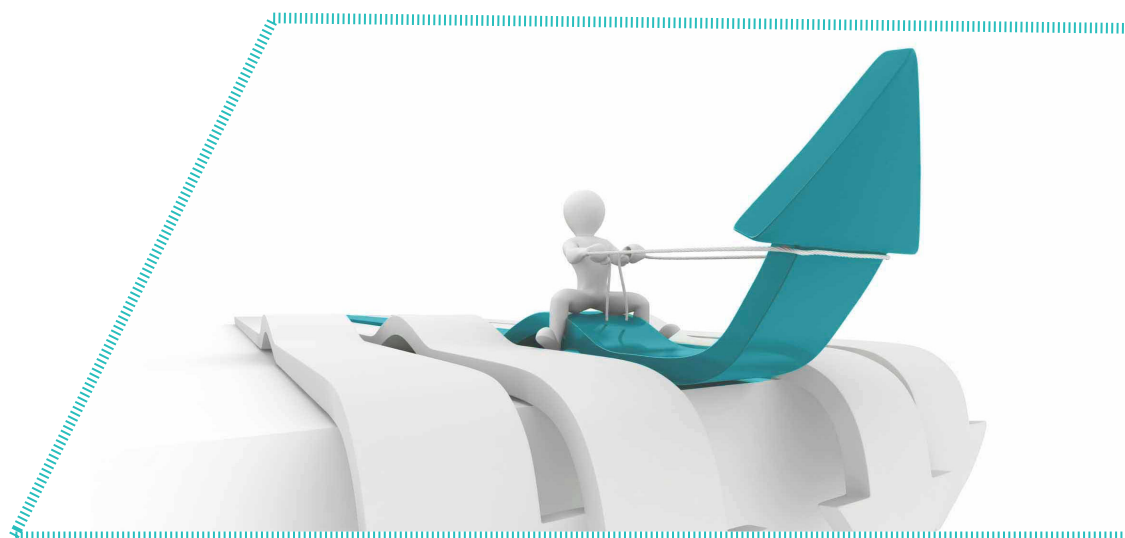
- India's travel and tourism sector is expected to be the second largest employer in the world and the demand for travel and tourism in India is expected to grow by 8.2 % between 2013 and 2019. This will place India at the third position in the world.
- Capital investment in India's travel and tourism sector is expected to grow at 8.8 % between 2013-2019 and is projected to become the fifth fastest growing business travel destination through 2020.
- The Indian Hospitality industry was around Rs. 184 Billion during the year by 2013 and is expected to contribute around Rs. 230 billion by 2015.

- Global Travel & Tourism contribution to direct GDP in 2013 is forecast to grow by 3.1% and is again forecast to outpace growth of the total global economy (2.4%) in 2013 while, Indian Hospitality industry contributes around 2.2 per cent of India's GDP.

- Overall Hotel market grew by 16 per cent Y-O-Y, while growth of the non-premium hotel segment was a more than 18 per cent.

- By 2015, a total investment of Rs. 545.2 billion is expected that will add over 20 new international brands in the hospitality sector.

As India is considered an attractive tourist destination, the number of tourists (both domestic and foreign) has increased substantially over the last decade. As per statistics updated by the Indian Ministry of Tourism, the Foreign Tourist Arrivals in India for 2012 has been 6.65 million which is a 5.4% increase over 6.31 million tourists of 2011. As per World Travel & Tourism Council (WTTC), in India, the total direct and indirect economic impact of the travel and tourism industry was Rs. 6,385 billion, being 6.6% of the GDP and over 39 million jobs.



BYKE EXISTING PROPERTIES

◆ *The Byke Old Anchor, Goa*

Old Anchor is the largest hotel under Byke's operations, spanning 240 rooms. The hotel is located 31 kilometers from Vasco Airport in Goa and has provision for accommodation, conferences and recreation facilities. Key feature of this hotel from revenue stand point is its large size, higher room rents and occupancy.



◆ *The Byke Hidden Paradise, Goa*

Hidden Paradise is situated at attractive vantage point, in close proximity to beaches with the highest tourist visits – the Sinquerim beach (the former is 0.5 km away and later at 5 minutes walk).

▶ *The Byke Neelkanth, Manali (Himachal Pradesh)*

The BykeNeelkanth, is located in picturesque setting of Himachal Pradesh. It is situated in the vicinity of Manali, and expected to generate high guest inflows due to ease of access. The project is spread across 5 acres and is recently operational in FY13.





◆ *The Byke Heritage, Matheran*

The Byke Matheran located at an elevation of around 800m (2,625 ft) above sea level, is a hill station resort. It's main advantage is proximately to major cities of Mumbai and Pune, which helps it attract tourists looking for weekend vacations. The property is spread over an area of seven acres of land amidst the green hills of Matheran.

◆ *The Byke Redwood, Matheran*

Redwood is located at an elevation of around 800m (2,625 ft) above sea level, is a hill station resort. It's main advantage is proximately to major cities of Mumbai and Pune, which helps it attract tourists looking for weekend vacations.



◆ *The Byke Paawana, Rajasthan*

Paawana is located at Mandawa, in close proximity to historical havelis and forts in the Shekhawati region of Rajasthan (known as the "Open art gallery of Rajasthan"). The hotel is a renaissance haveli, spread across an area of 3000 sq ft, decorated in a royal manner. Guests on night stay enjoy theme based evenings, with oriental and medieval cuisine.

► Sunflower Beach Resort, Goa

Sunflower Resort is located at Calangute (within a minute's walk from the beach). The resort is also located closely to a shopping complex. Guests can participate in water sports activities.



FUTURE BUSINESS PROSPECTIVES:

COLLABORATION/JOINING HANDS WITH TOURISM DEPARTMENTS:

Collaboration / Joining Hands with Tourism Departments: Setting up a milestone in the growth history of the Byke, The Byke will join hands with State tourism departments of India by taking over their operational management of various hotels & resorts. In this joint venture, the operations of state owned hotels will be carried out by the management of the The Byke under a joint brand name. The joint venture would not only provide a great reach and presence over the boost to the growth of the Byke but also help to create a niche in hospitality industry for both the entities. This joint venture provides a base for Byke's 'Asset Light Model' where Byke takes over the management of state owned hotels & resorts and operates them under the combined brand name.



CLUB MEMBERSHIP UNDER HOLIDAY PACKAGES:

The Byke as a part of its growth strategy will diversify its portfolio by taking another step to provide the quality family holidays packages under the membership model with a range of services designed to meet the diverse holiday's need of the customers. This Model will be soon initiated by The Byke once the state owned hotel & resorts management model is operational.

BRAND 'BYKE' TO BE BOLSTERED BY PREMIUM OFFERINGS, NICHE MARKET AND OWN PORTAL:

A strong brand is the key to a successful hotel business and The Byke is expected to capitalise on its three-pronged strategy to boost the brand 'Byke'. The company is enhancing focus on the luxury accommodation segment, to gain a sizeable share in the 'vegetarians only' niche segment. Also, the upcoming unique customised web portal – **tripby-choice.com** – to attract guests is expected to bolster its online presence.

UPCOMING NEW HOTEL PROPERTIES :



◆ *The Byke, Shimla*

(Himachal Pradesh)

Located in the Himalayan setting, Shimla is a famous mountain vacation getaway. It was declared as the summer capital of British India, for its beautiful scenery and invigorating weather. The upcoming Byke, Shimla will have 60 room capacity and is to be operational by FY14.

◆ *The Byke, Jodhpur (Rajasthan)*

Also known as the 'Sun City', Byke Jodhpur is 5-star category hotel that brings out the heritage status of the Jodhpur city. This property will be built using high quality and premium materials. The Byke Jodhpur will be owned hotel under the Byke buckets of hotels. The land has been acquired for the same..



◆ *The Byke, Aronda (Goa)*

The Byke, Aronda is a 5 star category spa, rejuvenation centre cum resort, located on the banks of Terekhol river in Goa at - Sindhudurg on Maharashtra-Goa Border. The resort has a total room capacity of 80. This property is spread across 10 acres of land and is a major foray into a complete relaxation experience targeted at the premium category. Land is acquired for the same.

◆ *The Byke, Kollam (Kerala)*

The Byke Kollam is Located at Kollam or Quilon, the old port town situating on the coast of Arabian Sea. Ashtamudi lake- The second largest lake in kerala , making it the gateway city to the magnificent backwaters of Kerala. The upcoming Byke, Kollam is a beach view hotel will have around 60 room capacity and is expected to be completed by FY14-15. The land is being already acquired for the hotel.



◆ *The Byke, Navi-Mumbai (Maharashtra)*

The Byke Navi-Mumbai is strategically located near Mumbai-Pune Expressway (within an hour's distance from Mumbai and Pune), yet bestowed with great natural beauty. The business hotel cum travel mall is spread on 3.75 acres of land. It is also near the proposed Navi Mumbai Airport.

◆ *The Byke, Mussoorie*

The Byke Mussoorie is located in the foothills of the Garhwal Himalayan range , Known as the Queen of Hills. The lush green hills, the varied flora and fauna and the majestic view of Shivalik ranges and the Doon Valleys attract number of tourists both domestic and international each year.





◆ *The Byke, Ooty*

The Byke Ooty is located in deep within the Nilgiri hills, known as Blue mountains. The Byke Ooty is planned as a budgeted hotel with 60 rooms located near a government rose garden situated on the slopes of the Elk Hill Viyanagaram.

◆ *The Byke, Hampi (Karnataka)*

The Byke Hampi is located in the heart of the city. The area is simply stunning and it will be surrounded by millions of boulders. Hampi is a great place to spend a few days wandering around and discovering the rich, vibrant history. The Byke Hampi is a budgeted hotel under a leased model with 60 room capacity.



◆ *The Byke, Mahabaleshwar (Maharashtra)*

The Byke Mahabaleshwar is located in Panchgani. The "Table- Land" phenomenon of nature at Panchgani is breath taking. The Byke Mahabaleshwar is planned as a premium budgeted hotel.

RISKS & CONCERNS:

INDUSTRY RISK:

a. General economic conditions

The hospitality industry is prone to impacts due to fluctuations in the economy caused by changes in global and domestic economies, changes in local market conditions, excess hotel room supply, reduced international or local demand for hotel rooms and associated services, competition in the industry, government policies and regulations, fluctuations in interest rates and foreign exchange rates and other social factors. Since demand for hotels is affected by world economic growth, a global recession could also lead to a downturn in the hotel industry.

b. Socio-political risks

In addition to general economic risks, your company faces risks from the socio-political environment, internationally as well as within the country and is effected by events like political instability, conflict between nations, threat of terrorist activities, occurrence of infectious diseases, extreme weather conditions and natural calamities, etc. which may affect the level of travel and business activity.

