



# The Byke Hospitality Limited

CIN No.: L67190MH1990PLC056009

September 26, 2016

To,  
Corporate Services Department  
**National Stock Exchange  
of India Ltd.**  
5<sup>th</sup> Floor, Exchange Plaza  
Plot no. C/1, G Block,  
Bandra - Kurla Complex  
Bandra (E), Mumbai - 400 051

To,  
Corporate Services Department,  
**The BSE Limited,**  
PhirozeJeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001.

To,  
Corporate Services Department,  
**Metropolitan Stock Exchange  
of India Limited**  
4<sup>th</sup> Floor, Vibgyor Towers,  
Bandra - Kurla Complex,  
Bandra (E), Mumbai - 400 098

**Ref:** Scrip Code/Name: **BYKE** (NSE), **531373** (BSE), **THEBYKE** (MCX-SX)

**Sub: Annual Report**

Pursuant to Regulation 34 of the SEBI (Listing obligation and disclosure requirements) Regulation, 2015 please find enclosed herewith the Annual Report 2015-16 of The Byke Hospitality Limited which is approved and adopted in the 26<sup>th</sup> Annual General Meeting of the Company held on Tuesday, September 20, 2016 at 10:30 A.M at The Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri East, Mumbai 400099.

Kindly acknowledge receipt.

Thanking You,

Yours Faithfully,

For The Byke Hospitality Limited

*Neha Mankame*

(Neha Mankame)



Company Secretary & Compliance Officer



# DEMOCRATISING HOSPITALITY



2015-16  
26<sup>th</sup> ANNUAL REPORT  
THE BYKE HOSPITALITY LIMITED

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₹2,315  
million

#### Revenue

(from ₹1,814 million in 2014-15,  
growth of 28%)

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₹259  
million

#### PAT

(from ₹200 million in 2014-15,  
growth of 30%)

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₹526  
million

#### EBITDA

(from ₹372 million in 2014-15,  
growth of 41%)

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**The Byke Hospitality Limited (Byke) is one of India's fastest growing hospitality brands. The country's strong growth momentum, increased disposable income and enhanced desire for a better quality of life among its millions of citizens is leading to a new energy in the hospitality space.**

With a strong brand, and renewed momentum, Byke is leveraging this opportunity to grow at a rapid pace. We are focusing on travellers at the bottom and middle of the pyramid in helping them experience world-class hospitality at affordable costs, to significantly expand the consideration set for customers in the hospitality industry in India. Therefore, we are contributing to democratising hospitality and enable many more people to discover the joy of travelling.

We are focusing on increasing our brand presence in gateway cities, serving our corporate and association customers meeting their needs, and expanding our select service brands in urban markets.





# INTRODUCING BYKE

**Incorporated in 1990, The Byke Hospitality Limited is an emerging hospitality company with pan-India presence.**

We operate in two broad segments - owning and managing hotel properties and room chartering. Each of our properties offers a memorable experience, adapting global best-practices to Indian sensibilities. Byke employs a team of highly skilled staff, who are instrumental in taking the brand forward and making our guests feel at home. Byke offers the unique value-proposition of being India's first and only vegetarian hospitality brand. Our gastronomic offerings incorporate exclusive multi-cuisine vegetarian options that are enriched with natural and authentic flavours, while preserving nutrition.

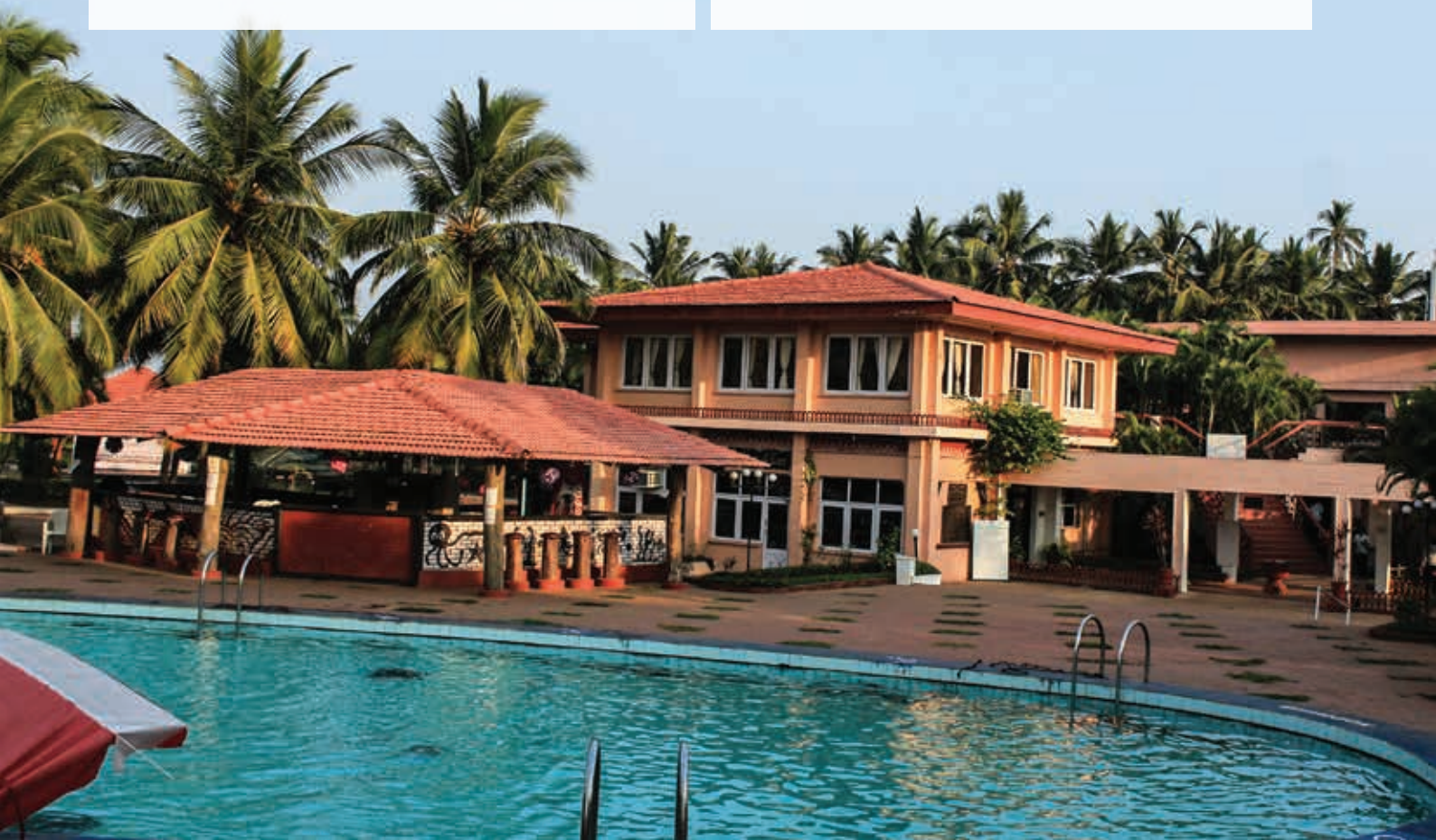
We also book rooms for third parties through our unique room chartering business model at strategically identified cultural and religious tourist destination on bulk basis and let-out them to tourists during peak seasons.

## VISION

To be a leader and preferred choice in the Hospitality Industry while sustaining our Indian culture of *"Atithi Devo Bhavah."*

## MISSION

Providing excellent contemporary Hospitality services with a touch of tradition across the country and optimal returns to stakeholders with extraordinary and unmatched strategies.



# KNOW BYKE BETTER

## 677

Room Portfolio

## 9

Properties in India

## CORE STRENGTHS



### Rich experience

Years of rich experience in hospitality sector has helped us emerge a preferred choice among customers



### Asset light model

Our unique 'asset-light' business model allows us to leverage high profitability from a low capital base



### Wide range

We have a huge network of mid-budget resorts, which help us, cater to a wide range of customers, from all sections



### Domestic focus

We focus on domestic middle class leisure tourism, which is set to grow at a faster pace



### Charter model

Third-party hotel rooms are chartered at strategic locations across 50+ cities in India. It helps to maximise revenue through agents



### Vegetarian food

Our philosophy of serving only vegetarian food at our resorts helps us capitalise on the relatively faster growing domestic travel spending in India





### Strong network

We have a strong marketing and distribution network of agents to confirm customer satisfaction

## INTRODUCING BYKE CONTINUED

### Presence



 Current Presence  
 New Locations

**Our Properties**



The Byke Old Anchor

**Location:** Goa  
**No. of rooms:** 240



The Byke Grassfield

**Location:** Jaipur  
**No. of rooms:** 54



The Byke Heritage

**Location:** Matheran  
**No. of rooms:** 80



The Byke Suraj Plaza

**Location:** Thane  
**No. of rooms:** 122



The Byke Neelkanth

**Location:** Manali  
**No. of rooms:** 40



The Byke Hidden Paradise

**Location:** Goa  
**No. of rooms:** 40



The Byke Redwood

**Location:** Matheran  
**No. of rooms:** 25



The Byke Sunflower

**Location:** Goa  
**No. of rooms:** 22



The Byke Vijoya

**Location:** Puri  
**No. of rooms:** 54



## UNIQUE AND ASSET-LIGHT BUSINESS MODEL

AT BYKE WE BELIEVE THAT GROWTH SHOULD BE CAPITAL NEUTRAL, ESPECIALLY IN HIGH OUTLAY INDUSTRIES SUCH AS HOSPITALITY. WHICH IS WHY WE HAVE CREATED OUR BUSINESS MODEL AROUND THE CONCEPT OF BEING ASSET-LIGHT, SO THAT OUR CORE OFFERING OF HOSPITALITY IS NOT IMPEDED BY CAPITAL CONSTRAINTS AND UNPRODUCTIVE INVESTMENTS IN REAL ESTATE.

This allows us to leverage high profitability from a low capital base. It has helped us register significant growth despite an overall slowdown and lack of momentum in the occupancy levels in the hospitality space. Although there is attractive growth in India, it is not uniform, and given the poor monsoons, and other structural inefficiencies, it is difficult to predict when the next cycle of high-demand will come. Therefore, remaining asset-light is an assured way of generating higher ROI and protecting cash flows for future growth.

We follow two distinct operating models - Owned & Leased (O&L) and Room Chartering (RC).

Byke operates 9 resorts across Maharashtra, Rajasthan, Goa, Odisha(Puri) and Himachal Pradesh

(Manali) with a total capacity of 677 keys. These operate primarily on a leased model. While 2 of the 9 resorts are owned, the remaining 7 are on an operating lease.

Under our room chartering business, we manage room inventory at various locations. Our offering includes the booking of third-party hotel rooms at strategically identified cultural and religious tourist destinations during peak seasons, on a bulk basis, and subsequently letting them out to tourists at a retail level through agents.

Byke also focuses on the MICE category (meetings, incentives, conferencing, and exhibitions). Bankquets and F&B constitute a sizeable chunk of our overall revenues, enabling a diversified revenue mix and augmenting occupancy returns.



### ROOM CHARTERING MODEL — A UNIQUE VALUE PROPOSITION

- The chartering business involves aggregation of hotel rooms through prior booking of inventory. This is done on a 'take or pay' basis, 3-4 months before the tourist season
- Room aggregation is carried out on a pan-India basis
- The chartering is done for the entire duration of the tourist season in a particular location
- There are strict quality checks while purchasing inventory, to minimise the risk of refunds because of customer complaints
- The aggregated rooms are sold onward to travel agents, largely in mini metros and tier-2 cities across the country. This is a B2B business



## OWNED & LEASED (O&L)

**677** Total capacity of keys

**2** Owned resorts

**7** Leased resorts

### No. of Rooms



102



323

2012-13



102



363

2013-14



102



417

2014-15



102



521

2015-16



Owned rooms

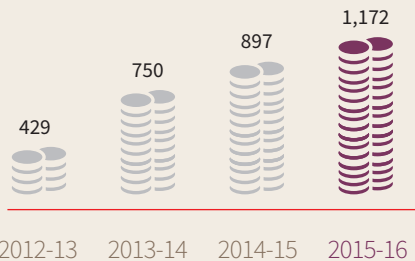


Leased rooms

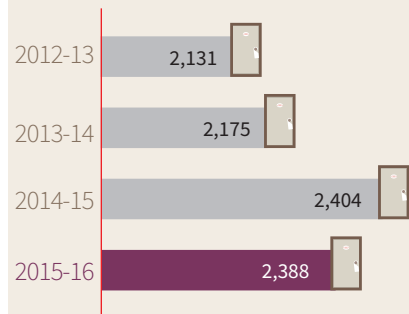


## ROOM CHARTERING (RC)

### Chartering Revenue ₹million



### ARR ₹



# FINANCIAL PERFORMANCE



## Revenue

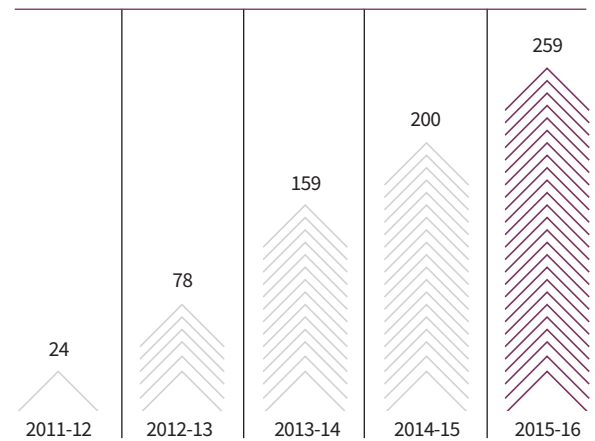
₹ million



**36%** 5 Year CAGR

## PAT

₹ million



**61%** 5 Year CAGR



### EBITDA

₹ million



**59%** 5 Year CAGR

### EBITDA Margin

%



**16%** 5 Year CAGR

### PAT Margin

%



**17%** 5 Year CAGR

### EPS

₹



**39%** 5 Year CAGR

## MD'S MESSAGE



**Dear Shareholders,**

INDIA IS EMERGING AS ONE OF THE BEST PERFORMING ECONOMIES ACROSS THE GLOBE WITH THE GDP GROWTH ESTIMATED AT 7.6% IN THE CURRENT FISCAL. THE INDIAN TRAVEL AND TOURISM INDUSTRY, BESIDES BEING AN IMPORTANT PROXY OF GROWTH, IS A SIGNIFICANT SOURCE OF FOREIGN EXCHANGE AND IS A MAJOR EMPLOYER. IT IS AMONG THE TOP 10 SECTORS IN INDIA TO ATTRACT THE HIGHEST FOREIGN DIRECT INVESTMENT (FDI). DURING THE PERIOD APRIL 2000-MARCH 2016, THE HOTEL AND TOURISM SECTOR ATTRACTED AROUND US\$ 9.23 BILLION OF FDI, ACCORDING TO THE DATA RELEASED BY DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION (DIPP).

TODAY, WE ASPIRE TO CREATE A FORMIDABLE BRAND BY 2020 WITH 25 PROPERTIES ACROSS INDIA. WE ARE AT AN INFLEXION POINT WHERE WE HAVE CREATED OUR POSITIONING AND BRAND, AND WILL NOW LEVERAGE IT TO GROW AGGRESSIVELY.

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As you all are aware, we started 'The Byke' journey by acquiring 2 hotels with 102 rooms in 2010-11. From this humble beginning to having a portfolio of 677 rooms today, we have indeed come a long way. We have spent these 5 years in building our foundation and cementing our understanding of the hospitality industry, besides building a team, setting up processes & controls and establishing a strong brand in the mid-market tourism segment. We believe that this foundation will help us leapfrog into an aggressive era of growth going forward.