COMPANY SPECIFIC RISKS:

The company specific risks remain by and large the same as enumerated last year. These are:

a. General Risks

The hotel business is dependent on economic conditions globally as well as in India. Local market conditions, excess hotel room supply in some cities, reduced international or local demand for hotel rooms, fluctuations in interest rates and foreign exchange rates, government policies and regulations on taxation, natural and social factors, etc do affect the hotel business. In addition to the above risks, your company faces the threat of terrorist's activities, occurrence of infectious diseases, natural calamities and so on. All these may affect the flow of

foreign tourists to India and movement of domestic tourists.

b. Operational Risks

Operational risks mainly relate to meeting customer expectation in terms of quality of service and maintaining a balance between the inventory of resorts/hotels and growth of customers. In addition to the above, your company has operations only in India. Hence, the company is vulnerable to domestic socio-political and economic conditions. Another operational risk is the ability to consistently attract, retain and motivate managerial talent and other skilled personnel, especially in a high growth industry like ours.

c. Financial Risks

The company's business involves significant investments in building hotels/resorts for its operations. These expose the company to risks in terms of timely and adequate availability of funds at competitive rates to finance its growth.

d. Increased Outbound Travel

Due to overall competitiveness of international airfares and higher disposable income available with travellers, destinations such as Southeast Asia, Europe and Australia have become more affordable to domestic travellers. This has increased the number of outbound travellers and it is bound to present a mild risk to the hotel segment for resorts in India.

e. Regulatory and Legal Risks

The Byke Hospitality Limited is exposed to regulatory and legal risks in carrying out its business. These include risks relating to land acquisition, conversion of land for commercial usage and development of properties, legal proceedings on properties, customer complaints, non-compliance of regulations including environmental regulations and those pertaining to the hospitality sector.

The company has systems and controls in place to mitigate these risks and minimize instances of non-compliance.

f. High Operating Leverage

The industry in general has a high operating leverage which has further increased with on-going renovations and product upgrades. However, it has been observed that your company has been able to earn higher revenues with acceptance of its products in the market and improved economic conditions.

RISK MANAGEMENT SYSTEM:

The Managing Board is responsible for risk management in the company; it has implemented a risk management system. The aim of the system is to ensure that the extent to which the company's strategic and operational objectives are being achieved is understood, that the company's reporting is reliable and that the company complies with relevant laws and regulations.

Risk Management System has been designed to achieve maximum integration of the risk management process in the normal business processes. It provides for risk assessment tools, controls for risks that commonly occur in the company and monitoring and reporting procedures and systems.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

Across industries, internal control process and system play a critical role in the health of a company. An effective system of internal controls form a keystone necessary for building, maintaining and improving shareholder's value and helps to enhance the overall quality of the business. Your company has always adhered to the highest standards of compliance and governance and has put in place internal control system and an appropriate structure to ensure this. The company's internal control and management information systems are commensurate with the

size of the company and cover all financial and operating functions. The systems are designed to assess and measure financial control risks, including procedures for mitigating concerns, monitoring compliance with standards and reporting results to the appropriate operations and management groups. Regular assessments and audits help ensure that every operating unit consistently implements the controls and standards.

The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the compliance reports submitted to them.

CORPORATE SOCIAL RESPONSIBILITY:

The management of The Byke Hospitality Limited, including all its executives and employees, recognizes CSR as a vital part of corporate activity and therefore continues to strive to promote social contribution activities as a good corporate citizen in order to realize a better society. Besides, it also continues to work to minimize environmental effects and utilize resources towards the development of a sustainable society that is in harmony with the environment.

The Byke Hospitality has been at the forefront of taking affirmative action as a responsible organisation that seeks to meaningfully contribute to the socio-economic well being and development of the communities and the environment that it interacts with in carrying out its business.

The company actively pursues a CSR (Corporate Social Responsibility) policy and several initiatives in association with The Lions Club, a Non profit organisation, Shri Dungarmal Patodia Trust and Navrushti International Trust were undertaken during the year:

Some of these CSR activities are:

- **Kayakalp Project/Hunger Free India Project.**

It is a struggle for economic, social and moral freedoms of India initiated by Dharma Bharathi Mission with a motto – “Begin with self – Begin today – Begin small”.

Though India had won its political freedom and had become a sovereign democratic republic way back in 1947, still India has the highest number of children who are malnourished, about 57 million in all. Your company has been making active contribution regularly to the Kaya Kalp project of Dharma Bharathi Mission which has been launched with the objective of Hunger free, Caste free and Corruption free India. Attempts are being made to provide immediate relief from hunger with mid-day meals and then empowering them with education and skills to finally take them out of hunger and poverty.

- **Installation of Water Purifier at Adarsh Bal Niketan School Jhunjhunu, Rajasthan.**

Access to pure and safe drinking water at schools can effectively reduce the transmission of many water borne diseases like diarrhoea, typhoid etc. Availability of pure drinking water in schools is a first step towards ensuring a healthy physical learning environment as it can effectively increase attendance and learning outcomes. Installation of Water Purifier at Adarsh Bal Niketan School Jhunjhunu, Rajasthan so as to ensure availability of pure drinking water for school children and staff is a small endeavour of “The Byke” in this direction.

- **Upgradation of Library at Savitribhai Phule High School, Mumbai.**

The need for a good library service in a modern school is no longer an issue of debate. With the changed concept of education as a process of self-education, the role of library and its regular up gradation has assumed major importance. Accordingly, your company has associated in up gradation of Suwadevi Doongermal Patodia Library at Savitribhai Phule High School, Sakinaka Andheri East, Mumbai so that it has all sorts of books, available at times for reference, for study and for private reading, in such environment which encourages study and reading, and is furnished and equipped for comfortable use.

- **Facilitation of Changing Room in training centre of Sports Authority of India.**

The company has associated in facilitation of Changing Rooms in training centre of Sports Authority of India situated at Akurli Road, Kandivli East, Mumbai.



Corporate Governance Report

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges and some of the best practices followed internationally on corporate governance systems and processes, the report containing the details of governance systems and processes at The Byke Hospitality Limited is as under:

CORPORATE GOVERNANCE PHILOSOPHY:

The company is committed to sound Corporate Governance practices. This has been integral to the way the company conducts its business since its inception. Its policy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all interaction with stakeholders, including shareholders, employees, the government, lenders and society. Accordingly, the company has put in place appropriate systems and procedures for reporting, monitoring and control, which ensure a balance of accountability between the Directors and the Management.

At The Byke Hospitality Limited we believe that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In India, Corporate Governance Standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges. The company remains fully compliant with it as on 31st March, 2013. This chapter reports the company's compliance with the code of Corporate Governance as prescribed under the Clause 49 of Listing Agreement.

BOARD OF DIRECTORS:

1. Composition and Size of the Board:

As on March 31, 2013, the company had Seven (7) Directors on its Board, out of which three (3) were Executive Directors and four (4) were Non-Executive and Independent Directors. (However on 29th May, 2013, one of the independent directors of the company resigned from Board, therefore currently the

Board comprises of three (3) Executive Directors and three (3) Non-Executive and Independent Directors.) The Management of the company is headed by the Managing Director who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long term objectives of enhancing stakeholders' values are met. The members of our Board are from diverse backgrounds and have the requisite qualifications and experience in general corporate management, finance, hospitality, banking and other allied fields which enable them to contribute effectively to the company in their capacity as Directors while participating in its decision making process.

As per the company's Governance policy, the selection of a new board member is the responsibility of the entire Board and all the appointments have been unanimous. The appointment of such Directors is also approved by the shareholders at the Annual General Meeting. While the non-independent directors/ shareholders' representative directors are nominated by the respective Shareholders, independent directors are selected from diverse academic, professional or technical business background depending upon the business need.

INDEPENDENT DIRECTORS:

Clause 49 of the listing agreement with the stock exchanges requires every listed company to have the requisite number of independent directors on its Board and also sets out various criteria for a person to be eligible for appointment as an independent director.

The policy emphasizes on the importance of independence and states that an Independent Directors apart from receiving directors' remuneration, shall not have any other material pecuniary relationship or transactions with the company, its promoters, its management which, in the judgment of the Board, may affect the independence of the Director, and comprise over half of the Board.

The Composition, Categories, Committee Memberships, Committee Chairmanships and outside Directorships of the Board of Directors as on 31st March, 2013 are given below:

Name	Category	Committee Memberships	Committee Chairmanships	Outside Directorships#
Mr. Anil Patodia	Managing Director	2	Nil	1
Mr. Satyanarayan Sharma	Whole –Time Director	1	Nil	Nil
Mr. PramodPatodia	Executive and Non Independent Director	Nil	Nil	Nil
CA. Ramratan Bajaj	Non Executive and Independent Director	1	1	Nil
Mr. Ramesh Vohra	Non Executive and Independent Director	Nil	1	Nil
Mr. Bharat Thakkar	Non Executive and Independent Director	Nil	Nil	Nil
Dr. Utpal Kumar Mukhopadhyay*	Non Executive and Independent Director	2	1	3

* Dr. Utpal Kumar Mukhopadhyay resigned from Directorship of the company w.e.f May 29, 2013 and consequently, the Committees have been reconstituted and Mr. Bharat Thakkar has been appointed in his place.

Subsidiary Companies, Private Companies, foreign companies and companies under sec 25 of the Companies Act, 1956 are excluded for the above purposes.

2. Board Meeting Schedules and Agenda

During the year under review, the Board of Directors of the company met Four times and the dates for the Board Meetings held during the each quarter are as follows:

Sr. No.	Date of Meeting	For the Quarter
1.	May 11, 2012	April to June
2.	August 13, 2012	July to September
3.	November 09, 2012	October to December
4.	February 14, 2013	December to March

The calendar for the Board Meeting in which financial results will be considered in the ensuing year is fixed

in advance as a practice and has also been disclosed later in the report. All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions.

Board Meetings are held within 45 days from the end of the quarter in the manner that it coincides with the announcement of quarterly results. Time gap between two consecutive meetings does not exceed 4 months. In case of urgent necessity additional Board Meetings are called. Meetings are held at the registered office of the company. The agenda along with the explanatory notes are sent in advance to the Directors.

As required under Annexure I to Clause 49 of the Listing Agreement with the Stock Exchanges, all the necessary information was placed before the Board from time to time.

The Board periodically reviews compliance reports of all laws applicable to the company. Proper steps are taken by the company to rectify instances of non-compliance, if any.

3. The attendance of each Director at the Board Meetings and the Previous Annual General Meeting for the financial year 2012-2013 is as follows:

Name of the Director	Category	No of Meetings Attended & Held	Attendance at Last AGM
Mr. Anil Patodia	Managing Director	4/4	Yes
Mr. Satyanarayan Sharma	Whole –Time Director	2/4	Yes
Mr. Pramod Patodia	Executive & Non Independent Director	3 /4	No
CA. Ramratan Bajaj	Non Executive & Independent Director	4/4	Yes
Mr. Ramesh Vohra	Non Executive & Independent Director	2/4	Yes
Mr. Bharat Thakkar*	Non Executive & Independent Director	1/1	NA
Dr. Utpal Kumar Mukhopadhyay*	Non Executive & Independent Director	2/2	Yes
Mr. Manoj Bhadpota*	Non Executive & Independent Director	1/ 2	No

*Mr. Bharat Thakkar was appointed as an Additional Director of the company on February 14, 2013 and is proposed to be regularized in ensuing Annual General Meeting.

*Dr. Utpal Kumar Mukhopadhyay was appointed as Director in the previous Annual General Meeting of the company held on September 27, 2012 and ceased to be Director of the company due to his resignation on May 29, 2013.

*Mr. Manoj Bhadpota ceased to be Director of the company due to his retirement in the previous Annual General Meeting of the company held on September 27, 2012.

4. The Board constantly evaluates the contribution of its members and recommends to shareholders their re-appointment periodically as per the provisions of the Companies Act, 1956. Executive Director is to be appointed by the shareholders for a maximum period of upto five years at a time, but is eligible for re-appointment upon completion of his term. Non- executive Director does not have a specified term, but retire by rotation as per law. The details of Directors seeking appointment have been attached

along with the Notice of the Annual General Meeting. 5. All the relevant information, as recommended by the Securities and Exchange Board of India (SEBI)/ Stock Exchanges, is promptly furnished to the Board from time to time in a structured manner.