We have focused on creating value through our values. We believe in value-for-money and thus we are in the middle-class segment with the motto of providing leisure for all. Our focus is on asset light model with light

balance sheet. Our "pure vegetarian" tag appeals to a larger set of consumers who are looking for affordable options that do not interfere with their cultural sensitivities.

The success mantra for our growth is guest satisfaction through quality services. This is further driven by brand loyalty, excellence in delivery and collaborative efforts with our partners.

Following these principles and values we have been able to generate attractive returns for all stakeholders: for our consumers who can enjoy leisure at an affordable rate, for our hotelier partners and for our investors and employees through profitable growth. Revenues have grown at over 36% CAGR over the last five years, hitting ₹ 230 crore for

2015-16. Profits rose nearly eleven fold to hit ₹ 26 crore mark in the same period. We earned a spot on FORBES ASIA's Best under a Billion list last year and in the current year. However, we believe that this is only a small beginning and our best is yet to come.

Today, we aspire to create a formidable brand by 2020 with 25 properties across India. We are at an inflexion point where we have created our positioning and brand, and will now leverage it to grow aggressively. We believe we have all the ingredients in place which will help us in attaining this vision – experience, team, processes and capital.

Our focus would be on locations where we foresee a good opportunity to generate revenues across all sources, be it F&B, corporate or social events. Keeping this in mind, we recently added our second largest property of 122 rooms at Thane. We expect significant revenue contribution from all streams in this property.

When complete, our 25 properties would represent the diversity of India and its geographical expanse. We believe that our vegetarian-only approach has helped us in creating a niche positioning for ourselves. Going forward, we will continue to focus on this. We can gladly say that this value proposition has been a positive catalyst for us rather than a deterrent. Together with this, being asset light in an industry which is fraught with challenges is sure to assist in attaining our vision.

It is heartening that the Government is pursuing policies to encourage foreign direct investment, especially in service sectors such as Hospitality. We believe that initiatives like 'Make In India' cannot be fully successful without the motto of 'Serve in India', and the service sector deserves equal prominence and

attention. These policies should result in increasing numbers of business travellers visiting India which would have a direct and positive bearing on occupancies in metropolitan cities. The government's friendly visa policies focus on cleanliness, and better infrastructure is sure to augment the inflow of tourists as well.

The hospitality industry helps in the revival of the economy. The impact of technology to reach out to millions has added a fast and exciting boost to the economy. Technology is improving customer experience, operations and several other aspects. With the dawn of the ground breaking enterprise solutions, the hospitality scene in India is improving.

I have always strongly believed that people are our biggest asset. We would continue to select carefully, train and motivate our people. This will enable us to compete effectively.

We are focused on delivering outstanding shareholder value. As we enter into an exciting growth phase of our journey, we seek continuous support and faith from all our stakeholders. I would like to express our sincere gratitude to all our stakeholders for continued trust and support. I expect the same cooperation from you all to make our future journey more remarkable.

Best wishes,

**Anil Patodia**  
Managing Director

**DIN: 00073993**

**THE SUCCESS MANTRA FOR OUR GROWTH IS GUEST SATISFACTION THROUGH QUALITY SERVICES. THIS IS FURTHER DRIVEN BY BRAND LOYALTY, EXCELLENCE IN DELIVERY AND COLLABORATIVE EFFORTS WITH OUR PARTNERS.**

**REVENUES HAVE GROWN AT OVER 36% CAGR OVER THE LAST FIVE YEARS, HITTING ₹ 230 CRORE FOR 2015-16. PROFITS ROSE NEARLY ELEVEN FOLD TO HIT ₹ 26 CRORE MARK IN THE SAME PERIOD.**



# AGGREGATING DEMAND AND EXTENDING BRAND PRESENCE



As a service brand, our core objective is to reach out to as many people as possible, in growing our operations. In hospitality industry geographic presence is a major constraint and therefore, we act as aggregators of rooms across the country to mitigate this.

Room chartering enables Byke to scale up revenues beyond its own resort locations and geographic presence. With a strong agent network, we have expanded our presence pan India, especially at major religious tourist destinations to offer standardised service offerings that incorporate contemporary best practices.

As the resorts are taken on a lease, we utilise the resources for modernisation and renovation of the acquired properties, which has helped it to increase occupancies and ARR's post acquisition.

We have one of the widest sales and marketing network, reaching out to the target audience. We also have a unique third party marketing tie-up through which the Byke brand is present across 66 cities in the country.

The chartering business revenue increased from ₹ 897 million in 2014-15 to ₹ 1,172, registering a growth of 31%.

The occupancy remained at an attractive 94% in 2015-16, better than the underlying industry. The improvement in the ARR and occupancy in the RC business indicates the success of our strategic planning and strong marketing. Additionally, they also indicate higher customer satisfaction, and improved demand.



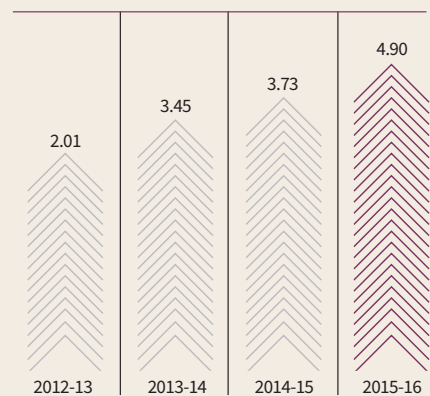
### Key features

- Model offers flexibility to expand depending on tourist trend
- Developed relationship with hotel owners at 50+ locations
- Efficient risk mitigation due to pan-India presence
- Better negotiation given scale leads to low break-even point

Over the last few years we have been focusing on upgrading the quality of products and service to contemporary, global standards.

### Room Nights Sold

lacs



# DEMOCRATISING HOSPITALITY







With an increasingly large middle class population beginning to look outward and fulfill aspirations to travel both within and beyond India's borders, the tourism industry is poised to realise the inherent tourism potential in India; a country with an incredibly rich and diverse cultural, geographical and natural canvas.

At Byke, we envisage the creation of world-class hospitality assets that offer a unique experiential proposition. The success in the past few years is combination of the relentless spirit of the employees, the unwavering support of investors, unquestioning loyalty of its customers and the futuristic approach of the management.

We execute our asset-light strategy in the most attractive, high-growth markets and industry segments. We take a disciplined approach to capital

allocation, investing for the future growth of our brands. This enables us to drive sustainable growth in our profitability and deliver superior shareholder returns over the long term. Our focus on an asset-light business model is supported by a disciplined, long-term approach to allocating capital and reducing the asset intensity of the business.

Over the last few years we have been focusing on upgrading the quality of products and service to contemporary, global standards. The investments made in renovation and refurbishment of resorts, along with investments in human capital and information technology, has resulted in the delivery of a considerably enhanced holiday experience to all customers.

# EXPANSION HOLDS PROMISE





At Byke, we are expanding our reach to new destinations to ensure stronger presence and guarantee higher returns. Byke started off with limited locations and today has a diverse geographical footprint. We aim to continue on this path and emerge as a pan-India player with a presence across all key locations in India. This is the bedrock of our expansion strategy.

We aim to extend our presence to cater to a wide and varied range of customers. We are planning to add 8 more properties, which would lead to an addition of ~450-500 rooms over the next two years. The company plans to increase the number of properties from 9 to 25 by 2020. Our asset-light model allows us to plan for such growth, because incremental room addition requires minimal capital employment. Our profitability funds our growth, and enables us to also remain largely deleveraged. The objective is to cross ₹ 500 crore in revenues by 2020, creating a pan-India chain with 25 properties.

### Expansion in 2015-16

Byke expanded to two new strategic locations in 2015-16.

The Thane property that commenced operations in 2015-16, is strategically located in a high density area. It has 122 well-appointed rooms, 4 Banquet Halls, 2 Conference Rooms, besides a multi-cuisine restaurant and bar lounge.

The Byke Vijaya, Puri commenced operations in April, 2016. It has been taken on a long-term lease for 15 years. With this the aim is to create a difference and offer high quality hospitality in places of religious and cultural importance, which are a significant driver of tourism in India. Puri, besides being one of the 'Chaar Dhams' in Hinduism, is

also a beach-destination, close to metros like Kolkata and Bhubaneswar, and an important emerging destination for weddings and corporate MICE events, in Eastern India.

### Planned expansion in 2016-17

In the current fiscal, Byke aims at adding at least 4 new properties. These are spread across Lonavala, Mumbai, and Mahabaleshwar, and will result in the addition of another 300 rooms, taking our total keys close to 1000. Further expansion in addition to the aforementioned is expected to happen, with the tentative locations being Dalhousie, Jodhpur, Chandigarh, Udaipur, Darjeeling and Gangtok. We anticipate these properties to be fully operational by 2017-18 and start contributing to revenues.



# VALUE FOR STAKEHOLDERS

We strive to deliver growth and create significant value for all our stakeholders on sustainable basis. We have pursued growth across all our businesses and aspects, with the firm belief in our corporate ethos of value-delivery.

We present below a brief account of how the value creation process works for all principal stakeholders.

## Customers

Through regular communication we work to understand how we can best serve the needs of our customers. Consistent improvements in member satisfaction and ability to deliver family-friendly experiences on a larger scale have validated the Company's investments in technology and processes, and at the same time improved its competitive positioning in the mid-market hospitality industry. We focus on increasing value for the consumer and "selling the way the customer wants to buy."

## Shareholders / Investors

We endeavour to communicate and report clearly to build trust with our investors, using continuing engagement to gather feedback that boosts our approach and performance. We have a lucid and steady strategy and an excellent management team that maintains sustainable growth and build shareholder value.

**NET PROFIT HAS GROWN BY 30% Y-0-Y**

## Partners

We strive to establish strong liaison and partnership to steer through the opportunities and risks that impact our business. We focus on the opportunities that augment expansion for our Company and partners.

**7 PROPERTIES LEASED IN 4 YEARS**





### Employees

We build an engaging culture, in which every employee is encouraged to grow to his or her full potential. We look for ways to align performance with incentives and to nurture long-term positive relationship with our workforce.

We have a clear and consistent strategy and an established record of delivery. We have returned to growth and, looking to the future, there are significant

long-term opportunities to develop our business further and deliver superior value. Strong financial performance rewards our shareholders and also allows us to focus on our broader social and environmental responsibilities and contribute to the long-standing prosperity of our customers, employees, suppliers and communities.



# BOARD OF DIRECTORS



## 1. Mr. Anil Patodia

### *Managing Director*

Mr. Anil Patodia is a commerce graduate from the University of Rajasthan, with over 20 years of experience in the hospitality and service industries. He took over the management of The Byke as a Managing Director in 2010. Mr. Patodia's vision and commitment helped the Company to grow sustainably. He has formulated many value-based strategies to create a niche for The Byke as a brand. As an experienced hotelier, Mr. Patodia plays a significant role in the Company's operations and marketing, global expansion and future development. He is also actively involved in social activities. He is a member of Lions Club International, and a working committee member of Mumbai Vaish Federation.

## 2. Mr. Satyanarayan Sharma

### *Director*

Mr. Satyanarayan Sharma is an electrical engineer, with over 25 years of experience in hospitality sector. His rich experience and successful career provides an edge to Byke's operations and management. He is one of the visionary founder promoters of the Company. Mr. Sharma has proficiency in understanding the holiday needs of tourists, and he provides professional

guidance in preparing tailor-made products in holiday space. This is an instrumental factor for the Company's growth, so far.

## 3. Mr. Pramod Patodia

### *Executive Director*

Mr. Pramod Patodia has over two decades of experience in the hospitality industry. His extensive experience of over 25 years in the field of management and administration has helped the Company prosper. Currently, he is overseeing the operations of all the hotels of the Company.

## 4. Ca Ram Ratan Bajaj

### *Independent Director*

Mr. Ram Ratan Bajaj is a fellow member of the Institute of Chartered Accountants of India, with over 35 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. He has significant contribution in making the financial decisions of the Company. Mr. Bajaj is actively involved in social activities. He was a member of Bharat Vikas Parishad – a unique organisation for socio-cultural activities.

## 5. Mr. Ramesh Vohra

### *Independent Director*

Mr. Ramesh Vohra, aged 74 years, is in the business of supply and service of engineering products for over four decades. This business provides global solutions to the oil, gas, exploration, marine and construction companies. Some of the major clients include ONGC and the Indian Railways. He is actively involved in social activities. He is a member of the Lions Club for over a decade.

## 6. Mr. Bharat Thakkar

### *Independent Director*

Mr. Bharat Thakkar is a post graduate in Commerce and has cleared ICWA Intermediate. Mr. Thakkar, is in the Insurance business for more than three decades. 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.



### 7. Mr. Sandeep Singh

*Independent Director*

Mr. Sandeep Singh has obtained a Post-Graduation in Rural Development from Xavier Institute of Social Sciences Ranchi. He has also specialised in Media Planning from the Mudra Institute of Communications Ahmedabad & in General Business Management from the Indian Institute of Management (IIM), Bangalore. He is author of various books. Some of his books are 'Business of Freedom', 'Indian Ocean Strategy' and 'Simhavolokan'. He is also on the Advisory Board of The National Institute of Mass Communication & Journalism.

### 8. Mrs. Archana Anil Patodia

*Director*

Mrs. Archana Anil Patodia is Bachelor of Arts from the University of Rajasthan. Mrs. Patodia is having vast experience in Management and Administrative functions. Her area of interest includes management training and leadership. She is actively involved in social activities and is currently Vice President of "Lions Club of Mumbai Heritage Galaxy".

### 9. Ms. Sudha Gupta

*Independent Director*

Ms. Sudha Gupta is a renowned Chartered Accountant and is also a qualified Company Secretary. She has wide exposure in Indian Corporate Taxation, tax treaties and Companies Act, 1956 and vast knowledge relating to International Transactions, FEMA and RBI. Ms. Gupta has authored several books on Foreign Exchange Management Act and her articles are regularly published in the Journals of lot of Institutes and Newspapers. She has authored following books (1) Due Diligence under FEMA (CCH Publications) (2) Practical Aspects of FDI in India (ICSI Publication). (3) Comprehensive Guide to Foreign Exchange management (CCH Publications). She has background of working in large multinational companies at various positions and is presently heading the International Transaction advisory services for a big consulting company. Backed by experience in international firms like Deloitte & Rodl and Partner, she has extensive experience of handling international transactions and have been instrumental in structuring and implementation of various complex cross border transactions.

She has been advising corporate as well as Government authorities on the effectiveness of foreign exchange policy. She is member of various committees of Institute of Chartered Accountants of India.

### 10. Mr. Vikash Agarwal

*Director*

Mr. Vikash Agarwal works as Planning & Strategy Officer with the group and represents the young leadership face of the brand. On the backdrop of Planning and Strategies he is responsible for planning of portfolio expansion, mergers and acquisitions. Mr. Agarwal brings on board distinct foresight and market intelligence. He has been instrumental in harnessing young enthusiasts and created a workforce of talented entrepreneurs augmenting them as growth drivers for the BYKE Group.