6. The company has adopted a Code of Conduct for its Executive and Non Executive Directors and all Non-Executive Directors have affirmed compliance with the said code. All the Senior Management of the company has affirmed compliance with “The Byke Hospitality Limited Code of Conduct”. The Code of Conduct is also displayed on the company’s website. The Annual Report of the company contains a Certificate duly signed by the Managing Director (CEO) in this regard.

7. None of the Directors on the Board is a member of more than ten committees and does not act as Chairman of more than five committees across all companies in which they are Directors.

8. Other than transactions entered into in the normal course of business, the company and its Promoters, Directors, Management and /or relatives has not entered into any materially significant related

party transactions during the year, that may have a potential conflict of interest of the company at large.

9. The company has a well defined risk management framework in place. The risk Management framework adopted by the company is discussed in the Management Discussion and Analysis chapter of this Annual Report. The Board assesses the risk and the procedures being followed by the company and steps taken by it to mitigate these risks.

COMMITTEES OF THE BOARD:

The Committees constituted by the Board of Directors of the company are as under:

- [Audit Committee](#)
- [Shareholders/Investor Grievance Committee](#)
- [Remuneration Committee](#)

All the decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. Details on the role and composition of these Committees are provided below:

1. Audit Committee

The Audit Committee has been constituted by the Board of Directors of the company, in accordance with Section 292A of the Companies Act, 1956.

i. Terms of Reference

a. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommending the appointment and removal of statutory auditors, fixation of audit fee and also approval for payment for any other services.

c. Reviewing with management the annual financial statements before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Board's Report in terms of clause 2AA of Section 217 of the Companies Act, 1956.
- Any changes in accounting policies and practices and reasons thereof.
- Major accounting entries based on the exercise of judgement by the Management.
- Qualifications in the draft audit report.
- Significant adjustments made in the financial statements, arising out of audit findings.
- Compliance with Accounting Standards.
- Compliance with listing and other legal requirements relating to financial statements.
- Any related party transactions i.e. transactions of the company of material nature, with Promoters or the Management and relatives etc., that may have potential conflict with the interests of the company at large.

d) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.

e) Reviewing with the management, performance of statutory and internal auditors and the adequacy of internal control systems.

f) Discussion with internal auditors on any significant findings and follow-up thereon.

g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

h) Discussion with external / statutory auditors before the audit commences, nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.

i) Reviewing the company's financial and risk management policies.

j) To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.

ii. Composition, Meeting and Attendance:

The Committee comprises of two Non-Executive Independent Directors (NEID) and one executive Director (ED). The Committee met four times viz. May 11, 2012, August 13, 2012, November 9, 2012 and February 14, 2013 during the year. The particulars of members and their attendance at the meetings are given below:

Name of the Member	Designation	Category of Directorship	No. of Meetings Attended & Held during the year
CA Ram Ratan Bajaj	Chairman	Non Executive and Independent	4/4
Mr. Anil Patodia	Member	Executive Director	4/4
Mr. Manoj Bhadupota*	Member	Non Executive and Independent	2/2
Dr. Utpal Kumar Mukhopadhyay*	Member	Non Executive and Independent	2/2

* Pursuant to retirement of Mr. Manoj Bhadupota in the previous Annual General Meeting of the company held on September 27, 2012, Dr. Utpal Kumar Mukhopadhyay was appointed as Member of the Committee. However after resignation of Dr. Mukhopadhyay from the Directorship w.e.f. May 29, 2013, Mr. Bharat Thakkar has been appointed as Member of the Committee.

The Chairman of the Audit Committee possesses strong accounting and financial management expertise. All the other members of the Audit Committee also have good knowledge of accounting and financial management. The company Secretary and Compliance officer of the company acts as Secretary to the Committee.

2. Shareholders / Investor Grievance Committee

i. Terms of Reference

The company has constituted a Shareholders/ Investor Grievance Committee of Directors to look

into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/ notices/annual reports, etc. The committee oversees performance of the Registrars and Transfer Agents of the company and recommends measures for overall improvement in the quality of investor services.

ii. Composition, Meeting and Attendance:

The Committee comprises of One Non-Executive Independent Directors (NEID) and two Executive Directors(ED). The committee had seventeen meetings during the year under consideration i.e. April 30, 2012, May 31, 2012, June 15, 2012, June 30, 2012, July 31, 2012, Aug 16, 2012, Sept 17, 2012, Sept 29, 2012, Oct 08, 2012, Nov 26, 2012, Dec 04, 2012, Dec 24, 2012, Dec 31, 2012, Jan 31, 2013, Feb 18, 2013, Mar 13, 2013, Mar 30, 2013. The quorum of the shareholders grievance committee meeting is two members personally present.

The particulars of members and their attendance at the meetings are given below:

Name of the Member	Designation	Category of Directorship	No. of Meetings Attended & Held during the year
Mr. Manoj Bhadupota*	Chairman	Non Executive and Independent	8/8
Dr. Utpal Kumar* Mukhopadhyay	Chairman	Non Executive and Independent	9/9
Mr. Anil Patodia	Member	Executive Director	17/17
Mr. Satyanarayan Sharma	Member	Executive Director	17/17

* Pursuant to retirement of Mr. Manoj Bhadupota in the previous Annual General Meeting of the company held on September 27, 2012, Dr. Utpal Kumar Mukhopadhyay was appointed as Chairman of the Committee. However after resignation of Dr. Mukhopadhyay from the Directorship w.e.f. May 29, 2013, the Committee has been reconstituted and Mr. Bharat Thakkar is the current Chairman of the Committee.

The company Secretary and Compliance officer of the company acts as Secretary to the Committee.

iii. Transfer to IEPF:

As per the provisions of Section 205A read with Section 205C of the Companies Act, 1956, the company is required to transfer unpaid dividends, matured deposits and interest accrued thereon remaining unclaimed and unpaid for a period of 7 years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Given below are the proposed dates for transfer of the unclaimed dividend to the IEPF by the company:

i. Terms of Reference

The broad terms of reference of the Committee are to appraise the performance of Managing/Executive Directors and recommend to the Board about the company's policy on remuneration package for them and to attend to any other responsibility as may be entrusted to them by the Board within the terms of reference. The details of remuneration paid to the Executive Directors during the year are included in this report.

ii. Composition, Meeting and Attendance:

The Committee comprises of three Non – Executive Independent Directors (NEID). During the year the members met on May 11, 2012.

The particulars of members and their attendance at the meeting are given below:

Name of the Member	Designation	Category of Directorship	No. of Meetings Attended and Held during the year
Mr. Ramesh Vohra	Chairman	Non Executive and Independent Director	1/1
Mr. Manoj Bhadupota*	Member	Non Executive and Independent Director	1/1
CA Ram Ratan Bajaj	Member	Non Executive and Independent Director	1/1
Dr. Utpal Kumar Mukhopadhyay*	Member	Non Executive and Independent Director	1/1
Mr. Bharat Thakkar*	Member	Non Executive and Independent Director	0/0

Financial Year	Date of declaration of Dividend	Proposed Date of transfer to IEPF*
2005-06	September 29, 2006	October 28, 2013
2006-07	September 29, 2007	October 28, 2014
2007-08	September 30, 2008	October 29, 2015
2008-09	September 30, 2009	October 29, 2016
2009-10	September 30, 2010	October 29, 2017
2010-11	July 21, 2011	August 20, 2018
2011-12	September 27, 2012	October 26, 2019

*Indicative dates, actual dates may vary.

It may be noted that no claims will lie against the company nor the IEPF in respect of the said unclaimed amounts transferred to the Fund.

3. Remuneration Committee

The Remuneration Committee has been constituted by the Board of Directors to review and/or recommend the remuneration of the Executive Directors of the company in accordance with the guidelines laid out by the statute and the Listing Agreement with Stock Exchanges.

*Pursuant to retirement of Mr. Manoj Bhandupota in the the previous Annual General Meeting of the company held on September 27, 2012, Dr. Utpal Kumar Mukhopadhyay was appointed as Member of Remuneration Committee. However after his resignation from Directorship of the company w.e.f. May 29, 2013, he ceased to be a member of Remuneration Committee and currently Mr. Bharat Thakkar is a member of Remuneration Committee.”

iii. Remuneration Policy

a. Non –Executive Directors:

Remuneration of the Non –Executive Directors of the company by way of sitting fees and commission is decided by the Board of Directors. Payment of commission to any individual Non-Executive Director is determined by the Board and is broadly based on attendance, contribution at the Board and Committee Meetings. However, there is no commission paid to the Non- Executive Directors for the period under review. The details of the remuneration paid to the Non Executive Directors by way of sitting fee during the year are as under:

Name	Sitting Fees
Mr. Ramratan Bajaj	Rs. 40,000
Mr. Ramesh Vohra	Rs. 20,000

b. Managing and Executive Directors:

The company pays remuneration to its Managing Director by way of salary, commission and perquisites and to its Executive Directors by way of salary, executive allowance, and performance linked pay and perquisites. The remuneration is approved by the Remuneration Committee and is within the overall limits approved by the shareholders.

iv. Remuneration:

a. Managing Director and Executive Directors:

The detail of the remuneration paid to the Directors during the year is as under:

Names of the Director	Salary & Perquisites
Mr. Anil Patodia	Rs. 12,00,000
Mr. Satyanarayan Sharma	Rs. 12,00,000

b. Remuneration paid to Non Executive Directors is Nil.

Shares and convertible instruments held by the Non-Executive Directors.

None of the Non – Executive Directors hold any shares in the company as on March 31, 2013.

Compliance Officer

During the financial year ended March 31, 2013, Mrs. Naina Hemant Kurane acted as company Secretary and Compliance Officer of the company. However, pursuant to her resignation w.e.f May 29, 2013, Mrs. Swati Gupta has been appointed as company Secretary & Compliance Officer of the company.

Status Report of Investor Complaints for the year ended March 31, 2013.

No of Complaints Received – 2
 No of Complaints Resolved - 2
 No of Complaints Pending – Nil

General Body Meetings:

The details of the Annual General Meetings held in the past three years and the special resolutions passed

Year	Date & Venue	Time	No. of Special Resolution Passed
2009-10	September 30, 2010 Hotel Suba Galaxy, N. S. Phadke Road, Off Western Express Highway, Andheri (E), Mumbai-400069	12.00 hrs	Two
2010-11	July 21, 2011 Anchorage Hall, Hotel Suba International, 211, Chakala-Sahar Road, Andheri (East), Mumbai-400 099	11.00 hrs	Five
2011-12	Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Complex, J. B Nagar, Andheri (East), Mumbai – 400 099	11.00 hrs	NIL

All special resolutions passed in the previous three Annual General Meetings of the company were passed by a show of hands by the Members of the company present and voting at the said meetings.

Postal Ballot

The company did not pass any resolution vide Postal Ballot during the year.

Disclosures:

- a. The transactions between the company and the Directors and Companies in which the Directors are interested have been disclosed in notes to the Annual Accounts in compliance with the Accounting Standard relating to "Related Party Disclosures". There is no materially significant Related Party Transaction that may have potential conflict with the interests of the company.
- b. The financial statements have been prepared in accordance with the accounting standards and policies generally accepted in India.
- c. In terms of the requirement of Clause 49 (V) of the listing agreement, the CEO/CFO Certification of the financial statements for the year is enclosed.
- d. The company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Agreement. In respect of compliance with the non-mandatory requirements, the company has constituted a Remuneration Committee, the details whereof are given under the heading "Remuneration Committee". The quarterly and half yearly financial results are displayed on the company's website and are published in the newspapers.
- e. As required by Clause 49 of the Listing Agreement, a certificate from Auditor certifying the compliance by the company with the provisions of Corporate Governance of the Listing Agreement is given as at the end of this Report.

Reconciliation of Share Capital Audit

In keeping with the requirements of SEBI and the Stock Exchanges, a Secretarial Audit by a practicing company Secretary is carried out to reconcile the

total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued / paid - up capital tallies with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Means of Communication

Quarterly, half-yearly and annual results of the company are published in leading English and vernacular newspapers viz. Business Standard/ Financial Express and Apla Mahanagar. Additionally, the results and other important information are also periodically updated on the company's website viz. www.thebyke.com, which also contains a separate dedicated section "Investor Relations". Moreover, the company also gives important Press Releases from time to time.

Extensive Business Reporting Language (XBRL)

XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) vide its circular No. 37 / 2011 dated June 7, 2011, had mandated certain companies to file their Annual Accounts vide this mode. The company has filed its Annual Accounts on MCA through XBRL.

Ministry of Corporate Affairs (MCA)

The company has periodically filed all the necessary documents with the MCA.

SEBI Complaints Redress System (SCORES)

A centralized web based complaints redress system which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by the investors of actions taken on the complaint and its current status.

Annual Report

The Annual Report containing inter alia the Audited Accounts, Directors' Report, Auditors' Report and

other important information is circulated to the investors. Pursuant to the Green Initiative launched by the MCA, the company also sends e-copies of the Annual Report to Members who have registered for the same.

The Annual Reports are also available in the Investor Relations section on the company's web site www.thebyke.com.

Website

The company's website is a comprehensive reference on company's management, vision, mission, policies, corporate governance, investor relations, and updates. The section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding

patterns, corporate benefits, information relating to stock exchanges, registrars and share transfer agents.

Management Discussion and Analysis

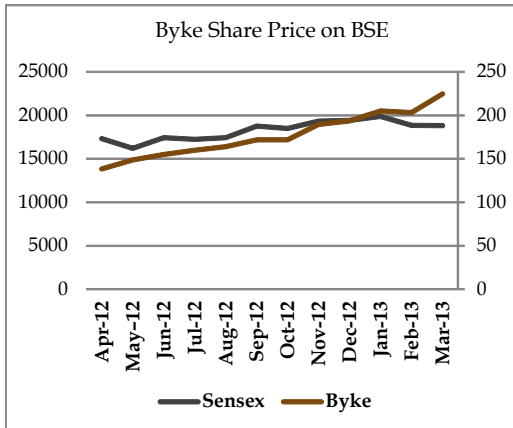
The Management Discussion and Analysis Report, in compliance with the requirements of Clause 49 of the Listing Agreement is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the company. All matters pertaining to industry structure and developments, opportunities and threats, outlook, existing and proposed ventures, risks and concerns, internal control and systems, etc. are discussed in the said report. Annual report has a separate detailed chapter on Management Discussion and Analysis.

General Shareholders' Information

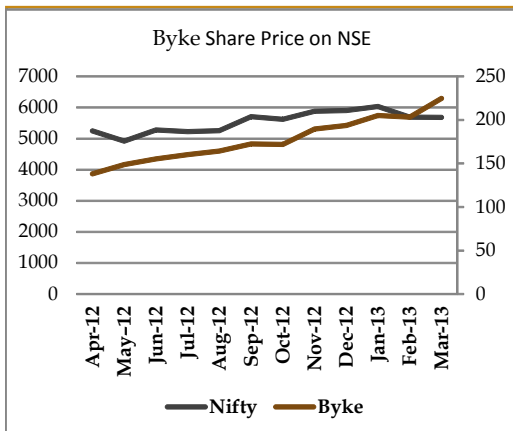
1)	Annual General Meeting, Date and Time Venue	: September 16, 2013 ; 11.30 a.m. : Anchorage Hall, Hotel SubalInternational, 211, ChakalaSahar Road, Andheri (E), Mumbai- 400099
2)	Financial Calendar (Tentative) Financial reporting for the quarter ending June 30, 2013 Financial reporting for the half year ending September 30, 2013 Financial reporting for the quarter ending December 31, 2013 Financial reporting for the year ending March 31, 2014	: 1st week of August, 2013 : 2nd week of November, 2013 : 2nd week of February, 2014 : 2nd week of May, 2014
3)	Dates of Book Closure	: September 13, 2013 to September 16, 2013 (both days inclusive)
4)	Dividend Payment Date	: On or after September 21, 2013
	Registered Office	: Shree Shakambhari Corporate Park 156/158 Chakravarti Ashok Complex, J. B. Nagar, Andheri (East), Mumbai – 400 099 Email : investors.care@thebyke.com Website: www.thebyke.com
6)	Listed on Stock Exchanges	: Bombay Stock Exchange Limited : Madras Stock Exchange Limited
7)	Traded on Stock Exchanges	: National Stock Exchange Limited : Bombay Stock Exchange Limited : Madras Stock Exchange Limited
8)	Stock Code	: BSE – 531373 : NSE – THEBYKE
9)	Payment of Annual Listing fees	Listing fees for the financial year 2013-14 has been paid to both the exchanges i. e The Bombay Stock Exchange Limited and Madras Stock exchange Limited.

Market Price Data

The monthly high & low quotation of company's shares traded on Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) during FY 2012-13 and its performance vis-à-vis Byke - SENSEX and Byke - NIFTY respectively is as under:



Source: www.bseindia.com



Source: www.nseindia.com

Bombay Stock Exchange Limited

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Sensex Closing
April -12	145.00	113.80	138.35	17,318.81
May -12	150.55	138.00	148.75	16,218.53
June -12	155.50	145.60	155.15	17,429.98
July - 12	161.85	153.25	160.00	17,236.18
August - 12	184.70	130.00	163.90	17,429.56
September - 12	172.55	163.90	171.90	18,762.74
October-12	173.95	140.00	171.95	18,505.38
November-12	189.65	171.80	189.60	19,339.90
December-12	193.90	182.90	193.70	19,426.71
January-13	206.00	194.25	205.25	19,894.98
February-13	206.15	199.85	203.15	18,861.54
March-13	225.25	199.60	224.65	18,835.77

National Stock Exchange of India Limited

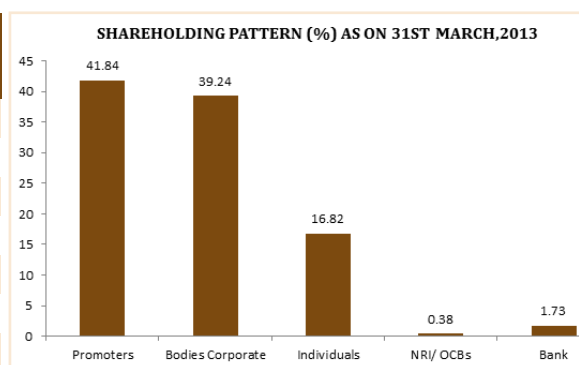
Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Sensex Closing
April -12	138.90	110.00	138.20	5248.15
May - 12	168.70	136.00	148.75	4924.25
June -12	155.50	145.75	155.20	5278.90
July - 12	161.80	153.3	160.15	5229.00
August - 12	169.70	159.75	164.30	5258.50
September - 12	172.70	163.90	172.45	5703.30
October-12	174.10	170.50	171.95	5619.70
November-12	189.60	171.85	189.95	5879.85
December-12	193.85	182.95	193.70	5905.10
January-13	206.05	194.20	205.25	6034.75
February-13	206.10	199.90	203.15	5693.05
March-13	225.20	199.00	224.65	5682.55

Distribution Schedule of TheByke Hospitality Limited Shareholding as on March 31, 2013

Number of Shares	Number of Shareholders	% to total No. of Shareholders	No. of Shares	% to total share capital
1-100	2142	71.64	178247	0.89
101-200	227	7.59	43433	0.22
201-500	246	8.23	97211	0.48
501-1000	130	4.35	108670	0.54
1001-5000	124	4.15	311421	1.56
5001-10000	23	0.77	163661	0.82
10001-100000	63	2.11	1962796	9.79
100001 to Above	35	1.17	17183461	85.71
Total	2990	100.00	20048900	100.00

Categories of Shareholders as on March 31, 2013

Sr. No.	Description	No. of Shares (as on March 31,2013)	% to capital
A.	Promoters	83,87,918	41.84
B.	Public Shareholding		
	-NRI/ OCBs	75,426	0.38
	-Bodies Corporate	78,66,901	39.24
	-Individuals	33,71,635	16.82
	-Bank	3,47,020	1.73
	Total	2,00,48,900	100.00



Registrar and Transfer Agent

M/s Sharepro Services (I) Pvt. Ltd
13AB, 2nd Floor, Samhita Warehousing Complex,
Sakinaka Telephone Exchange Lane,
Off Andheri-Kurla Road, Sakinaka,
Andheri (East), Mumbai – 400072
Tel: 022-67720300

Share Transfer System

Trading in Equity Shares of the company through recognized Stock Exchanges is permitted only in dematerialized form. Shares sent for transfer in physical form are generally processed weekly and returned within 15 days from the date of receipt, if the documents are proper and valid in all respects. A summary of the transfer / transmission so approved is placed at every Board Meeting.

The Board has delegated the authority for approving transfer, transmission, etc. of the company's Equity shares to a Shareholder Grievance Committee. The Registrar and Share Transfer Agent, Sharepro Services Private Limited is authorized by the Board for processing of share transfers which are approved by the company's Shareholder Grievance Committee.

The company obtains from a company Secretary in Whole-time practice, a half yearly Certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate

with the Stock Exchanges concerned. All valid requests for dematerialization of shares are processed and confirmation given to all the depositories within 21 days.

Also, pursuant to Regulations 55A of SEBI (Depositories and Participants) Regulations, 1996, certification is done by a company Secretary in Whole-time Practice regarding timely dematerialization of the shares of the company. Further secretarial audit is done on a quarterly basis for reconciliation of the Share Capital of the company.

Dematerialization of Shares and liquidity:

As on March 31, 2013, 98.04% of the paid-up Equity Share Capital is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The market lot is one share, as trading in the Equity Shares of the company on exchanges is permitted only in dematerialized form.

Status on Dematerialised shares (Equity ISIN No. INE319B01014)

Shares held through	Percentage of Holding
NSDL	24.94
CDSL	73.10
Physical	1.96
Total	100

Investor Correspondence:

Shareholders may correspond with the Registrar and Transfer Agent, at the address mentioned here in above on all matters relating to transfer of shares and credit of shares in Demat Account. Members may contact Mrs. Swati Gupta, company Secretary and Compliance Officer for all investor related matters at the registered office of the company at the following address:

The Byke Hospitality Limited

Shree Shakambhari Corporate Park,
156-158, Chakravarty Ashok Society,
J. B. Nagar, Andheri (East)
Mumbai – 400099
Tel. : +91-22-67079666
Fax. : +91-22-67079696
E-mail: investors.care@thebyke.com

National Electronic Clearing Service (NECS)

RBI vide it's Circular No. DPSS. (CO). EPPD. No. 191.04.01.01 / 2009-2010 dated July 29, 2009, has instructed banks to move to the NECS platform w.e.f. October 1, 2009.

Investors are requested to kindly provide their new bank account particulars after implementation of Core Banking System by their respective bank(s) by quoting their reference folio number(s), in case shares are held in physical form.

In case shares are held in dematerialised form, investors may kindly provide the details to their Depository Participant, to avoid ECS credit to the old account being either rejected or returned and to ensure that future dividend payments are correctly credited to the respective account.