# AWARDS AND RECOGNITIONS

# Forbes<sup>®</sup> Asia

JUN 1, 2016 @ 05:43 PM 2,779 VIEWS

The Little Black Book of Billionaire Secrets

## Budget Beds With Veg Buffets At India's Byke Resorts



- The Byke Hospitality achieved the distinction of being among the 11 companies from India that have made it to the top 200 Asia Pacific corporations in Forbes Asia's 'Best Under a Billion' list in 2015. Also, June 2016 issue featured CMD - Shri Anil Patodia's thoughts and future plans for the Company
- Received an award for contribution to promote vegetarian hotels in India at 11th Hospitality India & Explore the World Annual International Travel Awards, 2015, New Delhi
- In 2016, also The Byke Hospitality got featured in Forbes Asia's 'Best under a Billion' list

# CORPORATE INFORMATION

(As on August 03, 2016)

## BOARD OF DIRECTORS

Mr. Anil Patodia  
Mr. Satyanarayan Sharma  
Mr. Pramod Patodia  
Mrs. Archana Anil Patodia  
CA Ram Ratan Bajaj  
Mr. Ramesh Vohra  
Mr. Bharat Thakkar  
Mr. Sandeep Kumar Singh  
CA. Sudha Gupta  
Mr. Vikash Kumar Agarwal

## BANKERS

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

## COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Neha Mankame

## SECRETARIAL AUDITOR

M/s Suman Surekha & Associates  
Company Secretaries  
302-A Wing, Mukti Tower, Eastern Express  
Highway, Mulund East, Mumbai 400081

## REGISTRAR AND SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited  
Unit-1, Luthra Ind Premises, 1st Floor,  
44 E, M Vasanti Marg, Andheri Kurla Road,  
Safed Pool, Andheri (East),  
Mumbai 400072  
Tel No: 285145644 /28515606  
Website: www.sharexindia.com  
E-mail: investor@sharexindia.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  
Email : investors.care@thebyke.com  
Website: www.thebyke.com

## 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

# DIRECTORS' REPORT



**23,152** Lakhs  
Income from Operations

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In 2015, "Forbes Asia" enlisted  
"The Byke Hospitality Limited"  
as Best under a Billion \$ Company.

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Dear Members,

Your Company's Directors have pleasure in presenting the Twenty Sixth Annual Report of the Company The Byke Hospitality Limited ("the Company, or the Byke") along with Audited Financial Statement for the year ended March 31, 2016 .

## Financial Highlights

Particulars	(₹ In Lakhs)	
	Year Ended March 31, 2016	Year Ended March 31, 2015
<b>Income</b>		
Income from Operations	<b>23,152.36</b>	18,141.87
Other Income	<b>13.69</b>	11.00
Total Income	<b>23,166.05</b>	18,152.87
Expenditure:		
Less: Operating & Other Expenses	<b>17,890.44</b>	14,418.72
Profit before Depreciation, Finance Costs and Tax	<b>5,275.61</b>	3,734.15
Less: Depreciation	<b>1,159.68</b>	1,017.41
Less: Finance Costs	<b>149.56</b>	179.97
Profit before Tax	<b>3,966.37</b>	2,536.77
Less Provision for Taxes	<b>1,372.69</b>	533.35
Profit after Tax	<b>2,593.68</b>	2,003.42
Add: Surplus brought forward from the previous year	<b>3,810.44</b>	2,288.17
Amount available for appropriation	<b>6,404.12</b>	4,291.59
<b>Appropriations:</b>		
Dividend		
A dividend of 10% i.e. ₹ 1/- per Equity Share was recommended by the Board of Directors on May 20, 2016	<b>400.98</b>	400.98
(In respect of the previous year, a final dividend of 10% i.e. ₹ 1/- per Equity Share was declared and paid to the Members)		
Tax on Dividend	<b>81.63</b>	80.17
Amount transferred to General Reserve		-
Surplus carried forward	<b>5,921.51</b>	3,810.44

### Dividend

Your Directors are pleased to recommend a final dividend of 10% i.e. ₹ 1.00 per share on equity share of ₹ 10/- each, for the financial year ended March 31, 2016. The proposed final Dividend is subject to the approval of shareholders at the ensuing Annual General Meeting to be held on September 20, 2016 for the financial year ended March 31, 2016. The dividend would involve a cash outgo of ₹ 400.98 lakhs towards dividend and ₹ 81.63 lakhs towards tax on dividend.

The Register of Members and Share Transfer Books will remain closed from September 13, 2016 to September 20, 2016 (both days inclusive), for the purpose of payment of Dividend for the Financial Year ended March 31, 2016 and the Annual General Meeting. The Annual General Meeting is scheduled to be held on Tuesday, September 20, 2016.

### Transfer of Share

The company did not transfer any amounts to General Reserve during the year.

### Recognition

Your company pleased to share the recognition of our effort by the prestigious magazine "Forbes Asia". In 2015, "Forbes Asia" enlisted "The Byke Hospitality Limited" as Best under a Billion \$ Company. In its Latest issue of June 2016 (page44-46), Forbes covered Our CMD Shri Anil Patodia's thoughts & future plans.

### Particulars of Loans, Guarantee or Investments

As on March 31, 2016, there were no outstanding loans or guarantee covered under the provisions of Section 186 of the Act. (Annexure A)



The details of changes in the Loans, Guarantee and Investments covered under the provisions of the Section 186 of the Act are given in the notes to the Financial Statements.

### Deposits

Your Company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rule, 2014.

### Particulars of Contract or Arrangement with Related Party

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The policy is available on the Company's website [www.thebyke.com](http://www.thebyke.com).

Since all related party transactions entered into by the Company were in ordinary course of the business and were on an arm's length basis, Form AOC-2 is not applicable.

### Statutory Auditor

The Auditors M/s A.P. Sanzgiri & Co, Chartered Accountants, the Statutory Auditor of the company will retire at the conclusion of the ensuing Annual General Meeting and they have expressed their unwillingness to be reappointed as an auditor. In this regard the company has received a notice from a shareholder proposing the name of M/s Borkar & Mazumdar as auditor in place of M/s A.P. Sanzgiri & Co, Chartered Accountants. Members may consider the appointment of M/s Borkar & Mazumdar as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting to the conclusion of 31st Annual General Meeting of the company (subject to rectification of the appointment by the member at every Annual General Meeting held after this Annual General Meeting.)

### Internal Auditor

Pursuant to provisions of Section 138 and other applicable provisions of Companies Act, 2013, P.P. Kapoor & Co., Chartered Accountants (Firm Registration No: 104806W) as Internal Auditor has been appointed as internal auditors for the financial year 2015-16.

### Secretarial Auditor

Pursuant to the provision of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Board of the Directors of the Company had appointed M/s Suman Surekha & Associates, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the year ended March 31, 2016. The secretarial Auditor has submitted their report and the Board took note of the same. The secretarial Audit Report is annexed as Annexure B.

### Change in the Nature of Business

There is no change in the nature of business of the Company.

### Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### Statement under Companies (Appointment and Remuneration Of Managerial Personnel) Rules, 2014

Pursuant to Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 a disclosure on remuneration related information of employees, Key Managerial Personnel and Directors is annexed herewith and forming part of the report. (Annexure C)

However, there are no employees drawing remuneration more than ₹ 60 Lacs p.a. or ₹ 5 Lacs per month if employed for a part of year, therefore no disclosures are required under Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### Extract of Annual Return

Details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure D".

### Internal Financial Control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the

controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### Corporate Social Responsibility initiatives

The Company has actively supported various initiatives in the areas of health, education and environment over the years. With the introduction of Section 135 of the Act, the company has constituted a Corporate Social Responsibility ("CSR") Committee in the year 2014.

The CSR Policy adopted by the Board of Directors is available on the Company's website [www.thebyke.com](http://www.thebyke.com). The CSR Committee decided to continue with the existing programs and increase focus on health and education in the years ahead. The Annual Report on Corporate Social Responsibility Activities is annexed herewith as Annexure E.

Detailed composition of the CSR Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance report which form a part of this report.

### Corporate Governance Report

The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 forms an integral part of this report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) 2015 with the Stock Exchange in India, is presented in a separate section forming part of the Annual Report.

### Transfer of amount to Investors Education and Protection Fund

As required under the provisions of Section 205A and 205C and other applicable provisions of Companies Act, 1956 (the corresponding provisions in the Companies Act, 2013 have not been notified, and hence the earlier law is still applicable in respect of these provisions), dividends that remain unpaid/unclaimed for a period of seven years, are to be transferred to the account administered by the Central Government viz: Investor Education and Protection Fund ("IEPF"). Once the amounts that are due for refund are transferred to the IEPF, no claim shall lie in respect of those amounts against the Company. The Company had transferred unpaid dividend

amounts within the stipulated time to the IEPF. During the Financial year 2015-16, unpaid and unclaimed dividend for the Final dividend declared as on March 31, 2008 amounting to ₹ 642717/- (Six Lakhs Forty Two Thousand Seven Hundred Seventeen only) was transferred to Investors Education and Protection Fund. The Board draws your attention that the unclaimed / unpaid dividend for the Final Dividend declared as on March 31, 2009 is due for transfer to IEPF during the current year. Members who have not yet encashed their dividend warrant(s) or those who are yet to claim their dividend amount which was declared for the financial year ended March 31, 2009, may write to the Company/ Company's Registrar and Share Transfer Agent Sharex Dynamic India Private Limited.

### Number of Meetings of the Board

The Board of the Directors of the Company met Four Times during the year 2015-16. The details of the various Board Meetings are provided in Corporate Governance Report that forms part of this Annual Report. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013(hereinafter "The Act").

### Statement on Declaration of Independence by the Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Reg 16(1) b of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Independent Directors of the Company viz, Mr. Ram Ratan Bajaj , Mr. Ramesh Vohra, Mr. Bharat Thakkar, Mr. Sandeep Singh, Ms. Sudha Gupta have given declaration to the Company that they qualify the criteria of independence as required under that Act and the regulation.

### Policy on Directors' Appointment and Remuneration

The Company's policy on director's appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which form part of this report.

### Board Committees

The Company has the following Committees of the Board:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholder's Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The composition of each of the above committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

There has been no situation where the Board has not accepted any recommendation of the Audit Committee.

### Board Evaluation

The Board has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provision of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulation 2015. Annual Board Evaluation is based on the guideline formulated by the Nomination & Remuneration Committee.

Board Composition, quality and timely flow of information, frequency of meetings and level of participation in discussion were some of the parameters considered during the evaluation process.

Further, the Independent Directors of the Company met once during the year on February 03, 2016 to review the performance of the Non-executive directors, Chairman of the Company, and performance of the Board as a whole.

### Directors and Key Managerial Person

Mrs. Archana Anil Patodia retires in forthcoming Annual General Meeting and being eligible for re-appointment. The Board recommends her re-appointment.

The term of Mr. Anil Patodia (DIN 00073993) as Managing Director of the Company expires on July 31, 2016. Board of Directors, Nomination & Remuneration Committee recommend his re-appointment as Managing Director for the further term of Five years from August 01, 2016 subject to the approval of the shareholder in ensuing Annual General Meeting of the Company.

Mr. Manish Lahoti resigned from the post of Chief Financial Officer of the company with effect from May 20, 2016. The board places on records its deep sense of appreciation for the valuable contribution and guidance. Mr. Sumit Bajaj has appointed as Chief Financial officer of the company in the place of Mr. Manish Lahoti with effect from May 20, 2016.

Mrs. Swati Gupta resigned from the post of Company Secretary of the Company with effect from August 03, 2016 due to her pre-occupation. The board places on record its deep sense of appreciation for the valuable contribution and guidance. Ms. Neha

Mankame has appointed as Company Secretary of the Company in place of Mrs. Swati Gupta with effect from August 03, 2016.

Mr. Anil Patodia Managing Director of the Company, Ms. Neha Mankame Company Secretary of the Company and Mr. Sumit Bajaj Chief Financial officer of the Company are the Key Managerial Personnel of the Company.

### Whistle Blower Policy (Vigil Mechanism)

Pursuant to Section 177 of the Companies Act, 2013 the rules made thereunder and the Regulation 22 of SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015, the Company has established a Vigil Mechanism for Directors and Employees to report genuine concerns about any instance of any irregularity, unethical practice and /or misconduct.

The Vigil Mechanism provides for

- adequate safeguards against victimization of persons who use the Vigil Mechanism;
- direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

Details of the Vigil Mechanism policy are made available on the Company's website [www.thebyke.com](http://www.thebyke.com).

### Risk Management

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The Policy provides for constitution of a Risk Committee, which will work towards creating a Risk Register, identifying internal and external risks and implementing risk mitigation steps. The Committee will, on a quarterly basis, provide status updates to the Board of Directors of the Company.

### Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Considering gender equality, the Company has zero tolerance for Sexual Harassment at workplace. The Company has an Anti Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Woman at the workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The following is a summary of the Sexual Harassment complaints received and disposed off during the year 2015-16:

- No. of complaints received : NIL
- No. of complaints disposed off : NIL

### Listing Fees

The company confirms that it has paid the annual listing fees for the year 2016-17 to National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Metropolitan Stock Exchange (MCX-SX).

### Director's Responsibility Statement

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. Appropriate accounting policies have been selected and applied consistently and have 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 31, 2016 and of the profit and loss of the Company for the year ended March 31, 2016;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis;
- v. Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
- vi. Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 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.

### The Secretarial Audit Report

The Secretarial 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 secretarial standards prescribed by the Institute of Company Secretaries of India.

### 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

Your Directors take this opportunity to express the gratitude to all investors, clients, vendors, bankers, Regulatory and Government authorities, Stock Exchanges and business associates for their co-operation,, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the Associates for their continuing support and efforts in ensuring an excellent all round operational performance at all levels.

For and On behalf of the Board of Directors

Sd/-  
**Anil Patodia**  
 Managing Director  
 DIN: 00073993

Jaipur (Rajasthan)  
 August 03, 2016



# ANNEXURE A TO THE DIRECTORS' REPORT

## Particulars of Loans, Guarantees or Investments

Amount outstanding as at March 31, 2016

Particulars	Amount (₹ in Lacs)
Loans given	NIL
Guarantee given	NIL
Investments made	NIL

## Loan, Guarantee and Investments made during the Financial Year 2015-16

Name of Entity	Relation	Amount (₹ in Lacs)	Particulars of loan, guarantee and investments	Purpose for which the loans, guarantee and investments are proposed to be utilized
NIL				

For and On behalf of the Board of Directors

Sd/-  
**Anil Patodia**  
Managing Director  
DIN: 00073993

Jaipur (Rajasthan)  
August 03, 2016

## Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

S. No.	Name of Associates/ Joint Ventures	Name 1	Name 2
1.	Latest audited Balance Sheet Date	N.A.	
2.	Shares of Associates/ Joint Ventures held by the company on the year end		
	No.		
	Amount of Investment in Associates/Joint Venture		
	Extent of Holding %		
3.	Description of how there is significant influence		
4.	Reason why the associate/ joint venture is not consolidated		
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet		
6.	Profit/ Loss for the year		
	i. Considered in Consolidation		
	ii. Not Considered in Consolidation		

# ANNEXURE B TO THE DIRECTORS' REPORT

## Secretarial Audit Report

(For the financial year ended March 31, 2016)

### [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members of  
**The Byke Hospitality Limited**  
Shree Shakambhari Corporate Park, 156-158,  
Chakravorty Ashok Society, J. B. Nagar, Andheri (East),  
Mumbai – 400099

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Byke Hospitality Limited (CIN: L67190MH1990PLC056009)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the financial year ended on March 31, 2016 ('Audit Period'), the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on March 31, 2016 according to the provisions of undernoted Acts, regulations and guidelines as applicable to the Company:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and guidelines prescribed under Securities and Exchange Board of India Act, 1992('SEBI Act')
  - (a) The Securities and Exchange Board of India(Issue of Capital and Disclosure Requirements) Regulations,2009 **(Not Applicable, since the Company did not issue any securities during the financial year under review);**
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable, since the Company has not granted any option to its employees during the financial year under review)**
  - (c) The Securities and Exchange Board of India (Share based employee Benefit) Regulation 2014 **(Not applicable)**
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008 **(Not Applicable, since the Company has not issued any debt securities, during the financial year under review)**
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009**(Not applicable, as the Company has not delisted its equity shares from any stock exchange during the financial year under review)**
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable, as the Company has not bought any of its securities during the financial year under review)**
- (vi) OTHER APPLICABLE ACTS,**
  - (a) The Provident Funds Act
  - (b) Food Safety and Standards Act, 2006 (Central Government)
  - (c) Shops & Establishments Act, 1973
  - (d) Luxuries (in Hotels and Lodging House Act), 1969
  - (e) Lifts and Escalators Act

**We have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of the Companies Act, 2013 and made effective from July 01, 2015.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and the uniform listing agreement entered with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (applicable with effect from December 01, 2015). The Company has complied with the rules made thereunder.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

**We further report that,**

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

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

Decisions at the Board Meetings were taken unanimously.