For and on Behalf of Board of Directors

Sd/_
Anil Patodia
Managing Director

Mumbai, August 5, 2013



Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To
The Members of
The Byke Hospitality Limited
(Formerly Known as Suave Hotels Limited)

We have examined the compliance of conditions of Corporate Governance by The Byke Hospitality Limited for the year ended on March 31, 2013, as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the 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 our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 **A. P. Sanzgiri & Co**
Chartered Accountants
Firm Registration No. 116293W

Sd/_
Satish Kumar Gupta
Partner
M. No. 101134
Mumbai, August 5, 2013

CHIEF EXECUTIVE OFFICER CERTIFICATE

I, Anil Patodia, Managing Director & Chief Executive Officer, responsible for the finance function certified that:

- 1) I have reviewed the financial statements & cash flow statement for the year ended March 31, 2013 and to best of my knowledge and belief I state that:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. 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.
- 2) To the best of our knowledge and belief, no transactions entered in to by the company during the year ended March 31, 2013 are fraudulent, illegal or violating of the company's code of conduct.
- 3) I accept the responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and the steps have been taken to rectify these deficiencies.
- 4) There has not been any significant change in internal control over financial reporting during the year under reference;

There has not been any significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

I am not aware of any instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in company's internal control system over financial reporting.

sd/_

Anil Patodia

Managing Director & CEO

Mumbai

August 5, 2013

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with sub-clause I (D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2013.

For **The Byke Hospitality Limited**

Sd/_
Anil Patodia
Managing Director

Mumbai,
August 5, 2013

INDEPENDENT AUDITORS' REPORT

To,
The Members of
THE BYKE HOSPITALITY LIMITED
(Formerly Known as Suave Hotels Limited)

Report on Financial Statements

1. We have audited the accompanying financial statement of **THE BYKE HOSPITALITY LIMITED (Formerly known as Suave Hotel Limited)**, which comprise the Balance sheet as at March 31, 2013, and the Statement of Profit & Loss and the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory statements.

2. Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statement that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting standard referred to in sub-section (3C) of section 211 of the Companies act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to preparation and presentation of the financial statement that give a true and fair view and free from material misstatement , whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirement and plan and performance the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosure in financial statements. The procedure selected depends on the auditor's judgment, including the assessment of risk of the material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimate made by management, 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 audit opinion.

4. Opinion

(i) In our opinion to the best of our information and according to the explanations given to us, the 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 principal generally accepted in India

- a. In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2013; and
- b. In the case of the statement of profit & Loss, of the profit for the year ended on that date.
- c. In the case of the Cash flow Statement, of the cash flows for the year ended on that date.

5. Report on other legal and regulatory requirement:-

1. As required by the Companies (Auditors Report) Order, 2003 as amended by Companies (Auditor's report) Amendment order, 2004 issued by Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
 - c. The Balance Sheet and Statement of Profit & Loss dealt with by this report are in agreement with the books of account;
 - d. Also comply with the accounting standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors, as on 31st March 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

For A.P. Sanzgiri & Co.
Chartered Accountants
FRN – 116293W

Sd/-
Satish Kumar Gupta
Partner (M.N. 101134)
Place: Mumbai
Date : 29th May, 2013

THE BYKE HOSPITALITY LIMITED

(Formerly known As Suave Hotel Limited)

Annexure to Auditors Report referred to in paragraph 5(1) of our report of even date.

(i) FIXED ASSETS

- a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us, all the assets have been physically verified by the management once during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. In our opinion the company has not disposed off a substantial part of its fixed assets during the year.

(ii) INVENTORIES

- a. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- b. On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. We have been informed that no material discrepancies were noticed on such verification.

(iii) LOANS AND ADVANCES

- a. The company has granted unsecured loans to four parties covered in the register maintained under section 301 of the Companies Act, 1956, the maximum amount involved during the year was Rs. 21.25 (Nil) Lakhs and the year-end balance of loans given to such parties was Rs. 15.20 (Nil) Lakhs.
- b. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans given by the company, are not prima facie prejudicial to the interest of the company, and
- c. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that receipt of the principal is on demand; and no overdue amount receivable from the party.
- d. The company has taken unsecured loan from four parties covered in the register maintained under section 301 of the Companies Act, 1956, the maximum amount involved during the year was Rs. 335.04(Nil) lakhs and the the year – end balance of loan taken from such parties was Rs. 298.16 Lakhs(Nil).
- e. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans taken by the company, are not prima facie prejudicial to the interest of the company; and
- f. Based on the audit procedures applied by us and according to the information and explanation provided by the management, the company is regular in repaying the principal amounts.

(iv) INTERNAL CONTROLS

In our opinion and according to the information and explanation given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of

inventory, fixed assets and with regards to the sale of goods and services. During the course of our audit, we noticed no major weaknesses in the internal controls system in respect of the said areas.

(v) RELATED PARTIES

- a. According to the information and explanation given to us and audit procedure performed by us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in register required to be maintained in that section.
- b. The Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) FIXED DEPOSITS

In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public. Therefore, the provision of Clause (vi) of paragraph 4 of the Order are not applicable to the company.

(vii) INTERNAL AUDIT

The company does not have any formal internal audit system but its financial and internal checks ensure proper recording of financial transactions.

(viii) COST RECORDS

We are informed that the Central Government has not prescribed under section 209(1)(d) of the Companies Act, 1956 maintenance of cost records for any of the products manufactured by the company.

(ix) STATUTORY DUES

- a. According to the information and explanations provided to us, the company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, income – tax, sales - tax, wealth – tax , service tax, custom duty, excise – duty, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2013, for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no amount in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited with the concerned authorities on account of dispute.

(x) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution and banks. The company has not borrowed any amount by issuing of debenture.

(xii) Based on our examination of documents and records, we are of the opinion that the company has not

granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion and according to the information and explanation given to us the nature of the activities of the company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.

(xiv) In our opinion and according to the information and explanation given to us the company is not dealing or trading in shares, securities, debentures, and other Investments.

(xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.

(xvi) In our opinion and according to the information and explanation given to us, and as on the basis are we report that, the term loans, taken by the company from banks and financial institutions, have generally been applied by the company for the purpose for which they were raised.

(xvii) In our opinion and according to the information and explanations given to us, in overall examinations of balance sheet of the company we report that no fund raised as short term basis have been used for long term investments.

(xviii) The company has not made any preferential allotment of shares during the year to parties and companies covered in the registers maintained under section 301 of the Act.

(xix) During the year, the company did not have any outstanding debentures.

(xx) The company has not raised any money through public issue during the year.

(xxi) Based upon the audit procedures adopted and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For A.P. Sanzgiri & Co.
Chartered Accountants
FRN – 116293W

Sd/-
Satish Kumar Gupta
Partner (M.N. 101134)
Place: Mumbai
Date : 29th May, 2013

BALANCE SHEET AS AT MARCH 31, 2013

(Amount in ₹)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2(1)	20,04,89,000	20,04,89,000
(b) Reserves and Surplus	2(2)	52,40,76,901	46,99,66,737
		72,45,65,901	67,04,55,737
2. Non - Current Liabilities			
(a) Long - Term Borrowings	2(3)	8,33,87,679	9,62,60,000
(b) Deferred Tax Liabilities (Net)	2(4)	3,86,44,841	2,81,24,325
(c) Other Long - Term Liabilities	2(5)	75,000	75,000
(d) Long - Term Provisions	2(6)	1,58,921	50,092
		12,22,66,441	12,45,09,417
3. Current Liabilities			
(a) Short - Term Borrowings	2(7)	9,21,94,287	6,20,81,451
(b) Trade Payables	2(8)	9,11,56,077	3,01,34,216
(c) Other Current Liabilities	2(9)	4,47,39,451	2,14,35,350
(d) Short - Term Provisions	2(10)	6,14,92,878	3,00,64,871
		28,95,82,692	14,37,15,888
TOTAL		1,13,64,15,034	93,86,81,042
II Assets			
1. Non - Current Assets			
(a) Fixed Assets	2(11)		
(i) Tangible Assets		72,67,86,796	46,70,85,911
(ii) Capital Work-in-Progress		3,10,34,385	19,70,17,825
(b) Long - Term Loans and Advances	2(12)	4,07,21,829	3,97,12,359
(c) Other Non - Current Assets	2(13)	1,41,10,000	40,00,000
		81,26,53,010	70,78,16,095
2. Current Assets			
(a) Inventories	2(14)	5,98,98,048	6,02,22,288
(b) Trade Receivables	2(15)	11,93,23,335	2,92,85,999
(c) Cash and Bank Balances	2(16)	1,04,77,337	1,99,56,713
(d) Short - Term Loans and Advances	2(17)	13,31,28,138	12,11,72,487
(e) Other Current Assets	2(18)	9,35,166	2,27,460
		32,37,62,024	23,08,64,947
TOTAL		1,13,64,15,034	93,86,81,042

See accompanying notes to the financial statements, as under

Significant Accounting Policies	1
Notes to the Balance Sheet	2
Other Notes	4

In terms of our report of even date

For A P Sanzgiri & Co.

Chartered Accountants

Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Sd/_

Satish Kumar Gupta

Partner

Membership No. : 101134

Sd/_

Anil Patodia

Managing Director

Sd/_

Satyanarayan Sharma

Director

Sd/_

Swati Gupta

Company Secretary

Mumbai. May 29, 2013

Mumbai. May 29, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
I Revenue from Operations	3(1)	1,00,92,53,637	49,05,97,422
II Other Income	3(2)	50,15,859	4,74,137
III Total Revenue (I + II)		1,01,42,69,496	49,10,71,559
IV Expenses			
Cost of Materials Consumed	3(3)	7,39,72,680	3,46,98,137
Employee Benefits Expense	3(4)	2,76,42,644	2,01,97,508
Finance Costs	3(5)	2,29,74,283	51,83,595
Depreciation Expense	2(11)	4,18,75,388	1,11,91,892
Operating and Other Expenses	3(6)	73,22,07,272	38,43,14,996
Total Expenses		89,86,72,267	45,55,86,128
V Profit before Tax (III-IV)		11,55,97,229	3,54,85,431
VI Tax Expense:			
(a) Current Tax expense for Current Year		2,74,85,386	71,00,000
(b) MAT Credit utilised		-	-
(b) MAT Credit Entitlement		-	(30,28,158)
Net Current Tax Expenses		2,74,85,386	40,71,842
(c) Deferred Tax	2(5)	1,05,45,470	74,44,754
		3,80,30,855	1,15,16,596
VII Profit/(Loss) for the Period after tax (V - VI)		7,75,66,374	2,39,68,835
VIII Earnings Per Equity Share (Face Value ` 10 Per Share):	3(7)		
(1) Basic (₹)		3.87	1.24
(2) Diluted (₹)		3.87	1.24

See accompanying notes to the financial statements, as under

Significant Accounting Policies	1
Notes to Statement of Profit and Loss	3
Other Notes	4

In terms of our report of even date

For A P Sanzgiri & Co.

Chartered Accountants

Firm's Registration No. : 116293W

For and on behalf of the Board of Directors

Sd/_
Satish Kumar Gupta
Partner
Membership No. : 101134

Sd/_
Anil Patodia
Managing Director

Sd/_
Satyanarayan Sharma
Director

Sd/_
Swati Gupta
Company Secretary

Mumbai.
May 29, 2013

Mumbai.
May 29, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	(Amount in ₹)	
Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
A. Cash flow from Operating Activities		
Net profit before taxation	11,55,97,229	3,54,85,431
Adjustments for:		
Interest expenses	2,29,74,283	51,83,595
Depreciation on fixed assets	4,18,75,388	1,11,91,892
Interest income	(13,61,961)	(4,74,137)
Other Misc Income	(36,53,898)	-
Misc. Expenditure w/off	-	5,85,883
Provision for gratuity	1,44,789	50,092
Provision for expenses	1,08,39,192	-
Operating profit before Working Capital changes	18,64,15,022	5,20,22,756
Changes in Working Capital		
(Increase)/decrease in Trade and Other Receivables	(9,00,37,336)	(1,23,08,544)
Other current asset	(7,07,706)	-
(Increase)/decrease in Inventories	3,24,240	(2,46,37,698)
Other Current Liabilities	2,33,04,101	-
Increase/(decrease) in Trade and Other Payables	6,10,21,861	2,02,77,879
Increase/(decrease) in Provisions	(1,08,829)	-
Cash generated from operations	18,02,11,353	3,53,54,393
Income Taxes (paid)/ refund	(40,23,291)	(76,85,042)
Less: Other operating income	36,53,898	-
Net cash inflow from/(outflow) from Operating Activities	17,98,41,960	2,76,69,351
B. Cash flow from Investing Activities		
Purchase of Fixed Assets	(15,83,03,655)	(16,35,38,705)
Sale of Fixed Asset	2,30,87,144	-
Short term - Loans and Advances	(1,19,55,651)	-
Other non current assets	(1,34,66,564)	(40,00,000)
Movement in Loans and Advances	(10,09,470)	1,12,16,278
Deposits given	-	(3,88,25,000)
Interest received	13,61,961	4,69,661
Net cash inflow from/(outflow) from Investing Activities	(16,02,86,235)	(19,46,77,766)
C. Cash flow from Financing Activities		
Interest paid	(2,29,74,283)	(51,83,595)
Dividend paid (including dividend distribution tax)	(2,33,01,333)	(2,26,37,207)
Long term borrowing	(1,28,72,321)	-
Money/(repaid) from/to borrowings	3,01,12,836	17,15,10,805
Proceeds from issue of Share Capital / Warrants	-	3,30,00,000
Net cash inflow from/(outflow) from Financing Activities	(2,90,35,101)	17,66,90,003
Net increase/(decrease) in Cash and Cash Equivalents	(94,79,376)	96,81,588
Opening Cash and Cash Equivalents	1,99,56,713	1,02,75,125
Closing Cash and Cash Equivalents	1,04,77,337	1,99,56,713

In terms of our report of even date

For A P Sanzgiri & Co.

Chartered Accountants

Firm's Registration No. : 116293W

Sd/_

Satish Kumar Gupta

Partner

Membership No. : 101134

Mumbai. May 29, 2013

For and on behalf of the Board of Directors

Sd/_

Anil Patodia

Managing Director

Mumbai. May 29, 2013

Sd/_

Satyanarayan Sharma

Director

Sd/_

Swati Gupta

Company Secretary

NOTE 1: Significant Accounting Policies

1.1 Basis of accounting and preparation of financial statements

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

1.3 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

1.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

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.

1.5 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.

1.6 Depreciation and amortisation

Depreciation on tangible assets has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories

of assets, in whose case the life of the assets has been assessed as under:

- a). Leasehold Building Improvements is amortised over the duration of lease
- b). Plant & machinery installed at Leasehold Building Premises is amortised over the duration of lease

Depreciation on additions to fixed assets is provided on pro-rata basis from the date of put to use of assets.

1.7 Tangible fixed assets

Tangible Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

1.8 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

1.9 Revenue recognition

Revenue / Income and Cost/Expenditure are generally accounted on accrual as they earned or incurred, except in case of significant uncertainties. Interest and other income are accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

1.10 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties etc.

1.11 Employee benefits

- (a) All employee benefits falling due within twelve months of rendering the services are classified as short

term employee benefits. Benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

- (b) Retirement benefits in the form of Provident Fund and Employees State Insurance Scheme are defined contribution schemes and the contributions are charged to the Statement of Profit & Loss of the period when the contributions to the respective funds are due.
- (c) 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 period.
- (d) Actuarial gains and losses in respect of gratuity is charged to the Statement of Profit & Loss.

1.12 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit & Loss.

1.13 Segment reporting

Based on the guiding principles stated in Accounting Standard 17 "Segment Reporting", the management does not recognise any distinguishable component of the company. Hence the disclosure requirements of AS-17 in this regard is not applicable.

1.14 Leases

"Where the company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

1.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss)

after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.16 Taxes on income

“Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. “

1.17 Provision and Contingencies

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

NOTE 2: Notes to the Balance Sheet

(Amount in ₹)

Particulars	As at March 31, 2013	As at March 31, 2012
1 SHARE CAPITAL		
(a) Details of authorised, issued and subscribed share capital		
Authorised Capital		
2,10,00,000 (PY 2,10,00,000) Equity Shares of ` 10/- each	21,00,00,000	21,00,00,000
Issued Capital		
2,00,48,900 (PY 2,00,48,900) Equity Shares of ` 10/- each	20,04,89,000	20,04,89,000
Subscribed and Paid up Capital		
2,00,48,900 (PY 2,00,48,900) Equity Shares of ` 10/- each fully paid up	20,04,89,000	20,04,89,000
Total	20,04,89,000	20,04,89,000
(b) 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 pay dividends in Indian rupees.		
In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distributing of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.		
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:		
No. of shares at the beginning of the year	2,00,48,900	1,90,48,900
Add: Conversion of warrants into shares on preferential basis	-	10,00,000
No. of shares at the end of the year	2,00,48,900	2,00,48,900
(d) Details of Shareholders holding more than 5% shares:		
Name of the Shareholder	Relationship	
Hotel Relax Pvt. Ltd.	Promoter	
		44,62,549
		22.26%
Vinita Patodia	Promoter	
		20,34,170
		10.15%
Satyanarayan Sharma	Director	
		#
		#
Hot N Ice Entertainment Pvt. Ltd.	Shareholder	
		11,00,000
		5.49%
		9.98%

Less than 5% holding

(Amount in ₹)

Particulars	As at March 31, 2013	As at March 31, 2012		
2 RESERVES AND SURPLUS				
Securities Premium Reserve				
Opening Balance	40,10,00,000	36,70,00,000		
Add: received on shares issued during the year	-	3,40,00,000		
Closing Balance	40,10,00,000	40,10,00,000		
General Reserve				
Opening Balance	1,00,00,000	1,00,00,000		
Add: transferred from the Statement of Profit and Loss	-	-		
Closing Balance	1,00,00,000	1,00,00,000		
Surplus in the Statement of Profit and Loss				
Opening Balance	5,89,66,737	5,82,60,536		
Add: Profit for the Year	7,75,66,374	2,39,68,835		
Add: Excess Provision of Taxes in Earlier Years	-	38,699		
Less: Proposed Dividend (Refer Note Below)	2,00,48,900	2,00,48,900		
Less: Dividend Distribution tax on Proposed Dividend.	34,07,311	32,52,433		
Closing Balance	11,30,76,901	5,89,66,737		
Grand Total	52,40,76,901	46,99,66,737		
Note:- The Board of Directors at their meeting held on May 29, 2013 recommended Dividend of Rs. 1/- per equity share having nominal value of Rs. 10/- per share.				
3 LONG-TERM BORROWINGS				
(a) Secured:				
Term Loans	8,11,33,924	9,62,60,000		
- From Banks				
Vehicle Loan				
-From Others	22,53,755			
Total	8,33,87,679	9,62,60,000		
(b) Term Loan is secured by way of first charge on all fixed assets of the Company and assignments of rights under lease agreements for hotels taken on lease basis, personal guarantee of promoters and corporate guarantee of Hotel Relax Pvt. Ltd.				
(c) Maturity Profile of Secured term loan is as set out below :				
	1-2 Years	Maturity Profile 2-3 Years	3-4 Years	Beyond 4 Years
Term Loan				
-State Bank Of Bikaner Jaipur	2,20,00,000	2,20,00,000	2,20,00,000	1,51,33,924
Vehicle Loan				
-Kotak Mahindra Prime	12,42,680	10,11,075		
(d) Rate of Interest is 13.40% p.a.				
(e) Vehicle Loan is seured against Vehicle .Rate of Interest on Car Loan is 9.36% p.a.				
4 DEFERRED TAX LIABILITIES (NET)				
The major components of deferred tax liabilities/assets as recognized in the financial statements is as follows:				
Deferred Tax Liabilities				
On difference between book balance and tax balance of fixed assets	4,11,89,752	2,88,11,691		
	4,11,89,752	2,88,11,691		
Deferred Tax Assets				
Provision for gratuity	46,977	16,252		
Difference in Lease Rent as per Lease Agreement & AS-19	24,97,934	6,71,114		
	25,44,911	6,87,366		
Net	3,86,44,841	2,81,24,325		

(Amount in ₹)

Particulars	As at March 31, 2013	As at March 31, 2012
5 NON CURRENT LIABILITIES		
Deposits	75,000	75,000
Total	75,000	75,000
6 LONG-TERM PROVISIONS		
Provision For Gratuity	1,58,921	50,092
Total	1,58,921	50,092
7 SHORT-TERM BORROWINGS		
(a) Secured:		
(i) Cash Credit facility with Banks	6,04,07,201	6,04,18,876
(ii) Overdraft Facility	-	16,62,575
	6,04,07,201	6,20,81,451
Unsecured:		
(i) From Related Party	2,98,16,660	-
(ii) Others	19,70,426	-
	3,17,87,086	-
Grand Total	9,21,94,287	6,20,81,451
(b) Cash Credit facility is secured by way of first charge on all current assets of the Company including hypothecation of inventory/book debts/consumable stores & spares and extension of assignments of rights under lease agreements for hotels taken on lease basis, personal guarantee of promoters & corporate guarantee of Hotel Relax Pvt. Ltd. Rate of interest is 13.15% p.a		
(c) Overdraft facility is secured against fixed deposit receipt of ₹ 40,00,000/-		
(d) Unsecured Loan from related party and others are interest free and repayable on demand.		
8 TRADE PAYABLES		
Trade Payables (Refer Below Note)	9,11,56,077	3,01,34,216
Total	9,11,56,077	3,01,34,216
*Based on the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises based on the confirmations circulated and responses received by the management.		
9 OTHER CURRENT LIABILITIES		
Current Maturity of Long Term Debt (Refer Note No.3)	2,31,32,040	1,49,99,662
Deposits	15,62,000	20,45,000
Statutory Dues (including indirect taxes)	31,77,261	12,33,749
Advance from Customers	97,66,718	10,39,214
Other Liabilities	44,52,433	-
Unclaimed Dividend	26,48,999	21,17,725
Total	4,47,39,451	2,14,35,350
Note:- There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956 as at the year end.		
10 SHORT-TERM PROVISIONS		
Provision For Taxation (net of taxes paid C.Y. Rs.3,523,291 P.Y. Rs.336,462)	2,71,97,475	67,63,538
Provision For Expenses	1,08,39,192	-
Proposed dividend	2,00,48,900	2,00,48,900
Tax on proposed dividend	34,07,311	32,52,433
Total	6,14,92,878	3,00,64,871

Cont..