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

We further report that the compliance by the Company of applicable financial laws including but not limited to direct and indirect tax laws has not been reviewed in this audit since the same have been subject to review by statutory financial auditor and other designated professional.

**Note:**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the audited financial statements for the year ended on 31.03.2016 for the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Suman Sureka & Associates**

Sd/-  
**Suman Murarilal Sureka**  
*Proprietor*

FCS No. – 6842 C.P. No. - 4892

Place: Mumbai

Date: August 03, 2016

# ANNEXURE C

## Details of Ratio of Remuneration of Director

[Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Name of the Director	Ratio to the Median
	Mr. Anil Patodia	11:1
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name of the Director	% increase
	Mr. Anil Patodia	-
(iii) the percentage increase in the median remuneration of employees in the financial year;	The Percentage increase in the median remuneration of the employees in the financial year was around 16%. The Calculation of percentage increase in the Median remuneration is done based on comparable employees. For this we have excluded employees who are not eligible for any increment.	
(iv) the number of permanent employees on the rolls of company;	223 Employees are permanent employees on the rolls of the company.	
(v) the explanation on the relationship between average increase in remuneration and company performance;	Net Sales of the company grew by 27.62% and whereas Net Profit of the company grew by 29.46% while the average increase in the remuneration of the Key Managerial Personnel was 17%	
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The remuneration payable to the KMP is in accordance with and Geographical standards	
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	The Market capitalization of the Company has decreased from ₹ 662.61 Crores as of March 31, 2015 to ₹ 627.53 Crores as of March 31, 2016. Over the same period, the Price to Earnings Ratio has decreased from 33 to 24. The Company's EPS has increased from ₹ 5.00 Per share as of March 31, 2015 to ₹ 6.47 Per share as of March 31, 2016. The stock price as at March 31, 2016 was ₹ 156.5.	
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel during the FY 2015-16 is around 14%, while the average increase in the remuneration of the Key Managerial Personnel was 17%	
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Mr. Anil Patodia – Managing Director Mr. Manish Lahoti - Chief Financial Officer Mrs. Swati Gupta- Company Secretary The remuneration payable to the KMP is in accordance with the Industry and Geographical standards	
(x) the key parameters for any variable component of remuneration availed by the directors;	The variable pay is in accordance with the performance of the Company as well as the individual	
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	Not Applicable	
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, our remuneration is as per the remuneration policy of the company	

**Explanation-** For the purposes of this rule.-(i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values.



# ANNEXURE D TO THE DIRECTORS' REPORT

## EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2016

Pursuant to Section 92(3) of the Companies act, 2013 read with [The Companies (Management and Administration) Rules, 2014]

### FORM NO. MGT-9

#### I. REGISTRATION AND OTHER DETAILS

CIN	L67190MH1990PLC056009
Registration Date	29.03.1990
Name of the Company	The Byke Hospitality Ltd.
Category / Sub-Category of the Company	Public Company/ Limited by shares
Address of the Registered office and contact details	Shree Shakambahri 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 6707969
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Private Limited Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Andheri- Kurla Road, Safed Pool, Andheri East, Mumbai 400072

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service % to total turnover of the company	% to total turnover of the company
1	Hotels and Resorts	55101	100

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held
Not Applicable				

#### IV. SHARE HOLDING PATTERN

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter's</b>									
<b>(1) Indian</b>									
(a) individual	7,720,738	-	7,720,738	19.25	7,900,738	-	7,900,738	19.70	0.45
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt(s).	-	-	-	-	-	-	-	-	-
(d) Bodies Corpp.	9,925,098	-	9,925,098	24.75	9,925,098	-	9,925,098	24.75	-
(E) Fiins / Banks.	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	17,645,836	-	17,645,836	44.01	17,825,836	-	17,825,836	44.46	0.45
<b>(2) Foreign</b>									
(a) Individual NRI / For Ind	-	-	-	-	-	-	-	-	-
(b) Other Individual	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Bodies Corporates	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(f) Any Other Specify	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	7,645,836	-	17,645,836	44.01	17,825,836	-	17,825,836	44.46	<b>0.45</b>
<b>(B) (1) Public Shareholding</b>									
(a) Mutual Funds	250,000	-	250,000	0.62	-	-	-	-	<b>(0.62)</b>
(b) Banks / FI	310,000	-	310,000	0.77	711,175	-	711,175	1.77	<b>1.00</b>
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	2,400,000	-	2,400,000	5.99	2,790,000	-	2,790,000	6.96	<b>0.97</b>
(g) FIs	90,627	-	90,627	0.23	2,228,531	-	2,228,531	5.56	<b>5.33</b>
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	3,050,627	-	3,050,627	7.61	5,729,706	-	5,729,706	14.29	<b>6.68</b>
<b>2. Non-Institutions</b>									
(a) Body Corporates									
(i) Indian	11,551,817	6,800	11,558,617	28.83	13,027,371	6,800	13,034,171	32.51	<b>3.68</b>
(ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	521,707	612,722	1,134,429	2.83	1,013,340	598,022	1,611,362	4.02	<b>1.19</b>
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2,262,241	115,200	2,377,441	5.93	848,250	95,600	943,850	2.35	<b>(3.58)</b>

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Other (specify)									
Non Resident Indians	38,051	-	38,051	0.10	239,539	-	239,539	0.60	0.50
Overseas Corporate Bodies	-	-	-	-	713,336	-	713,336	1.78	1.78
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	4,088,599	-	4,088,599	10.20	-	-	-	-	(10.20)
Trusts	-	-	-	-	-	-	-	-	-
Foreign Boodies - DR	-	-	-	-	-	-	-	-	-
Directors & Relatives	204,200	-	204,200	0.51	-	-	-	-	(0.51)
Sub-total (B)(2):-	18,666,615	734,722	19,401,337	48.40	15,841,836	700,422.00	16,542,258	41.25	(7.14)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	21,717,242	734,722	22,451,964	56.00	21,571,542	700,422	22,271,964	55.54	(0.46)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	39,363,078	734,722	40,097,800	100.00	39,397,378	700,422	40,097,800	100.00	0.00

**(ii) Shareholding of Promoters**

SR No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015			Share holding at the end of the Year 31/03/2016			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hotel Relax Private Ltd.	8,925,098	22.26	-	8,925,098	22.26	-	-
2	Choice Capital Advisors Private Limited	1,000,000	2.49	0.91	1,000,000	2.49	-	-
3	Vinita Sunil Patodia	4,568,340	11.39	2.87	4,658,340	11.62	1.25	0.22
4	Anil Chothmal Patodia	1,019,000	2.54	-	1,019,000	2.54	-	-
5	Arunkumar Poddar	570,888	1.42	0.47	570,888	1.42	1.30	-
6	Archana Anil Patodia	549,150	1.37	-	549,150	1.37	-	-
7	Kamal Poddar	350,000	0.87	0.44	350,000	0.87	-	-
8	Hemlata Kamal Poddar	250,000	0.62	-	340,000	0.85	-	0.22
9	Anil Chothmal (HUF )	43,360	0.11	-	43,360	0.11	-	-
10	Aayush Anil Patodia	370,000	0.92	-	370,000	0.92	-	-
	Total	17,645,836	44.01	4.69	17,825,836	44.46	2.55	0.44

**(iii) Change in Promoter's Shareholding**

Sr. No	Name of Promoter	Shareholding at the Beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>1</b>	<b>Vinita Patodia</b>				
	At the Beginning of the Year	4,568,340	11.39	4,568,340	11.39
	Transfer	90,000	-	4,658,340	11.62
	At the end of the year	-	-	4,658,340	11.62
<b>2</b>	<b>Hemlata Kamal Poddar</b>				
	At the Beginning of the Year	250,000	0.62	250,000	0.62
	Transfer	90,000	-	340,000	0.85
	At the end of the year	-	-	340,000	0.85

**(iv) Shareholding of top ten shareholders**

Sr. No	Top 10 Shareholdres	Shareholding at the beginning of the year (01-04-2015)		Credited during the year	Debited during the year	shareholding at the end of the year 31-03-2016	
		No.of Shares	%of total shares of the Company			No.of Shares	%of total shares of the Company
1	Modern Trading Business Private Limited	1,158,602	2.89	4,605,526	3,464,180	<b>2,299,948</b>	<b>5.73</b>
2	General Insurance Corporation Of India	1,800,000	4.49	-	-	<b>1,800,000</b>	<b>4.49</b>
3	Florence Agrofoods Private Limited	2,000,000	4.99	2,460,000	2,850,000	<b>1,610,000</b>	<b>4.02</b>
4	Clairant Trading Private Limited	1,584,590	3.95	2,696,031	2,850,000	<b>1,430,621</b>	<b>3.57</b>
5	National Westminster Bank PLC as Trustee of the Jupiter India Fund	1,395,000	3.48	-	-	<b>1,395,000</b>	<b>3.48</b>
6	The New India Assurance Company Limited	600,000	1.50	390,000	-	<b>990,000</b>	<b>2.47</b>
7	Manasvi Consultancy Private Limited	717,046	1.79	329,123	228,931	<b>817,238</b>	<b>2.04</b>
8	Chartered Capital Research Private Limited	730,000	1.82	453,630	421,355	<b>762,275</b>	<b>1.90</b>
9	Jupiter South Asia Investment Company	605,000	1.51	-	-	<b>605,000</b>	<b>1.51</b>
10	Choice Equity Broking Private Limited	1,130,000	2.82	-	530,000	<b>600,000</b>	<b>1.49</b>
11	Emma Auto Ancillary Private Limited	775,192	1.93	1,100,136	1,357,058	<b>518,270</b>	<b>1.29</b>
12	Darshanik Valueserve Private Limited	977,104	2.44	120,000	828,180	<b>268,924</b>	<b>0.67</b>
13	Alken Management And Financial Services Pvt Ltd	793,000	1.98	75,805	858,805	<b>10,000</b>	<b>0.03</b>



**(v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.	No. of Shares at the beginning (01-04-2015) / end of the year (31-03-2016)	Shareholding at the beginning of the year 01/04/2015			Cumulative Shareholding during the year 31/03/2016		
		% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company]

\* Mr. Anil Patodia, Managing Director and Mrs. Archana Patodia, Director held shares in the Company. The details of their shareholding is disclosed under the head -Promoter's Shareholding

**V. Indebtedness**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,18,17,588			6,18,17,588
ii) Interest due but not paid	8,19,126			8,19,126
iii) Interest accrued but not due	NIL			NIL
Total (i+ii+iii)	6,26,36,714			<b>6,26,36,714</b>
Change in Indebtedness during the financial year				
• Addition				
• Reduction	(2,20,00,000)			(2,20,00,000)
Net Change	(2,20,00,000)			<b>(2,20,00,000)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	3,82,69,083			3,82,69,083
ii) Interest due but not paid	4,27,465			4,27,465
iii) Interest accrued but not				
Total (i+ii+iii)	38,696,548			<b>38,696,548</b>

**VI. Remuneration of Directors and Key Managerial Personnel**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Mr. Anil Patodia		
1	Gross salary	12,00,000/-		12,00,000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	- as % of profit	-		-
	- others, specify...	-		-
5	Others, please specify	-		-
	Total (A)	12,00,000/-		<b>12,00,000/-</b>
	Ceiling as per the Act	It is in accordance within the ceiling as specified under section 17 of the companies Act, 2013.		

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Bharat Thakkar	Mr. Ramesh Vohra	Mr. Ramratan Bajaj	Mrs. Sudha Gupta	Mr. Sandeep Singh	
1.	Independent Directors						
	• Fee for attending board / committee meetings	40,000	30,000	30,000	10,000	40,000	<b>150,000</b>
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2.	Other Non-Executive Directors						
	• Fee for attending board / committee meetings	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	40,000	30,000	30,000	10,000	40,000	<b>150,000</b>
	Overall Ceiling as per the Act	It is in accordance with the ceiling as specified under section 197 of the Companies Act, 2013					

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		282,353	797,893	1,080,246
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	<b>Commission</b>				
	- as % of profit		-	-	-
	- others, specify...		-	-	-
	Others, please specify		-	-	-
	<b>Total</b>		<b>282,353</b>	<b>797,893</b>	<b>1,080,246</b>

**VII. Penalties / Punishment/ Compounding of Offences**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Authority [RD / NCLT/ COURT]
Penalty					
Punishment					
Compounding					
<b>Other Officers In Default</b>					
Penalty					
Punishment					
Compounding					

# ANNEXURE E TO THE DIRECTORS' REPORT

## Annual Report on Corporate Social Responsibility activities

Particulars	Remarks
Date of Formation of CSR Committee	May 29, 2014
Composition of Committee	Mr Anil Patodia, Chairman Mr. Satyanarayan Sharma, Member Mr. Ramesh Vohra, Member
CSR Activity	The Company is undertaking its CSR activities as specified under Schedule VII (ii) of the Companies Act, 2013.

## Total amount spent for the financial year

Particulars	Amount (₹ in lakhs)
Avg.net profit of three years	1939.31
2% of Avg. net profits as per Sec 135 of Companies Act, 2013	38.79
Amount spent on CSR Activities	40.78
Amount unspent	Nil

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is Covered	Location of Projects or programmes	Amount outlay (budget project or programs wise (₹ in Lacs)	Amount spent on project or programme wise (₹ in Lacs)	Cumulative expenditure upto the reporting period March 31, 2016 (₹ in Lacs)	Amount spent: Direct or through implementing agency
1.	Health awareness/ Medical Awareness Camps	Health	Mumbai	4.00	3.40	3.40	Directly as well as through Lions Club, Mumbai
2.	Distribution of Food items slum	Health	Mumbai	2.00	2.38	2.38	Directly as well as through Jiganam Foundation, Mumbai
3.	Mid-day Meal	Education	Mumbai	8.00	8.00	8.00	Through Navarushti International Trust
4.	Promotion of Education	Education	Mumbai	21.00	22.00	22.00	Directly as well as through Bharat Swabhiman Trust, Mumbai
5.	Environment	Environment	Mumbai	5.00	5.00	5.00	Through Hindu Spritual & Service Fair
Total				40.00	40.78	40.78	

## CSR committee Responsibility statement

The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company

Sd/-

**Anil Patodia**

Managing Director and Chairman CSR Committee

DIN: 00073993

Jaipur (Rajasthan)  
August 03, 2016



# MANAGEMENT DISCUSSION AND ANALYSIS

## Forward Looking Statements

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 (the Act) and comply with the Accounting Standards notified under Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2006. The management of The Byke Hospitality Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "The Byke" are to The Byke Hospitality Limited.

## Economic And Sector Overview

The global economy witnessed a turbulent macro-economic environment in the year 2015-16, with major economies showing signs of slowdown in growth. Amidst of this, Indian economy displayed resilience and emerged as the fastest growing economy with a growth rate of more than 7%. India's GDP grew 7.6% in 2015-16, up from 7.2% in 2014-15. The Economic Survey projected that India will grow at 7-7.75% in 2016-17.

The Indian travel and tourism industry has emerged as the largest service sector in the country. The tourism industry beholds significant amount of employment opportunities. The industry's total contribution to employment stood at 8.7% in 2015 and is expected to go up to 9% by 2026. The industry plays a vital role

in driving economic growth and bringing about inclusive social economic progress. As per the WTTC's Economic Impact Report (India), 2016, the total contribution of Travel & Tourism to GDP was ₹ 8,309 billion (6.3% of GDP) in 2015; this is predicted to rise to ₹ 18,300 billion (7.2% of GDP) by 2026.

Domestic travel spending generated 82.5% of direct Travel & Tourism GDP in 2015 compared with 17.5% for visitor exports (i.e. foreign visitor spending or international tourism receipts). Rising disposable incomes and affordable air travel options provided by low cost flights augurs well for the domestic travel industry, and is expected to increase traction.

The Budget 2015-16 showcased the government's focus on building a stronger eco-system for the travel and tourism industry, as several measures have been taken which in turn would benefit the hospitality industry. The tourism ministry got a 70% hike in the Union budget, as an amount of ₹ 15.9 billion was allocated to the industry to be used towards infrastructure development and promotion and publicity initiatives. As the global economy is slowing down, the Government is focusing on boosting the domestic demand which in turn would be the key to tourism growth. The focus on revamping roads and airports across the country is a positive move that should provide a boost to infrastructure and the tourism sector as it will enhance connectivity to the smaller cities and encourage people to travel to unexplored destinations.

As per ICRA, the hospitality industry is forecasted to grow at 8-10% during 2016-17 with domestic demand-led occupancy growth. Pan-India occupancies are estimated to have grown by 5% during 2015-16 to around 63% (from 60% in 2014-15). Additionally, programmes such as 'Make in India' and the 'Smart Cities' initiative have highlighted the Government's support to skill development and investments in Hospitality and Tourism.

## Growth Drivers

### Domestic travel is on rise

With the increasing number of working women, double-income households are on the rise. This has further led to an increase in disposable income. The increased propensity to spend by the middle class and the growing affluence of the India's upper middle and high income classes have led to growth in the tourism sector in India. Domestic travel has been boosted by competitive air fares and a depreciating rupee, which has prompted domestic vacationing as a preferred option over foreign destinations. Further, the Incredible India campaigns run by the Ministry of Tourism raised the interest of the domestic consumers, who are more keen now to travel within the country and experience the diversity on offer.

### Demand in Tier 2 and Tier 3 cities and towns

Hotel offerings in tier 2 and 3 cities and towns are largely restricted to unorganised segment. With increasing household income levels and disposable incomes, consumers now have more power to spend on such offerings. Further, with the increasing migration of students and workforce from such areas to metros, the increased brand exposure from hotels in these locations provides players with an opportunity to establish a brand connect.

### Evolving Customer Preferences

Rising incomes, increasing working population, expanding urbanisation, and spiralling consumerism have evolved the lifestyle of today's progressive Indian. The Indian population has become more demanding as Indians have started travelling abroad a lot more. This has led to the need for advancements and innovations across industries to keep pace with the consumer's needs. Customisation of products and services has become the key success driver in today's industry.

### Price sensitivity of consumers driving budget and mid-market hotel segments

While demand has increased in line with the supply of rooms in recent years, consumer behaviour towards making reservations has changed. The market has become more price-sensitive and customer loyalty is now linked with room rates, leading to increased competition across segments. This presents a unique opportunity for industry players to enter into segment focused offerings such as budget and mid-market. These two segments are also referred to as select service offerings, wherein on-site amenities are limited and only cater and market to a specific demographic.

### Business Overview

The Byke Hospitality Limited is a rapidly expanding hospitality Company focused on the mid-market segment. The Company has a unique 'asset-light' business model which allows it to leverage high profitability from a low capital. Also, it targets niche vegetarian segment where all its restaurants and banquets serve vegetarian food. The business can be broadly classified into two segments: Owned & Leased (O&L) and Room Chartering (RC).

### Own + Lease Business

The Company operates nine properties, of which two are owned (Byke Heritage, Matheran and Byke Sunflower, Goa) and seven are on a long-term lease under the 'Byke' brand. Byke acquires properties on operating lease basis for long-term and focuses on improving the profitability through revamping and refurbishing, better management, better marketing and distribution network, and utilising the full potential of Food & Beverage (F&B) and events in these properties.

In 2015-16 the property in Thane, Byke Suraj Plaza, became operational. The property has 122 rooms, 1 restaurant, 1 bar lounge, 4 lawns / banquets and 3 conference rooms. Thane is a popular destination for weddings, birthdays, and corporate events and will enable the Company to earn significant MICE and F&B revenue from this hotel.

As on March 2016, the Company had 677 rooms under management of which 102 are Company owned. This includes the property in Puri, Byke Vijaya, which became operational in April 2016.

### Room Chartering Business

Under this business, the Company charters third-party rooms at popular tourist and religious destinations across India during the location specific peak seasons. The Company's pan India network of over 300 agents is leveraged to sell these rooms successfully. This business provides scalability and flexibility to the Company as it gets access to a wide range of properties and locations.

In 2015-16, the Company sold 490,877 room nights (up from 373,250 in 2015-16) across around 50+ cities in India.

### Key Operational Highlights

- Total rooms portfolio at the end of the year 2015-16 stood at 623 spanning across 8 properties
- Commenced operations of Thane Property
- Awarded for contribution to promote vegetarian hotels in India at 'Hospitality India & Explore the World Annual International Travel Awards'
- Featured in Forbes Asia's 'Best under a Billion' list. Byke is among the 11 companies from India that have made it to the list

### Financial Overview

The Company with its strategic planning and dynamic leadership has seen an exponential growth in the past few years. Continuing the growth momentum, the Company's performance in 2015-16 has been as below:

- With Revenue at ₹ 231 crore in 2015-16 against ₹ 182 crore in the corresponding period of previous year, the Company registered a y-o-y growth of 28%
- O&L division clocked Revenue of ₹ 114 crore (~49% of total income). The break up is:

- Rooms – ₹ 53 crore (~47% of O&L Revenue)
- F&B & Events (including restaurants & bars, conferences, weddings, parties, etc) – ₹ 61.3 crore (~53 % of O&L Revenue)
- Room Chartering division recorded a Revenue of ~₹ 117 crore (~51% of Total Income)
- EBITDA at ₹ 53 crore (y-o-y growth of 41%) with EBITDA Margin of 24% up from 20% in 2014-15
- PAT stood at ₹ 26 crore
- Registered PAT Margin of 11%

### Resources and Liquidity

As on March 31, 2016, the consolidated net worth stood at ₹ 121 crore and the consolidated debt was at ₹ 8 crore.

The cash and cash equivalents at the end of March 31, 2016 were ₹ 3 crore.

The net debt to equity ratio stood at 0.1 as on March 31, 2016.

### Risk Management

The Managing Board is responsible for risk management in the company and 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 & reporting procedures & systems.

The Company faces the following risks:

**Competition:** The hospitality sector presents immense growth opportunity thereby attracting strong competition from hotel majors.

**Mitigant:** Byke is present in the mid-market segment, which faces low competition from branded hotels. Byke has created a strong brand in this segment.

**Industry slowdown:** Any industry slowdown in terms of reduced occupancy and Average Room Rate (ARR) would impact the business of the company.

**Mitigant:** Byke has also increased focus on F&B/ Restaurants/ Events revenue, which has been growing at a faster rate than room revenue. Also, there has been a focus to steadily increase ARR and occupancy levels by extensively improving the service standards of the brand.

**Natural calamities:** Any natural calamity in a region where Byke is present could adversely impact the business.

**Mitigant:** Byke has been rapidly expanding its portfolio across India. In the room chartering business, it is present in over 50 cities. Thus pan-India presence lowers the risk.

### Internal Control Systems & their Adequacy

The large size and nature of the business demands the Company to maintain a proper internal control system. Efforts are made by the Management to maintain a sound financial and commercial practice capable of improving the efficiency of the operation and sustainability of the business.

The systems provide for adequate checks and balances; adherence to applicable statutes, accounting policies and approval procedures; and for ensuring optimum use of available resources. The system are regularly reviewed and improved upon. Regular assessments and audits help ensure that every operating unit consistently implements the controls and standards.

The Company has robust internal control systems and procedures. 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.

### Human Resources

The Company has Human Relations and Industrial Relations policies in force. These are reviewed and updated regularly in line with the Company's strategic plans. The Human Relations team continually conducts training programs for the development of employees.

The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's successful growth.

The Company's employee base represents a healthy mix of experienced and willing-to-experience employees.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement. The Company focuses on providing individual development and growth in a work culture that enables cross-pollination of ideas, ensures high performance, and remains empowering.

### Corporate Social Responsibility

The Byke Hospitality Limited's Management believes in taking the environment and social responsibility sincerely, and aims to play an active role in contributing towards the society. It endeavors to integrate community development, social responsibility and environmental sustainability into its CSR strategy and formalise the integration of sustainability into its business practices. In pursuance of Section 135 of the Companies Act, 2013 the Company has put in place a formal CSR Policy. At the core, the endeavor is to evolve the eco-system the Company operates in. The Company believes in the concept of inclusive growth by reaching out and empowering the community.

Some of the key CSR initiatives undertaken by the Company during 2015-16 are discussed below:

**Health and Community Welfare:** The Company regularly carries out blood donation and medical check-up camps, awareness sessions in the areas of health, natural remedies, and cancer awareness program to benefit the local communities in which it operates. In the area of community welfare, it engaged with several children homes and old-age homes, and provided basic amenities and infrastructural support such as water heaters, refrigerators, blankets and bed sheets.

**Education, Skill Development and Livelihood:** The Company has adopted rural schools and anganwadis, renovated their infrastructure and strengthened basic amenities at several of its resort locations. Other than these, educational material and amenities are regularly provided to underprivileged students and schools. During the year, the Company has distributed sewing machines to women so as to support skill development and generate livelihood.

**Environment:** Over 4,200 trees were planted at Kudal District in Maharashtra and Goa and Jaipur during the year in it's an initiative of tree plantation. The Company responded with great resolve to the 'Swachh Bharat Abhiyaan' of the Government, and almost all resort locations carried out cleanliness drives in their vicinity.

The Company has been and shall always remain committed to the wellbeing of its neighbouring communities, society, environment and the nation at large.

### Growth Strategy and Outlook

Byke is steadily moving ahead with its vision to create a strong brand in the domestic mid-market tourism segment. With the adoption of the 'asset-light' strategy in 2011, the Company has aggressively added rooms in both the lease and room chartering businesses.

From 102 rooms under management during 2010-11 to 677 during 2015-16, the O&L segment is growing steadily. There has been a steady increase in the occupancy level and Average Room Rent (ARR). The average occupancy in O&L business has been steadily increasing – from 61% in 2011-12 to 65% in 2015-16. Though the occupancy declined to 65% in 2015-16 (from 67% in 2014-15), this has been largely due to addition of the new Hotel Byke Suraj Plaza, which saw lower occupancy owing to its new launch. The ARR has increased to ₹ 3,909 in 2015-16 from ₹ 2,768 in 2011-12, a CAGR of 9%.

Going forward the focus would be to add room inventory pan-India under the lease model reaching 25 properties by 2020. The Company is focussed on increasing rooms revenue as well as F&B and events revenue.

The room chartering business grew from 140,000 room-nights purchased in 2011-12 to 519,967 in 2015-16, nearly 4 times in size. The occupancy level was 94% in 2015-16. The chartering business will continue to be strategic for the Company as it gives insights into tourist trends and also helps identify locations to expand.



# CORPORATE GOVERNANCE REPORT

The Byke Hospitality Limited is committed to adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in our value system and reflected in our strategic thought process.

A sound corporate governance strengthens investors’ trust and enables the company to fulfill its commitment towards the customers, employees and the society in general.

The driving principles of our corporate governance framework and encapsulated in the following daigram.



A sound corporate governance strengthens investors’ trust and enables the company to fulfil its commitment towards the customers, employees and the society in general. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the six core values of Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

The Company has adopted various codes and policies to carry out its duties in an ethical manner. Some of these codes and policies are (i) Code of Conduct for Directors and Senior Management, (ii) Code of practices and procedures for fair disclosure of

unpublished price sensitive information, (iii) Whistle Blower Policy, (iv) Policy on Related Party Transactions, (v) Corporate Social Responsibility Policy etc. At a macro level, our governance philosophy rests on five basic tenets, viz., Board accountability to the Company and shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency and timely disclosures.

The Company strongly believes that sound and unambiguous system of Corporate Governance practices go a long way in retaining investor trust and preserving the interest of all stakeholders. Its Business Ethics & Code of Conduct provides the over arching philosophy of its Corporate Governance practices.

## Board Of Directors

### 1. Size and Composition of Board

The Board comprises of Executive Director, Non-Executive Director and Independent Director. The composition of the Board is in conformity with Regulation 17 of SEBI Listing Regulation read with Section 149 of the Act.

### 2. Director's Attendance Record and Directorships

During the year under review, the Board of Directors of the Company met four times and the period between any two meetings did not exceed 120 days. The Board Meeting dates were: May 27, 2015, July 27, 2015, October 29, 2015, and February 03, 2016.

Board Meeting are held within 45 days form the end of quarter in the manner that it coincides with the announcement of quarterly results. Time gap between two consecutive meeting does not exceed 4 months. In case of urgent necessity additional Board Meetings are called. Meetings were held at the registered office of the company except the meeting held on July 27, 2015 which was held at The Byke Heritage - Matheran. The agenda along with the explanatory notes are sent in advance to the directors. A detailed explanation, in the form of a table illustrating the above matters is given below for ready reference. As required under SEBI Listing Regulations, all the necessary information was placed before the Board from time to time.

Name of the Director	Category of Directors	No. of Directorship and Committee membership/ Chairmanships in other Indian Public Companies			No. of Shares held	Attendance Particulars		
		Director	Member	Chairman		No. of Board Meetings Held	No. of Board Meetings attended	Attendance at last AGM
Mr. Anil Patodia	Managing Director	NIL	NIL	NIL	<b>1019000</b>	4	4	Yes
Mrs. Archana Patodia	Non-Executive Director	NIL	NIL	NIL	<b>549150</b>	4	4	Yes
Mr. Pramod Patodia	Executive Director	NIL	NIL	NIL	<b>NIL</b>	4	3	Yes
Mr. Vikash Agarwal	Non-Executive Director	NIL	NIL	NIL	<b>NIL</b>	4	3	NA
Mr. S. N. Sharma	Non-Executive Director	NIL	NIL	NIL	<b>NIL</b>	4	1	Yes
Mr. Ram Ratan Bajaj	Independent Director	NIL	NIL	NIL	<b>NIL</b>	4	3	Yes
Mr. Ramesh Vohra	Independent Director	NIL	NIL	NIL	<b>NIL</b>	4	3	Yes
Mr. Bharat Thakkar	Independent Director	1	1	NIL	<b>NIL</b>	4	4	No
Mr. Sandeep Singh	Independent Director	2	2	NIL	<b>NIL</b>	4	4	Yes
Mrs. Sudha Gupta	Independent Director	2	1	1	<b>NIL</b>	4	1	NA

Mrs. Archana Patodia is the spouse of Mr. Anil Patodia. Mr. Pramod Patodia and Mr. Anil Patodia are brothers. None of the other directors are related to any other director on the board.

Except Mr. Anil Patodia, Mrs. Archana Patodia, no Directors hold shares in the Company. Mr. Anil Patodia holds 1019000 shares, Mrs. Archana Patodia holds 549150 shares of the Company as on March 31, 2016.