Description	(Amount in ₹)											
	As at April 1, 2012	Gross Block Additions		Gross Block Deductions/Adj ustments		As at March 31, 2013	As at April 1, 2012	Depreciation Charged For the year	Depreciation Block Deductions/A djustments	As at March 31, 2013	Net Block As at March 31, 2012	
(i) Tangible Assets :												
Land	5,72,45,250	-	-	5,72,45,250	-	-	-	-	-	-	5,72,45,250	5,72,45,250
Buildings												
Owned	6,88,79,957	10,26,69,854	2,30,87,144	14,84,62,667	61,68,947	27,96,262	85,88,888	3,76,320	13,98,73,779	6,27,11,010	6,27,11,010	
Leased *	15,50,44,700	7,76,35,815	-	23,26,80,515	9,00,697	1,80,71,984	1,89,72,681	-	21,37,07,834	15,41,44,003	15,41,44,003	
Plant and Machinery	16,08,26,477	12,17,36,672	-	28,25,63,149	85,25,534	1,34,21,738	2,19,47,272	-	26,06,15,877	15,23,00,943	15,23,00,943	
Furnitures and Fixtures	3,35,88,168	1,51,87,244	-	4,87,75,412	65,05,349	22,72,372	87,77,721	-	3,99,97,691	2,70,82,819	2,70,82,819	
Vehicles	38,48,100	70,57,510	-	1,09,05,610	10,49,951	5,21,984	15,71,935	-	93,33,675	27,98,149	27,98,149	
Office Equipments	29,88,956	-	-	29,88,956	7,04,385	1,41,975	8,46,360	-	21,42,596	22,84,571	22,84,571	
Computer	2,86,80,270	-	-	2,86,80,270	2,01,61,103	46,49,072	2,48,10,175	-	38,70,095	85,19,167	85,19,167	
TOTAL	51,11,01,878	32,42,87,095	2,30,87,144	81,23,01,829	4,40,15,966	4,18,75,388	8,55,15,033	3,76,320	72,67,86,796	46,70,85,912	46,70,85,912	
Previous Year	16,47,33,348	34,63,68,530	-	51,11,01,878	3,28,24,075	1,11,91,892	4,40,15,967	-	46,70,85,911	13,19,09,273	13,19,09,273	
(ii) Capital Work-in-Progress	19,70,17,825	-	16,59,83,440	3,10,34,385	-	-	-	-	3,10,34,385	19,70,17,825	19,70,17,825	
Grand Total	70,81,19,703	32,42,87,095	18,90,70,584	84,33,36,214	4,40,15,966	4,18,75,388	8,55,15,033	3,76,320	75,78,21,181	66,41,03,737	66,41,03,737	

* Building includes improvements made in the hotels taken on lease basis for 10 to 15 years.

Cont..

(Amount in ₹)

Particulars	As at March 31, 2013	As at March 31, 2012
12 LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
-Vat Deposit	25,000	25,000
-Other Deposit	3,88,09,470	3,88,00,000
Capital Advance	10,00,000	-
Other loans and advances	8,87,359	8,87,359
Total	4,07,21,829	3,97,12,359
13 OTHER NON-CURRENT ASSETS		
Secured, considered good		
-Fixed Deposit	1,41,10,000	40,00,000
Total	1,41,10,000	40,00,000
14 INVENTORIES		
Food & Beverages, Stores & Supplies, Wines, Linens etc.	5,98,98,048	6,02,22,288
Total	5,98,98,048	6,02,22,288
15 TRADE RECEIVABLES		
Unsecured considered good	-	-
Other Debts	11,93,23,335	2,92,85,999
TOTAL	11,93,23,335	2,92,85,999
16 CASH AND BANK BALANCES		
Cash on Hand	88,01,132	1,64,62,735
Balance with bank		
-In Current Account*	16,76,205	34,93,978
Grand Total	1,04,77,337	1,99,56,713
* Balance with banks includes Unclaimed Dividend of ` 9,55,897/- (Previous Year ` 9,68,605/-)		
17 SHORT-TERM LOANS AND ADVANCES		
Unsecured considered good		
Advances to related parties	15,21,418	13,62,618
Loans and advances to employees	17,04,689	7,78,089
Prepaid expenses	87,205	2,29,03,622
MAT credit entitlement	28,778	
	(3,29,776)	30,28,158
	(6,88,329)	
Other loans and advances	(10,46,882)	9,31,00,000
Total	(14,05,435)	12,11,72,487
18 OTHER CURRENT ASSETS		
Credit Card Receivable	29,694	-
Accrued Interest		
-On Fixed Deposit	8,85,765	2,27,460
-On Others	19,707	-
Total	9,35,166	2,27,460

NOTE 3: Notes to Statement of Profit and Loss

(Amount in ₹)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
1. REVENUE FROM OPERATIONS		
Income from Sales and operations	1,00,92,53,637	49,05,97,422
Total	1,00,92,53,637	49,05,97,422
2. OTHER INCOME		
Interest Income	13,61,961	4,74,137
Miscellaneous Income	36,53,898	-
Total	50,15,859	4,74,137
3. COST OF MATERIALS CONSUMED - FOOD & BEVERAGES, WINES, LINEN, STORES, SPARES ETC.		
Opening Stock	6,02,22,288	3,55,84,590
Add : Net Purchases	7,36,48,440	5,93,35,835
Less : Closing Stock	5,98,98,048	6,02,22,288
Materials Consumed	7,39,72,680	3,46,98,137
Total	7,39,72,680	3,46,98,137
4. EMPLOYEE BENEFIT EXPENSES		
(i) Salaries, Incentives and Wages	2,64,41,733	1,93,47,991
(ii) Contribution to Provident & Other Funds	2,56,385	1,12,176
(iii) Staff Welfare Expenses	7,99,737	6,87,249
(iv) Gratuity	1,44,789	50,092
Total	2,76,42,644	2,01,97,508
5. FINANCE COST		
Interest Expense :		
-On Term Loan	1,49,88,777	51,79,955
-On Working Capital Loan	76,77,964	-
-Other Interest	3,07,542	3,640
Total	2,29,74,283	51,83,595

Cont..

Particulars	(Amount in ₹)	
	For the year ended March 31, 2013	For the year ended March 31, 2012
6. OTHER EXPENSES		
<u>Operating Expenses</u>		
Accommodation Expenses	48,74,49,244	32,85,14,227
Freight and forwarding	2,07,425	1,50,677
Power & Fuel	1,40,62,633	52,96,567
Water Charges	8,55,659	4,70,778
Rent including lease rentals - Hotels	4,16,71,981	1,16,50,077
Other Operating Expenses	14,20,49,033	40,40,156
Total	68,62,95,975	35,01,22,482
<u>Other Expenses</u>		
Bank Charges	7,12,722	3,03,738
Communication Expenses	6,45,342	5,34,961
Insurance Expenses	14,26,591	72,628
Legal and professional charges	12,30,404	73,30,506
Licences Renewal Fees	12,600	-
Brokerage, Discount and Commission	9,68,594	6,37,772
Marketing and Advertisement Expenses	57,87,835	19,11,362
Business Promotion Expenses	18,92,018	-
Printing and Stationery Expenses	7,32,653	5,83,266
Property Tax	2,29,207	-
Rent, Rates and taxes	84,38,316	42,42,299
Repairs and maintenance- Building	61,14,232	1,26,89,609
Repairs and maintenance- Others	97,03,695	18,61,990
Office Expenses	39,36,908	17,78,203
Security Charges	-	1,26,600
Transport Charges	4,61,545	2,70,050
Travelling and Conveyance Expenses	32,12,454	9,26,568
Payment to Auditors		
- Statutory & Tax Audit Fees	4,06,180	3,37,080
Amortisation of share issue expenses and discount on shares	-	5,85,883
Total	4,59,11,297	3,41,92,515
Grand Total	73,22,07,272	38,43,14,996
7. EARNING PER EQUITY SHARE		
Profit/(Loss) attributable to Equity shareholders (Rs.)	7,75,66,374	2,39,68,835
Weighted average number of equity shares (No.)	2,00,48,900	1,92,56,550
Basic Earnings Per Share (Rs.)	3.87	1.24
Face value per Share (Rs.)	10	10
Weighted average number of equity share after considering potential equity shares (No.)	2,00,48,900	1,92,56,550
Dilutive Earnings per Share (Rs.)	3.87	1.24

NOTE 4: Other Notes

1. CORPORATE INFORMATION

The Byke Hospitality Limited or "The Byke" or the "Company", is a listed public limited company incorporated in 1990. It is promoted by Hotel Relax Pvt. Ltd., which holds a significant stake in the company. The company is primarily engaged in the business of owning, operating & managing hotels & resorts.

2. Balances of the debtors, creditors, advances and deposits are subject to confirmation, reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

3. In the opinion of the management, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

4. DETAILS OF LEASING ARRANGEMENTS

(Amount in ₹)

	For the year ended March 31, 2013	For the year ended March 31, 2012
<u>As Lessee</u>		
The Company has entered into operating lease arrangements for certain hotel premises. The leases are non-cancellable and are for a period of 10 to 15 years and may be renewed for a further period based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments on year to year basis.		
Future minimum lease payments		
not later than one year	3,82,53,333	3,42,70,000
later than one year and not later than five years	17,22,29,460	14,75,95,000
later than five years	28,23,85,461	30,77,37,140
	49,28,68,254	48,96,02,140.00
Lease payments recognised in the Statement of Profit and Loss	4,16,71,981	1,16,50,077

5. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD – 15 'EMPLOYEE BENEFITS' EMPLOYEE BENEFIT PLANS

Defined contribution plans:

The company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company recognised Rs.2,56,385 (Year ended 31 March, 2012 Rs.1,12,176) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the schemes.

Defined benefit plans:

The following tables set out the disclosure prescribed by AS-15 in respect of company's unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

a. Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

(Amount in ₹)

Particulars	2012-13 Gratuity (Unfunded)	2011-12 Gratuity (Unfunded)
a. Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:		
Present value of obligation as at the beginning of the year:	50,092	-
Interest cost	2,730	-
Current service cost	1,12,550	50,092
Benefits paid	35,960	-
Actuarial (gain) / loss on obligation	29,509	-
Closing Present value of obligation*	1,58,921	50,092
<i>*Closing Present value of obligation ` 158,921/- consist of ` 158,921/- as non-current liability.</i>		
b. The amounts recognised in the Balance Sheet are as follows:		
Present value of obligation as at the end of the year	1,58,921	50,092
Fair Value of Plan Assets	-	-
Unrecognised Past Service Cost	-	-
Unrecognised Actuarial Loss	-	-
Unfunded Liability recognised in Balance Sheet	158921	50,092
c. The amounts recognised in the Statement of Profit and Loss are as follows:		
Current service cost	1,12,550	50,092
Past service cost	-	-
Interest cost	2,730	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	29,509	-
Adjustment to opening balance	-	-
Expenses recognised in the statement of profit and loss*	1,44,789	50,092
<i>* Included in Note 3 (4) "Employee benefits expenses".</i>		
d. Actuarial assumption:		
Salary Growth	6.00%	6.00%
Discount Rate	8.20%	8.50%

* The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. Estimates of future salary increases, considered in a actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Since the company was not obliged to fund for its gratuity liability, there is no returns on the planned assets and hence the details related to changes in fair value of assets have not been given.

6. RELATED PARTY DISCLOSURE

a. Details of Related Parties

Description of Relationship	Names of Related Parties
Key Management Personnel (KMP)	Anil Patodia (Managing Director) Satyanarayan Sharma (Director) Pramod Patodia (Director)
Relatives of KMP	Sandeep Sharma Sameer Sharma Manorama Sharma
Company in which KMP / Relatives of KMP can exercise significant influence	Hotel Relax Pvt. Ltd. Ms. Shree Shakambhari Exims Manbhari Biofuels Pvt. Ltd. Aqua Pumps Pvt. Ltd. Hot-N-Ice Entertainment Pvt. Ltd. Boyce Ply Pvt. Ltd.