None of the Directors hold directorships in more than ten public companies. Further, none of them serve as members

of more than 10 Committees nor are they Chairman of more than 5 Committees, as per the requirements of the SEBI Listing Regulation.

All Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulation read with Section 149(6) of the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulation read with Section 149(6) of the Act.

Details of equity shares of the Company held by the directors as on March 31, 2016 are given below:

Name	Category	Number of Equity Shares
Mr. Anil Patodia	Managing Director	1019000
Mrs. Archana Patodia	Non-Executive Director	549150

### 3. Non-Executive Independent Director's compensation and Disclosures

The Non-Executive Independent Director of the Company are paid sitting fee within the limits prescribed under the Companies Act, 2013. No Stock options were granted to Non-Executive Directors during the year under review. The Non-executive directors did not have any material pecuniary relationship or transaction with the company except the payment of sitting fees to them during the year 2015-16.

### 4. Appointment and Meeting Independent Directors

Terms and conditions of Independent director's appointment are available on Company's website.

During the year, The Independent Directors meeting was held on February 03, 2016 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the board.

### 5. Code of Conduct

The Company has adopted a Code of Conduct for its Non-Executive Directors. All Non-Executive Directors and Independent Directors have affirmed compliance with the said Code for the financial year ended March 31, 2016. All Senior Management of the Company have affirmed compliance with "The Byke Hospitality Limited Code of Conduct". The Code of Conduct is also displayed on the Company's web site. The Annual Report of the Company contains a Certificate duly signed by the Managing Director and CEO in this regard.

Other than the transactions entered into in the normal course of business, the Company has not entered into any materially significant related party transactions during the year, which could have a potential conflict of interest between the Company and its Promoters, Directors, Management and / or Relatives. The Executive Directors and Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

## Committees of the Board

### A. Audit Committee

- i. The terms of references of the audit committee are broadly as under:
  - 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.
  - Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
  - Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
    - Any changes in accounting policies and practices and reasons thereof.
    - Major accounting entries based on the exercise of judgement by the Management.
    - Significant adjustments made in financial statements arising out of audit findings
    - Compliance with listing and other legal requirements relating to financial statements.
    - Disclosure of any related party transactions; and
    - Qualifications in the draft audit report.
  - Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
  - Monitoring and reviewing with the management, the statement of uses/ application of funds raised through

- an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and taking appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems
- Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on.
- 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
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications,
  - experience and background, etc. of the candidate;
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- ii. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with section 177 of the Act.
- iii. The composition of the Audit Committee and the details of meeting attended by its members are as follows:

Name	Category	Number of Meetings Attended & Held during the year
CA Ram Ratan Bajaj (Chairman)	Non-Executive, Independent	3/4
Mr. Bharat Thakkar	Non-Executive, Independent	4/4
Mr. Anil Patodia	Executive	4/4
Mr. Sandeep Singh	Non-Executive, Independent*	N.A

\*Sandeep Singh appointed as member of the Audit Committee w.e.f February 03, 2016

- iv. All members of the Audit Committee have accounting and financial management expertise.

The Chairman of the Audit Committee, CA Ram Ratan Bajaj, a Chartered Accountant, is a renowned financial professional in the industry and possessed strong accounting and financial management expertise. The Company Secretary and Compliance Officer of the Company act as Secretary of the Committee



- v. During the year under review, the Audit Committee of the Company met four times and the period between any two meetings did not exceed 120 days. The Audit Committee Meeting dates were: May 27, 2015, July 27, 2015, October 29, 2015, and February 03, 2016.

**B. Nomination and Remuneration Committee**

- i. The nomination and remuneration committee of the company is constituted in line with the provision of Regulation 19 of SEBI Listing Regulations, read with section 178 of the Act.

**ii. Terms of References**

- Recommend to the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, positive attributes and independence of a Director. The Committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the Board the appointment or re-appointment of Directors.
- Devise a policy on Board diversity.
- Recommend to the Board appointment of Key Managerial Personnel (KMP as defined by the Act) and executive team members of the Company (as defined by this Committee).
- Carry out evaluation of every Director’s performance and support the Board and Independent Directors

in evaluation of the performance of the Board, its committees and individual directors. This shall include formulation of criteria for evaluation of Independent Directors and the Board.

- Recommend to the Board the remuneration policy for Directors, Executive team or Key Managerial Personnel as well as the rest of the employees.
- On an annual basis, recommend to the Board the remuneration payable to the Directors and oversee the remuneration to Executive team or Key Managerial Personnel of the Company.
- Oversee familiarisation programmes for Directors.
- Oversee the human resource philosophy, human resource and people strategy and human resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, Key Managerial Personnel and executive team).
- Provide guidelines for remuneration of Directors on material subsidiaries.
- Recommend to the Board on voting pattern for appointment and remuneration of Directors on the Boards of its material subsidiary companies.
- Performing such other duties and responsibilities as may be consistent with the provisions of the Committee charter.

- iii. The composition of the Nomination & Remuneration Committee and the details of meeting attended by its members are as follows:

The committee comprises of three Non- Executive Independent Directors. During the year the members met on May 27, 2015 and February 03, 2016

Name	Category	Number of Meetings Attended & Held during the year
Mr. Ramesh Vohra (Chairman)	Non-Executive, Independent	2/2
Mr. Bharat Thakkar	Non-Executive, Independent	2/2
Mr. Ram Ratan Bajaj	Non-Executive, Independent	2/2

**iv. Remuneration Policy**

Your Company has adopted a policy recommended by the Committee relating to the appointment and remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel.

The policy covers the following:

- The appointment and remuneration of new Directors, Key Managerial Personnel and Senior Management Personnel shall be made on the basis of core competencies, expertise, experience, qualifications etc.
- Evaluation of the performance of the Executive Directors shall be based on the parameters such as accomplishment of assigned goals, their professional contribution towards the Company and the overall performance. On the basis of the evaluation, the remuneration of the Executive Directors will be determined.
- Evaluation of the performance of the Non- Executive Independent Directors of the Company shall be done by the entire Board excluding the director being evaluated based upon certain criteria such as attendance & participation in the meetings of Board & Committee(s), Independence in judgement and actions, contribution to the long term strategy and risk management, exercise of duties with due and reasonable care, skill & diligence etc.
- Evaluation of Non-Executive Non Independent Directors shall be done by the Independent Directors based upon certain criteria viz. attendance & participation in the meetings of Boards and Committees, exercise of duties with due and reasonable care, skill and diligence, compliance with applicable policies of the Company etc.
- Remuneration of the Senior Management Personnel and Key Managerial Personnel will be fixed annually considering their performance and achievements corresponding to their goals set during the year.

**v. Details of the Remuneration for the year ended March 31, 2016**

**a) Independent Directors**

Independent Directors were paid a sitting fee of ₹ 10,000 for attending each Board Meeting. The details of the remuneration paid to the Independent

Directors by way of sitting fee during the financial year ended on March 31, 2016 are as under:

Name	Sitting Fees
CA. Ramratan Bajaj	₹ 30,000
Mr. Ramesh Vohra	₹ 30,000
Mr. Bharat Thakkar	₹ 40,000
Mr. Sandeep Singh	₹ 40,000
Mrs. Sudha Gupta	₹ 10,000

**b) Managing Director**

The company pays remuneration to its Managing Director by way of salary, commission and perquisites. The remuneration is approved by the Nomination and Remuneration Committee and is within the overall limits approved by the shareholders.

Name of the Director	Salary & Perquisites
Mr. Anil Patodia	₹ 12,00,000/-

**C. Stakeholder & Relationship Committee**

- i. The Stakeholder & Relationship Committee of the company is constituted in line with the provision of Regulation 20 of SEBI Listing Regulations, read with section 178 of the Act.
- ii. **Terms & References**
  - Consider & Resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend /notice/ annual report, etc and all other securities- holders' related matters.
  - Consider and approve issue of share certificate (including issue of renewed or duplicate share certificates), transfer and transmission of securities
- iii. During the year under review, the Stakeholder & Relationship Committee of the Company met four times. The Stakeholder & Relationship Committee Meeting dates were: May 27, 2015, July 27, 2015, October 29, 2015, and February 03, 2016.
- iv. The composition of the Stakeholder & Relationship Committee and the details of meeting attended by its members are as follows:

Name	Category	Number of Meetings Attended & Held during the year
Mr. Bharat Thakkar (Chairman)	Non-Executive, Independent	4/4
Mr. Sandeep Singh	Non-Executive, Independent	N.A
Mr. Anil Patodia	Executive Director	4/4
Mr. Satynarayan Shrama	Non-Executive Director	1/4

\*Sandeep Singh appointed as member of Stakeholder's Committee w.e.f February 03, 2016.

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

During the financial year, the Company/Company's Registrar and Transfer Agents received NIL complaints which were duly resolved. There were no complaints from shareholders pending as on March 31, 2016.

- Reviewing and Monitoring the CSR Policy of the company from time to time
- Approve CSR activities
- Recommend to the Board the amount of expenditure to be incurred on the CSR activities
- Monitor the CSR Policy of the Company from time to time.
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- Carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory authorities

#### D. Corporate Social Responsibility

(i) In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee. The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

(ii) Terms of reference of the Committee inter alia include to:

- Formulating and recommending to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company

(iii) The composition of the Corporate & Social Responsibility Committee and the details of meeting attended by its members are as follows:

Name	Category	Number of Meetings Attended & Held during the year
Mr. Anil Patodia (Chairman)	Executive Director	1/1
Mr. Ramesh Vohra	Non-Executive, Independent	1/1
Mr. Satyanarayan Sharma	Non-Executive Director	0/1

During the year the members met on July 29, 2015

#### E. Risk Management Committee

- The Risk Management Committee of the company is constituted in line with the provisions of the Regulation 21 of the SEBI Listing Regulations.
- The board of the company has formed a risk management committee to frame, implement and

monitor the risk management plan for the company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

iii. Composition of Committee

Name	Category
Mr. Anil Patodia (Chairman)	Executive Director
Mr. Pramod Patodia	Executive Director
Mr. Sandeep Singh	Non-Executive Director

The Risk Management Committee (RM Committee) was constituted by the Board on February 06, 2015 adhering

to the requirements of the Companies Act, 2013 and Regulation 21 of the Listing Obligation & Disclosure Requirement. The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of and Regulation 21 of the Listing Obligation & Disclosure Requirement.

**F. General Body Meetings**

The details of the Annual General Meetings held in the past three years and the special resolutions passed there at are as follows:

Year	Date & Venue	Time	No. of Special Resolution Passed
2012-2013	September 16, 2013 Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400 099	11.30 hrs	NIL
2013-2014	September 27, 2014 Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400 099	11.00 hrs	Two
2014-2015	September 26, 2015 Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400 099	11.00 hrs	Two

All special resolutions were passed with the requisite majority.

**G. Postal Ballot**

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

Mrs. Swati Gupta is ceased to be Company Secretary and Compliance Officer of the company with effect from August 03, 2016 due to her pre-occupation.

**H. Compliance Officer**

Ms. Neha Mankame, Company Secretary, is the Compliance Officer and can be contacted at: Shree Shakambhari Corporate Park, Plot No 156-158, Chakravarti Ashok Complex, J.B. Nagar, Andheri (East) Mumbai - 400 099  
Tel: +91-22-67079666 Fax: +91-22-67079959  
E-mail: investors.care@thebyke.com  
Website: www.thebyke.com

The Company Secretary has been designated as Compliance Officer of the Company in line with the requirement of SEBI Listing Regulation with the Stock Exchanges.

**I. Status Report of Investor Complaints for the year ended March 31, 2016.**

No of Complaints Received – NIL  
No of Complaints Resolved - NIL  
No of Complaints Pending – NIL

**J. Means of Communication**

The un-audited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The company provides the information to the stock exchange where shares of the company are listed. The results are also published in one English Newspaper having national circulation and one Marathi Newspaper.

The financial Results of the company are normally published in the following newspapers:

- a) Financial Express (English Language)
- b) Apala Mahanagar (Marathi Language)

The Financial Results of the company are displayed on the Company's website [www.thebyke.com](http://www.thebyke.com).

**K. Conference Call:**

Concall discussion was arranged during the year on February 05, 2016.

**L. Green Initiative:**

The company's philosophy focuses on making the environment greener for the benefit of prosperity. To support the Green Initiative, members (holding shares in electronic form) who have not registered either email addresses, are requested to register the same with their depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.

**M. 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

**N. Ministry of Corporate Affairs (MCA)**

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

**O. 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.

**P. Annual Report**

The Annual Report containing inter alia the Audited Accounts, Directors' Report, Auditors' Report, Cash Flow Statement 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](http://www.thebyke.com).

**Q. 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.

**R. Management Discussion and Analysis**

The Management Discussion and Analysis Report, in compliance with the requirements of SEBI Listing Obligation & Disclosures Requirement 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, internal control and systems, etc. are discussed in the said report.



## S. Stock Data

Table below give the monthly high & low prices and volumes of equity shares of the company at The BSE Limited ("BSE") for the financial year March 31, 2016

Month	High	Low	Close	Sensex
Apr-15	165.90	159.10	160.90	27011.31
May-15	174.30	157.00	168.75	27828.44
June-15	173.00	155.05	171.10	27780.83
July-15	180.30	164.60	173.80	28114.56
Aug-15	177.20	160.70	162.40	26283.09
Sep-15	168.80	149.00	164.60	26154.83
Oct-15	166.10	153.20	158.60	26656.83
Nov-15	168.80	153.30	166.70	26145.67
Dec-15	171.40	148.40	151.20	26117.54
Jan-16	163.00	148.10	158.70	24870.69
Feb-16	164.60	148.30	150.90	23002.00
Mar-16	158.10	149.30	156.50	25341.86

## T. Equity Dividend History of the Company for Last Four Years

Financial Year	Date of Declaration	Equity Dividend per share
2011-12	September 27, 2012	₹ 1.00/-
2012-13	September 16, 2013	₹ 1.00/-
2013-14	September 27, 2014	₹ 1.50/-
2014-15	September 26, 2015	₹ 1.00/-

## U. Transfer to Investor Education and Protection Fund (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:

Financial Year	Date of declaration of Dividend	Proposed Date of transfer to IEPF*
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
2012-13	September 16, 2013	October 15, 2020
2013-14	September 27, 2014	October 26, 2021
2014-15	September 26, 2015	October 25, 2022

\*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.

## V. Shareholding as on March 31, 2016

### Categories of Shareholders as on March 31, 2016

Sr. No.	Description	No. of Shares (as on March 31, 2016)	% to capital
A.	Promoters	17825836	44.46
B.	Public Shareholding		
	-Foreign Portfolio Investors	2228531	5.56
	-Financial Institution/Banks	711175	1.77
	-Insurance Company	2790000	6.96
	-Individual	16542258	41.25
	Total	40097800	100.00

**W. Registrar and Transfer Agent**

M/s. Sharepro Services (India) Private Limited, have acted as the Registrar and Share Transfer Agents of the Company in the year 2015-16 to handle all share transfers and related processes. Pursuant to interim order passed by the Securities and Exchange Board of India (SEBI), on March 22, 2016 against Sharepro Services Private Limited, we have issued Notice of Termination to Sharepro on June 06, 2016 and have appointed M/S Sharex Dynamic (India) Private Limited as the new RTA of the Company. Following are details of M/S Sharex Dynamic (India) Private Limited

**M/s Sharex Dynamic (India) Private Limited**

Unit-1, Luthra Ind. Premises,  
Safed Pool, Andheri Kurla Road,  
Andheri East, Mumbai 400072

**X. Share Transfer System**

Share transfers received by the Company are registered within 15 days from the date of receipt in most of the cases, provided the documents are complete 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 Stakeholders Relationship Committee. The Registrar and Share Transfer Agent, Sharex Dynamic (India) Private Limited is authorized by the Board for processing of share transfers which are approved by the Company’s Stakeholders Relationship Committee.

**Y. Dematerialization of Shares**

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.

As on March 31, 2016, 98.25% 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.

The distribution of shares in physical and electronic modes as at March 31, 2016 is as under:

Shares held through	Percentage of Holding
NSDL	25.20
CDSL	73.05
Physical	1.75
Total	100

**Z. Investor Services**

Shareholders may correspond with the Registrar and Transfer Agent, for the entire range of services with regard to share transfer, change of address, change of mandate, dividend, etc. at the address mentioned here in above. Members may contact Ms. Neha Mankame, 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. : +91-22-67079959  
E-mail: investors.care@thebyke.com

**AA. Disclosures**

**a. Related Party Transactions**

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. Statutory Compliance, Penalties & Strictures**

Details of non compliance by the Company, penalties, strictures imposed on the Company by the stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets during the last three years: Nil.

**c. Disclosure of Accounting Treatment**

The financial statements have been prepared in accordance with the accounting standards and policies generally accepted in India.

**d. Compliance with mandatory requirements**

The company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

**AB. General Shareholders' Information**

1	Annual General Meeting, Day, Date and Time Venue	Tuesday, September 20, 2016, 10.30 AM at Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai – 400 099
2	Financial Calendar (Tentative) Financial reporting for the quarter ending June 30, 2015 Financial reporting for the half year ending September 30, 2015 Financial reporting for the quarter ending December 31, 2015 Financial reporting for the year ending March 31, 2016	4th week of July, 2015 4th week of October, 2015 1st week of February, 2016 3rd week of May, 2016
3	Dates of Book Closure	September 13, 2016 to September 20, 2016 (both days inclusive)
4	Dividend Payment Date	Within 30 days of declaration of dividend; if any.
5	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	National Stock Exchange of India Limited The Bombay Stock Exchange Limited Metropolitan Stock Exchange of India Ltd
7	Stock Code	NSE – BYKE BSE – 531373 MCX-SX - THEBYKE
8	Payment of Annual Listing fees	Listing fees for the financial year 2016-17 has been paid to the exchanges i. e The Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Metropolitan Stock Exchange of India Ltd
9	Corporate Identity Number (CIN)	L67190MH1990PLC056009

For and on behalf of the Board of Directors

Sd/-

**Anil Patodia**

Managing Director

DIN: 00073993

Jaipur (Rajasthan)

August 03, 2016

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**THE BYKE HOSPITALITY LIMITED**

## Report on the Financial Statements

We have audited the accompanying financial statements of THE BYKE HOSPITALITY LIMITED ('the Company'), which comprise the balance sheet as at March 31, 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order
2. As required by Section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors as on March 31, 2016 taken on

- record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company does not have any pending litigation.
  2. The Company does not have any long term contracts including derivate contracts and hence has not made provision on such contracts;
  3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Sd/-  
**CA Satish Gupta**  
Partner  
Membership No :101134

Place: Mumbai  
Date: May 20, 2016

## ANNEXURE – A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2016, we report that:

### **i. Fixed Assets**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed asset.
- b) As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size and nature of the Company. Discrepancies notices on such physical verification have been properly dealt in the books of accounts.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. During the Operating cycle of Company, Management regularly conduct physical verification of finished goods, raw material which in our opinion is reasonable, having regard to the size and nature of the Company. The discrepancies noticed on such verification were not significant and the same have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act, therefore paragraph iii (a) to (c) of the Order, is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any investment, provided any Loan, security and guarantee, so provisions of Section 185 and 186 of the Act is not applicable.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products manufactured by the Company.
- vii. Statutory Dues**
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, value added tax, Excise duty, service tax, cess and



other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, sales tax, value added tax, service tax, cess and other material statutory dues were in arrears as at March 31, 2016 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 dues of duty of customs, income tax, sales tax, service tax, value added tax, excise which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank. The Company has not taken any loan from the Government and has not issued any debentures.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. To the best of our knowledge and according to the information and explanation given to us, the Company has paid/provided managerial remuneration in accordance with requisite approval mandate by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our Opinion and according to information and explanation given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transaction with related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him hence provisions of section 192 of the Act, are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

Sd/-  
**CA Satish Gupta**  
Partner  
Membership No :101134

Place: Mumbai  
Date: May 20, 2016

## ANNEXURE – B TO THE AUDITORS' REPORT

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of THE BYKE HOSPITALITY LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of

## ANNEXURE – B TO THE AUDITORS' REPORT

Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A.P. Sanzgiri & Co.  
Chartered Accountants  
Firm Reg No. 116293W

Sd/-  
**CA Satish Gupta**  
Partner  
Membership No :101134

Place: Mumbai  
Date: May 20, 2016

# BALANCE SHEET

as at March 31, 2016

(Amount in ₹)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I Equity and Liabilities</b>			
<b>1. Shareholders' funds</b>			
(a) Share Capital	2(1)	400,978,000	400,978,000
(b) Reserves and Surplus	2(2)	810,661,959	599,554,786
		<b>1,211,639,959</b>	1,000,532,786
<b>2. Non - Current Liabilities</b>			
(a) Long -Term Borrowings	2(3)	21,706,391	37,536,490
(b) Deferred Tax Liabilities (Net)	2(4)	66,187,107	49,632,673
(c) Other Long - Term Liabilities	2(5)	2,190,000	920,000
(d) Long - Term Provisions	2(6)	1,196,438	836,516
		<b>91,279,936</b>	88,925,679
<b>3. Current Liabilities</b>			
(a) Short - Term Borrowings	2(7)	60,671,250	59,995,019
(b) Trade Payables	2(8)	63,865,998	66,527,081
(c) Other Current Liabilities	2(9)	81,015,063	71,085,861
(d) Short - Term Provisions	2(10)	87,237,390	73,531,097
		<b>292,789,701</b>	271,139,058
Total		<b>1,595,709,596</b>	1,360,597,523
<b>II Assets</b>			
<b>1. Non - Current Assets</b>			
(a) Fixed Assets	2(11)		
(i) Tangible Assets		843,456,437	790,789,173
(ii) Capital Work-in-Progress		30,107,711	15,467,470
(b) Long - Term Loans and Advances	2(12)	85,969,149	54,551,591
(c) Other Non - Current Assets	2(13)	16,108,000	16,108,000
		<b>975,641,297</b>	876,916,234
<b>2. Current Assets</b>			
(a) Inventories	2(14)	62,267,913	60,206,705
(b) Trade Receivables	2(15)	176,870,743	140,373,605
(c) Cash and Bank Balances	2(16)	28,697,098	22,806,029
(d) Short - Term Loans and Advances	2(17)	351,788,458	259,772,475
(e) Other Current Assets	2(18)	444,086	522,475
		<b>620,068,299</b>	483,681,289
Total		<b>1,595,709,596</b>	1,360,597,523
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 &amp; Co.

Chartered Accountants

Firm's Registration No. : 116293W

Sd/-

Satish Kumar Gupta

Partner

Membership No. : 101134

For and on behalf of the Board of Directors

Sd/-

Anil Patodia

Managing Director

(DIN: 00073993)

Sd/-

Sumit Bajaj

Chief Financial Officer

Sd/-

Satyanarayan Sharma

Director

(DIN: 00798388)

Sd/-

Swati Gupta

Company Secretary

Place : Mumbai.

Date : May 20, 2016

Place : Mumbai.

Date : May 20, 2016

# STATEMENT OF PROFIT AND LOSS

for year ended March 31, 2016

(Amount in ₹)

Particulars	Note No.	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
<b>I Revenue</b>			
Revenue from Operations	3(1)	2,315,236,370	1,814,187,241
Other Income	3(2)	1,369,282	1,100,114
<b>Total Revenue</b>		<b>2,316,605,652</b>	<b>1,815,287,355</b>
<b>II Expenses</b>			
Cost of Material Consumed	3(3)	228,259,731	142,420,555
Employee Benefits Expenses	3(4)	62,890,717	38,324,149
Finance Costs	3(5)	14,956,305	17,996,626
Depreciation Expenses	2(11)	115,968,114	101,740,663
Operating and General Expenses	3(6)	1,497,893,490	1,261,128,900
<b>Total Expenses</b>		<b>1,919,968,357</b>	<b>1,561,610,894</b>
<b>III Profit before Tax (I-II)</b>		<b>396,637,296</b>	<b>253,676,461</b>
<b>IV Tax Expense:</b>			
Current Tax Expense		120,714,921	53,170,586
Deferred Tax	2(5)	16,554,433	164,497
		<b>137,269,354</b>	<b>53,335,083</b>
<b>V Profit for the Year (III-IV)</b>		<b>259,367,942</b>	<b>200,341,378</b>
<b>VI Earnings Per Equity Share (Face Value ₹ 10 Per Share):</b>	3(7)		
(1) Basic (₹)		<b>6.47</b>	5.00
(2) Diluted (₹)		<b>6.47</b>	5.00
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

Sd/-  
**Satish Kumar Gupta**  
 Partner  
 Membership No. : 101134

Place : Mumbai.  
 Date : May 20, 2016

For and on behalf of the Board of Directors

Sd/-  
**Anil Patodia**  
 Managing Director  
 (DIN: 00073993)

Sd/-  
**Satyanarayan Sharma**  
 Director  
 (DIN: 00798388)

Sd/-  
**Sumit Bajaj**  
 Chief Financial Officer

Sd/-  
**Swati Gupta**  
 Company Secretary

Place : Mumbai.  
 Date : May 20, 2016

# CASH FLOW STATEMENT

as at March 31, 2016

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. Cash flow from Operating Activities</b>		
Net profit before taxation	396,637,296	253,676,461
Adjustments for:		
Interest expenses	14,956,305	17,996,626
Depreciation on fixed assets	115,968,114	101,740,663
Interest income	(1,369,282)	(1,100,114)
Provision for gratuity	359,922	314,179
<b>Operating profit before Working Capital changes</b>	<b>526,552,355</b>	<b>372,627,816</b>
Changes in Working Capital		
(Increase)/decrease in Trade and Other Receivables	(36,497,138)	(33,300,321)
(Increase)/decrease in Other Current Assets	78,389	1,757,397
(Increase)/decrease in Long-Term Loans and Advances	(31,417,558)	(14,806,695)
(Increase)/decrease in short term	(92,015,983)	(71,401,931)
(Increase)/decrease in Inventories	(2,061,208)	178,533
Increase/(decrease) Non- Other Current Liabilities	1,270,000	790,000
Increase/(decrease) Other Current Liabilities	12,321,730	(48,638,967)
Increase/(decrease) In Short Term Provision	655,272	297,196
Increase/(decrease) in Trade and Other Payables	(2,661,083)	2,402,715
Cash generated from operations	376,224,775	209,905,742
Income Taxes (paid)/ refund	(107,809,667)	(45,486,830)
Net cash inflow from/(outflow) from Operating Activities	<b>268,415,108</b>	<b>164,418,912</b>
<b>B. Cash flow from Investing Activities</b>		
Acquisition of Fixed Assets (including Capital Work in Progress and Capital Advances)	(183,275,621)	(88,189,973)
(Increase)/decrease in Fixed Deposits	-	(8,000)
Interest received	1,369,282	1,100,114
Net cash inflow from/(outflow) from Investing Activities	<b>(181,906,339)</b>	<b>(87,097,859)</b>
<b>C. Cash flow from Financing Activities</b>		
Interest paid	(14,956,305)	(15,515,775)
Dividend paid (including dividend distribution tax)	(48,958,894)	(35,123,212)
Repayment of long term borrowing	(17,378,734)	(22,674,593)
Repayment of short term borrowing	676,231	(1,090,573)
Net cash inflow from/(outflow) from Financing Activities	<b>(80,617,702)</b>	<b>(74,404,153)</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>5,891,068</b>	<b>2,916,900</b>
<b>Opening Cash and Cash Equivalents</b>	<b>22,806,029</b>	<b>19,889,133</b>
<b>Closing Cash and Cash Equivalents</b>	<b>28,697,097</b>	<b>22,806,029</b>

In terms of our report of even date

For A P Sanzgiri &amp; Co.

Chartered Accountants

Firm's Registration No. : 116293W

Sd/-

Satish Kumar Gupta

Partner

Membership No. : 101134

For and on behalf of the Board of Directors

Sd/-

Anil Patodia

Managing Director

(DIN: 00073993)

Sd/-

Sumit Bajaj

Chief Financial Officer

Sd/-

Satyanarayan Sharma

Director

(DIN: 00798388)

Sd/-

Swati Gupta

Company Secretary

Place : Mumbai.

Date : May 20, 2016

Place : Mumbai.

Date : May 20, 2016



# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## NOTE 1: Significant Accounting Policies

### 1.1 Basis of accounting and preparation of financial statements

These financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act") and Accounting Standard-30 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in section 133 of the Act. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

### 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

With the applicability of Companies Act, 2013 with effect from April 01, 2014, depreciation / amortisation is provided on the 'straight line' method unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013.

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

Assets individually costing ₹ 5,000 or less are fully depreciated in the year of purchase.

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.

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## **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 Lease**

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

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

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.

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

as at March 31, 2016

## 2: Notes to the Balance Sheet

### 1. Share Capital

Details of authorised, issued and subscribed share capital

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Authorised Capital</b>		
4,10,00,000 (PY 4,10,00,000) Equity Shares of ₹ 10/- each	<b>410,000,000</b>	410,000,000
<b>Issued Capital</b>		
4,00,97,800 (PY 4,00,97,800) Equity Shares of ₹ 10/- each	<b>400,978,000</b>	400,978,000
<b>Subscribed and Paid up Capital</b>		
4,00,97,800 (PY 4,00,97,800) Equity Shares of ₹ 10/- each fully paid up	<b>400,978,000</b>	400,978,000
Total	<b>400,978,000</b>	400,978,000

- (a) The Company has only one class of equity shares having a par value of ₹ 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 the 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.

- (b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	(No. of Shares)	
	As at March 31, 2016	As at March 31, 2015
No. of shares at the beginning of the year	<b>40,097,800</b>	20,048,900
Add: Issued during the year	-	20,048,900
No. of shares at the end of the year	<b>40,097,800</b>	40,097,800

- (c) Details of Shareholders holding more than 5% equity shares in the Company:

Name of the Shareholder	Relationship	(Amount in ₹)	
		As at March 31, 2016	As at March 31, 2015
Hotel Relax Pvt. Ltd.	<b>Promoter</b>	<b>8,925,098</b> <b>22.26%</b>	8,925,098 22.26%
Vinita Patodia	<b>Promoter</b>	<b>4,658,340</b> <b>11.62%</b>	4,568,340 11.39%
Modern Trading Business Pvt. Ltd.	<b>Shareholder</b>	<b>2,299,948</b> <b>5.74%</b>	1,158,602 2.89%

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 2. Reserve and Surplus

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Securities Premium Account		
Opening Balance	200,511,000	401,000,000
Add: Addition during the year	-	-
Less: Amount utilized for issuance of bonus shares (refer to Note 2.1)	-	200,489,000
Closing Balance	200,511,000	200,511,000
General Reserve		
Opening Balance	18,000,000	18,000,000
Add: Addition during the year	-	-
Closing Balance	18,000,000	18,000,000
Surplus in the Statement of Profit and Loss		
Opening Balance	381,043,786	228,817,409
Add: Profit for the Year	259,367,942	200,341,378
Less: Transfer to General Reserve	-	-
Less: Proposed Dividend (Refer Note Below)	40,097,800	40,097,800
Less: Dividend Distribution tax on Proposed Dividend.	8,162,969	8,017,201
Closing Balance	592,150,959	381,043,786
Grand Total	810,661,959	599,554,786

Note: The Board of Directors at their meeting held on May 20, 2016 recommended Dividend of ₹ 1/- per share.