Note: Related parties have been identified by the management

b. Details of Related Party transactions during the year ended March 31, 2013

(Amount in ₹)

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Infusion of Equity	-	-	NIL	NIL
	-	-	(1,00,00,000)	(1,00,00,000)
Lease Rent paid - Hotel Relax Pvt. Ltd.	-	-	36,00,000	36,00,000
	-	-	(17,51,610)	(17,51,610)
Deposits given - Hotel Relax Pvt. Ltd.	-	-	NIL	NIL
	-	-	(1,25,00,000)	(1,25,00,000)
Director's Remuneration - Anil Patodia	12,00,000	-	-	12,00,000
	(12,00,000)	-	-	(12,00,000)
Director's Remuneration - Satyanarayan Sharma	12,00,000	-	-	12,00,000
	(12,00,000)	-	-	(12,00,000)
Salary - Manorama Sharma	-	6,00,000	-	6,00,000
	-	(6,00,000)	-	(6,00,000)
Salary - Sandeep Sharma	-	6,00,000	-	6,00,000
	-	(6,00,000)	-	(6,00,000)
Loan taken - Anil Patodia	1,96,54,786	-	-	1,96,54,786
	(NIL)	-	-	(NIL)
Loan given - Anil Patodia	12,14,381	-	-	12,14,381
	(NIL)	-	-	(NIL)
Advances given - Manbhari Biofuels Pvt. Ltd.	-	-	1,26,437	1,26,437
	-	-	(NIL)	(NIL)

(Amount in ₹)

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Advances given - Aqua Pumps Pvt. Ltd.	-	-	1,00,000	1,00,000
	-	-	(NIL)	(NIL)
Advances taken - Ms. Shree Shakambhari Exims	-	-	77,68,874	77,68,874
	-	-	(NIL)	(NIL)
Advances given - Hotel Relax Pvt. Ltd.	-	-	NIL	NIL
	-	-	(13,62,618)	(13,62,618)
Advances given - Sameer Sharma	-	-	80,000	80,000
	-	-	(NIL)	(NIL)
<u>Balances outstanding at the end of the year</u>				
Loans and advances	-	-	15,21,418	15,21,418
	-	-	(13,62,618)	(13,62,618)
Deposits	-	-	1,25,00,000	1,25,00,000
	-	-	(1,25,00,000)	(1,25,00,000)

* Previous year figures are in brackets

7. PREVIOUS YEAR'S FIGURES

The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report of even date
For A.P. Sanzgiri & Co.
 Chartered Accountants
 Firm's Registration No. : 116293W

Sd/_
Satish Kumar Gupta
 Partner
 Membership No. : 101134

Mumbai. 'May 29, 2013

For and on behalf of Board of Directors

Sd/_ Sd/_ Sd/_ Sd/_
Anil Patodia **Satyanarayan Sharma** **Swati Gupta**
 Managing Director Director Company Secretary

Mumbai. 'May 29, 2013

Notice is hereby given that the 23rd ANNUAL GENERAL MEETING of the members of THE BYKE HOSPITALITY LIMITED will be held at the Anchorage Hall, Hotel Suba International, 211, Chakala, Sahar Road, Andheri (East), Mumbai - 400099 on Monday, 16th September, 2013 at 11:30 am to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of Accounts

To receive, consider and adopt the Audited Balance Sheet & the Statement of Profit and Loss Account for the year ended March 31, 2013, together with the Report of the Board of Directors and the Auditors thereon.

Item No. 2 - Declaration of Dividend

To declare a final dividend of 10% i.e. Re 1/- per share on the equity shares of the company for the financial year 2012 - 13.

Item No. 3 - Re - appointment of Mr.Pramod Patodia

To appoint a Director in place of Mr.Pramod Patodia, who retires by rotation and, being eligible, offer himself for re-appointment.

Item No. 4 - Re-appointment of Mr. Ramesh Vohra

To appoint a Director in place of Mr. Ramesh Vohra, who retires by rotation and, being eligible, offer himself for re-appointment.

Item No. 5 - Appointment of Statutory Auditor

To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s A. P. Sanzgiri & Co., Chartered Accountants (Registration No. 116293W), be and are hereby appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS:

Item No. 6 – Appointment of Mr. Bharat Thakkar as a Director, liable to retire by rotation

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Bharat Thakkar, who was appointed as an Additional Director of the company with effect from February 14, 2013 by the Board of Directors of the company and who holds office up to the date of the ensuing Annual General Meeting of the company pursuant to Section 260 of the Companies Act, 1956 and who being eligible for appointment and in respect of whom the company has received a notice in writing along with the prescribed deposit pursuant to Section 257 of the Companies Act, 1956 from a member proposing his candidature, for the office of Director of the company, be and is hereby appointed as Director liable to retire by rotation.”

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The proxy form in order to be effective must be received at the registered office of the company not less than 48 hours before the commencement of the Meeting.

3. Members / Proxies should bring the duly filled Attendance Slip attached herewith to attend the meeting.

4. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

5. In terms of Article 125 of the Articles of Association of the company, read with Section 256 of the Companies Act, 1956, Mr.Pramod Patodia and Mr. Ramesh Vohra, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Board of Directors of the company commends their respective re-appointments.

6. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business as set above to be transacted at the Meeting is annexed hereto and forms part of this Notice.

7. The transfer Register and the Register of Members shall remain closed from Friday, 13th September, 2013 to Monday, 16th September, 2013 (both days inclusive) for the purpose of the Annual General Meeting of the company and for payment of dividend.

8. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharepro Services (India) Private Limited or to their depository participants in case shares are held in depository form.

9. 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.

10. All documents referred to in the notice are open for inspection at the registered office of the company during office hours.

11. As a measure to save the cost, copies, of the annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.

12. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries at least seven days before the date of the Meeting of the company so that the information required may be made available at the meeting.

13. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting along with photo identity proof.

14. Pursuant to Sections 205A and 205C of the Companies Act, 1956, all dividends remaining unclaimed for seven years from the date they first became due for payment are now required to be transferred to the “Investor Education and Protection Fund” (IEPF) established by the Central Government under the amended provisions of the Companies Act, 1956. Members shall not be able to claim any unpaid dividend from the said Fund nor from the company thereafter. It may be noted that unpaid dividend for the financial year ended March 31, 2006, is due for transfer to the IEPF on October 27, 2013.

15. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members’ bank account through NECS wherever complete core banking details are available with the company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the company’s records.

16. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are annexed.

17. The Board of Directors request the shareholders to kindly register their email id with the company /Registrar and Share Transfer Agent to implement the ‘Go Green Initiative’ started by the Ministry of Corporate Affairs and to enable us to send the communications/information’s/Annual Reports to the shareholders thus making the process much faster.

By order of the Board of Directors
for The Byke Hospitality Limited

Sd/-

Swati Gupta
Company Secretary

Mumbai, May 29, 2013

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 6

Mr. Bharat Thakkar is proposed to be appointed as Director of the company. He was appointed as an Additional Director of the company on February 14, 2013 at the meeting of the Board of Directors of the company. In terms of the provisions of Section 260 of the Companies Act, 1956, Mr. Bharat Thakkar holds office only up to the date of ensuing Annual General Meeting.

Notice under Section 257 of the Companies Act, 1956, along with a requisite deposit, has been received from a member proposing the candidature of Mr. Thakkar for the office of Director liable to retire by rotation.

Mr. Bharat Thakkar, is in the Insurance business for more than three decades. Mr. Thakkar is a post graduate in Commerce and has cleared ICWA Intermediate. He is an acknowledged expert in financial planning as well as insurance sector. His expertise shall be significant in making the financials decisions of the company. He is also actively involved in the social activities.

Mr. Bharat Thakkar does not hold any shares in the company. None of the Directors of the company except Mr. Bharat Thakkar is in any way concerned or interested in this Resolution.

The Board of Directors of your company is of the opinion that his appointment would be beneficial to the company and hence commends the above appointment and the relevant Resolution set out at Item no.6 of the accompanying Notice.

By order of the Board of Directors
for The Byke Hospitality Limited

Sd/-

Swati Gupta
Company Secretary

Mumbai, May 29, 2013

Details of Directors seeking appointment / reappointment at the ensuing Annual General Meeting of the company:

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges):

Name of Director	Mr. Pramod Patodia	Mr. Ramesh Vohra	Mr. Bharat Thakkar
Date of Birth	17/07/1966	27/12/1941	01/06/1953
Date of appointment on the Board	30/05/2011	30/05/2011	14/02/2013
Expertise in specific functional area	Hospitality Industry	Supply and Service of Engineering product	Insurance business
Qualification	B.Com	B.Com	ICWA(Inter), M.Com
Details of shares held in the Company	Nil	Nil	Nil
Directorship in Public Limited Company	Nil	Nil	Nil
Chairman / Member of the Committees * of other Companies on which he is director as on March 31, 2013	Nil	Nil	Nil

* The Committees include the Audit Committee and Shareholders'/ Investor Grievance Committee and Remuneration Committee.



Attendance Slip

THE BYKE HOSPITALITY LIMITED

Registered Office: Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Society, J.B. Nagar, Andheri (East), Mumbai- 400 099

ATTENDANCE SLIP

(Please complete this Attendance slip and hand it over at the entrance of the Meeting Hall)

Regd. Folio No. _____

DP ID* _____

No. of Shares Held : _____

Client ID* _____

Name and Address of the Shareholder _____

I hereby record my presence at the 23rd ANNUAL GENERAL MEETING of the company held on Monday, September 16, 2013 at 11.30 a.m. Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai- 400 099

Signature of Shareholder/ Proxy

* Applicable for investors holding shares in electronic form

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THE BYKE HOSPITALITY LIMITED

Registered Office: Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Society, J.B. Nagar, Andheri (East), Mumbai- 400 099

PROXY FORM

Regd. Folio No. _____

DP ID* _____

No. of Shares Held : _____

Client ID* _____

I/We _____ of _____
_____ being a member(s) of The Byke Hospitality Limited hereby appoint _____
_____ of _____ or failing him/her _____ of _____ as my/
our proxy to vote for me/us and on my/our behalf at the 23rd ANNUAL GENERAL MEETING of the company to be held on
Monday, September 16, 2013, at 11.30 a.m. Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East),
Mumbai- 400 099 or / and any adjournment thereof.

Signed this _____ day of _____ 2013.

Signature _____



* Applicable for investors holding shares in electronic form

NOTE: The proxy form must be deposited at the Registered Office of the company not less than 48 hours before the time for holding of the meeting.
The Proxy need not be a member of the company.

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The Byke Heritage, Matheran



The Byke Neelkanth, Manali





The

Byke

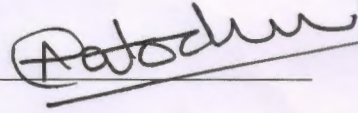
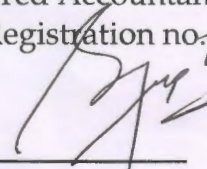
A HOTEL RETREAT

Registered Office

Shree Shakambhari Corporate Park, Plot No. 156-158 Chakravarty Ashok Society, J B Nagar, Andheri(E), Mumbai — 400 099.

Tel: +91 22 6707 9666 Telexfax: 022-67079696 www.thebyke.com

FORM A

1.	Name of the Company	The Byke Hospitality Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un - qualified
4.	Frequency of observation	N.A
5.	Signed By	
	• Management Director	Mr. Anil Patodia 
	• CFO	N.A
	• Auditor of the company	For M/s. A.P. Sanzgiri & Co. Chartered Accountants Firm Registration no. 116293W  Satish Kumar Gupta Partner M.No. 101134
• Audit Committee Chairman	CA Ram Ratan Bajaj 