## 3. Long-Term Borrowing

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Secured</b>		
Term Loans	15,422,904	37,221,898
- From Bank (Refer to Note (a) Below).		
Vehicle Loan		
- From NBFC (Refer to Note (b) Below).		-
- From Bank (Refer to Note (c) Below).	6,283,487	314,592
Total	21,706,391	37,536,490

- (a) Term Loan from Banks 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. Rate of Interest is 12.45% p. a. (Previous year 13.20% p. a.)

Maturity Profile of Secured term loan is as set out below :

	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
<b>Term Loan</b>				
State Bank Of Bikaner Jaipur	15,422,904		-	-



# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

- (b) Vehicle Loan from Bank is secured by hypothecation of Motor Vehicle Purchased there against. Rate of Interest on Car Loan is 9.41% p.a.

	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
<b>Vehicle Loan</b>				
HDFC Bank	741,126	818,135	526,846	-
ICICI Bank	1,222,142	1,350,840	1,493,090	131,308

## 4. | Deferred Tax Liabilities (Net)

The major components of deferred tax liabilities/assets as recognized in the financial statements is as follows:

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Deferred Tax Liabilities</b>		
On difference between book balance and tax balance of fixed assets	<b>81,518,042</b>	57,587,428
	<b>81,518,042</b>	57,587,428
<b>Deferred Tax Assets</b>		
Provision for Gratuity	<b>408,523</b>	305,039
Difference in Lease Rent as per Lease Agreement & AS-19	<b>14,922,412</b>	7,649,716
	<b>15,330,935</b>	7,954,755
Net	<b>66,187,107</b>	49,632,673

## 5. | Non Current Liabilities

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Security Deposits	<b>2,190,000</b>	920,000
Total	<b>2,190,000</b>	920,000

## 6. | Long-Term Provisions

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Provision For Gratuity	<b>1,196,438</b>	836,516
Total	<b>1,196,438</b>	836,516

## 7. | Short-Term Borrowings

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Secured</b>		
Cash credit and overdraft facility with Banks (Refer Note (a) below)	<b>60,671,250</b>	59,995,019
Grand Total	<b>60,671,250</b>	59,995,019

Notes: (a) Overdraft facility is secured against fixed deposit receipt of ₹ 20,00,000 (P.Y. ₹ 20,00,000). 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 12.20% p.a. (Previous year 12.95% p.a.)

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

### 8. Trade Payables

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Trade Payables (Refer Below Note)	63,865,998	66,527,081
Total	63,865,998	66,527,081

Note: 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

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Current Maturity of Long Term Debt from Banks (Refer Note No.2.3)	23,273,644	25,588,275
Current Maturity of Long Term Debt NBFC (Refer Note No.2.3)	1,777,071	1,011,075
Statutory Dues (including indirect taxes)	9,437,261	8,069,511
Advance from Customers	29,757,416	17,329,949
Other Liabilities		
Other Payables	16,434,757	17,908,244
Unclaimed Dividend (Refer Note below)	334,914	1,178,806
Total	81,015,063	71,085,861

Note: There are no amounts due as at March 31, 2016, which needs to be credited into the Investor Education and Protection Fund under Section 124 of the Companies Act, 2013.

### 10. Short-Term Provisions

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Provision For Taxation	20,589,010	7,683,756
Provision For Expenses	18,311,647	17,671,417
Provision for Gratuity	75,964	60,922
Proposed Dividend	40,097,800	40,097,800
Tax on Proposed Dividend	8,162,969	8,017,201
Total	87,237,390	73,531,097

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 11. | FIXED ASSETS

Description	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 01, 2015	Additions	Deductions/ Adjustments	As at March 31, 2016	As at April 01, 2015	Charged For the year	Transfer to Profit & Loss A/c	Deductions/ Adjustments	As at March 31, 2016	As at March 31, 2015
<b>(i) Tangible Assets</b>										
<b>Freehold Land</b>	68,495,250	-	-	<b>68,495,250</b>	-	-	-	-	-	68,495,250
<b>Buildings</b>										
Owned	148,462,667	-	-	<b>148,462,667</b>	13,488,052	2,690,999	-	-	<b>16,179,051</b>	134,974,615
Leased*	293,450,485	29,995,523	-	<b>323,446,008</b>	69,996,682	39,312,430	-	-	<b>109,309,112</b>	223,453,803
<b>Plant and Machinery</b>	375,208,661	105,202,325	87,500	<b>480,323,486</b>	94,548,470	57,182,317	-	-	<b>151,730,787</b>	280,660,191
<b>Furnitures and Fixtures</b>	94,810,232	17,190,907	-	<b>112,001,139</b>	24,108,879	12,045,146	-	-	<b>36,154,025</b>	70,701,353
<b>Vehicles</b>	11,728,317	8,844,299	-	<b>20,572,616</b>	3,961,452	2,016,230	-	-	<b>5,977,682</b>	7,766,865
<b>Office Equipments</b>	3,026,156	-	-	<b>3,026,156</b>	2,994,134	9,802	-	-	<b>3,003,935</b>	32,022
<b>Computer</b>	36,697,196	7,489,826	-	<b>44,187,022</b>	31,992,124	2,711,191	-	-	<b>34,703,314</b>	4,705,072
Total	1,031,878,964	168,722,880	87,500	<b>1,200,514,344</b>	241,089,795	115,968,115	-	-	<b>357,057,912</b>	790,789,171
Previous Year	923,632,710	108,246,256	-	<b>1,031,878,964</b>	139,349,130	95,183,467	6,557,198	-	<b>241,089,795</b>	784,183,582
<b>(ii) Capital Work-In-Progress</b>	15,467,470	14,640,241	-	<b>30,107,711</b>	-	-	-	-	-	15,467,470
Grand Total	1,047,346,434	183,363,121	87,500	<b>1,230,622,055</b>	241,089,795	115,968,115	-	-	<b>357,057,912</b>	826,312,924

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

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 12. Long-Term Loans and Advances

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Unsecured, considered good</b>		
Other loans and advances	11,230,517	907,066
VAT Deposit	290,000	25,000
Other Deposit (Security Deposits Placed for Hotel Properties)	74,448,632	53,619,525
<b>Total</b>	<b>85,969,149</b>	<b>54,551,591</b>

## 13. Other Non-Current Assets

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Other Bank Balances</b>		
- Fixed Deposits with more than 12 month Maturity (Refer Note below)	16,108,000	16,108,000
<b>Total</b>	<b>16,108,000</b>	<b>16,108,000</b>

Note: Fixed deposits of ₹ 20,00,000 (PY ₹ 20,00,000) is pledged with the Bank against the Overdraft Facilities.

## 14. Inventories

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Food, Beverages, Smokes & Others (At Lower of Cost and Net Realisable Value)	62,267,913	60,206,705
<b>Total</b>	<b>62,267,913</b>	<b>60,206,705</b>

## 15. Trade Receivables

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Unsecured, considered good</b>		
Trade Receivable Outstanding for a Period Exceeding Six Months from the date they are due for payment	-	-
Other Debtors	176,870,743	140,373,605
<b>Total</b>	<b>176,870,743</b>	<b>140,373,605</b>

## 16. Cash and Bank Balances

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Cash and Cash Equivalents:</b>		
Cash on Hand	24,489,280	16,536,850
Balance with bank		
- In Current Account*	4,207,818	6,269,180
<b>Grand Total</b>	<b>28,697,098</b>	<b>22,806,029</b>

\* Balance with banks includes Unclaimed Dividend of ₹ 3,34,919/- (Previous Year ₹ 11,78,806/-)

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 17. | Short-Term Loans and Advances

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
<b>Unsecured, considered good</b>		
Advances to related parties	-	-
Loans and advances to employees	6,406,877	6,062,038
Prepaid expenses	37,033	3,825
<b>Balance With Government Authorities:</b>		
Services Tax Credit Receivable	2,081,065	71,474
Vat Credit Receivable	417,307	214,318
<b>Other Advances</b>	<b>342,846,176</b>	<b>253,420,820</b>
Total	<b>351,788,458</b>	<b>259,772,475</b>

## 18. | Other Current Assets

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Credit Card Receivable	-	-
Accrued Interest		
- On Fixed Deposits	444,086	522,475
Total	<b>444,086</b>	<b>522,475</b>

## 19. | Proposed Dividend

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
(i) Amount of proposed dividend	40,097,800	40,097,800
(ii) Proposed dividend per share	1.00	1.00
(iii) Tax on proposed dividend	8,162,969	8,017,201
(iv) Transfer to general reserve	-	-



# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 3: Notes to the Statement of Profit and Loss

### 1. Revenue From Operations

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Income from Operations		
Room Rent	1,701,788,104	1,362,849,491
Income from Food, Beverages & Other Services	613,448,267	451,337,750
<b>Total</b>	<b>2,315,236,370</b>	<b>1,814,187,241</b>

### 2. Other Income

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income on Fixed Deposits	1,369,282	1,100,114
<b>Total</b>	<b>1,369,282</b>	<b>1,100,114</b>

### 3. Cost of Material Consumed

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Opening Stock	60,206,705	60,396,210
Add : Net Purchases (Food, Beverages, Smokes & Others)	230,320,939	142,231,050
Less : Closing Stock	62,267,913	60,206,705
<b>Cost of Material Consumed</b>	<b>228,259,731</b>	<b>142,420,555</b>

### 4. Employee Benefit Expenses

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, Wages and Allowances	60,099,897	37,259,960
Contribution to Provident and Other Funds	965,454	230,014
Staff Welfare Expenses	1,296,090	501,053
Gratuity Expenses	529,276	333,122
<b>Total</b>	<b>62,890,717</b>	<b>38,324,149</b>

### 5. Finance Cost

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Interest Expense</b>		
- On Term Loan	6,271,229	9,730,867
- On Working Capital Loans	7,285,636	7,814,544
- Other Interest	1,399,440	451,215
<b>Total</b>	<b>14,956,305</b>	<b>17,996,626</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 6. | Operating and General Expenses

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Accomodation Expenses</b>	<b>879,371,790</b>	674,394,325
Operating Supplies	69,603,170	73,026,538
Fright and forwarding, Power & Fuel, Water Charges	41,876,078	32,655,370
Rent including lease rentals - Hotels	90,613,283	57,775,783
Staff Contractual Expenses	110,519,320	95,426,249
Other Operating Expenses	19,208,900	20,203,360
Bank Charges	663,675	393,134
Sales Promotion Expenses	205,074,513	199,424,409
Communication Expenses	4,364,390	3,265,537
Legal & Professional Charges	1,267,380	5,778,542
Advertisement Expenses	8,261,200	10,703,705
Office Expenses	6,816,986	6,442,562
Rent, Rates and taxes	9,567,040	9,294,715
Insurance Expenses	2,474,063	2,177,025
Printing and Stationery Expenses	2,389,030	2,358,443
Repairs & Maintenance - Building	6,087,350	15,602,010
Repairs & Maintenance - Others	6,571,287	16,872,322
Travelling and Conveyance Expenses	9,282,682	8,897,646
Computer & Software Expenses	1,768,910	7,178,960
Discount	17,583,819	16,146,267
CSR Expenses (Refer Note)	4,078,626	2,712,000
<b>Payment to Auditors:</b>		
- Statutory and Tax Audit Fees	450,000	400,000
<b>Grand Total</b>	<b>1,497,893,490</b>	1,261,128,900

## 7. | Earning Per Equity Share

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit attributable to Equity shareholders (₹)	259,367,942	200,341,378
Weighted average number of equity shares (Nos.)	40,097,800	40,097,800
Basic Earnings Per Share (₹)	6.47	5.00
Face value per Share (₹)	10	10
Weighted average number of equity share after considering potential equity shares (No.)	40,097,800	40,097,800
Dilutive Earnings per Share (₹)	6.47	5.00

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 4: Other Notes

### 1. Corporate Information

The Byke Hospitality Limited "TBHL" 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.

- 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.
- 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

Particulars	(Amount in ₹)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>As Lessee</b>		
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.	<b>81,518,042</b>	57,587,428
<b>Future minimum lease payments</b>		
not later than one year	<b>91,340,000</b>	40,890,000
later than one year and not later than five years	<b>367,941,563</b>	176,193,450
later than five years	<b>185,600,578</b>	185,983,390
	<b>644,882,141</b>	403,066,840.00
Lease payments recognised in the Statement of Profit and Loss	<b>99,013,283</b>	64,975,783

### 5. Disclosure pursuant to Accounting Standard – 15 'Employee Benefits'

#### Employee benefit 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 ₹ 9,65,454 (Year ended 31 March, 2015 ₹ 2,30,014) 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:

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

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

Particulars	(Amount in ₹)	
	2015-16 Gratuity (Unfunded)	2014-15 Gratuity (Unfunded)
Present value of obligation as at the beginning of the year:	897,438	575,857.00
Interest cost	67,624	49,968.00
Current service cost	359,260	147,620
Benefits paid	19,038	11,540.00
Prior Year Change	-	-
Actuarial (gain) / loss on obligation	(108,846)	135,534.00
Closing Present value of obligation*	1,196,438	897,438

\*Closing Present value of obligation ₹ 11,96,438/- (PY ₹ 8,97,439/-) consist of ₹ 75,964/- (PY ₹ 60,922/-) as current liability.

## b. The amounts recognised in the Balance Sheet are as follows:

Particulars	(Amount in ₹)	
	2015-16 Gratuity (Unfunded)	2014-15 Gratuity (Unfunded)
Present value of obligation as at the end of the year	1,196,438	897,438
Fair Value of Plan Assets	-	-
Unrecognised Past Service Cost	-	-
Unrecognised Actuarial Loss	-	-
Unfunded Liability recognised in Balance Sheet	1,196,438	897,438

## c. The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	(Amount in ₹)	
	2015-16 Gratuity (Unfunded)	2014-15 Gratuity (Unfunded)
Current service cost	359,260	147,620
Past service cost	-	-
Interest cost	67,624	49,968
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	(108,846)	135,534
Prior Year Change	-	-
Adjustment to opening balance	-	-
Expenses recognised in the statement of profit and loss*	318,038	333,122

## d. Actuarial assumption:

Particulars	(Amount in ₹)	
	2015-16 Gratuity (Unfunded)	2014-15 Gratuity (Unfunded)
Salary Growth	6.00%	6.00%
Discount Rate	8.15%	9.10%

\* 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.

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 6. Related Party Disclosure

### a. Details of Related Parties

Description of Relationship	Names of Related Parties
(a) Key Management Personnel (KMP) and their relatives	Anil Patodia (Managing Director)
	Satyanarayan Sharma (Director)
(b) Individuals owning directly or indirectly interest in voting power that gives them control and their relatives	Archana Patodia
	Vinita Patodia
	Kamal Poddar
	Arun Poddar
	Hemlata Poddar
	Hotel Relax Pvt. Ltd.
(c) Enterprises over which (a) & (b) are able to exercise significant influence	Manbhari Biofuels Pvt. Ltd.
	Aqua Pumps Pvt. Ltd.
	Anil Patodia HUF
	Sunil Patodia HUF
	Choice International Ltd.
	Ms. Shree Shakambhari Exims

Note: Related parties have been identified by the management

### a. Details of Related Party transactions during the year ended March 31, 2016

Particulars	(Amount in ₹)			
	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Lease Rent paid - Hotel Relax Pvt. Ltd.	-	-	3,204,000	3,204,000
	-	-	(3,204,000)	(3,204,000)
Lease Rent paid - Choice International Ltd.	-	-	8,400,000	8,400,000
	-	-	(7,200,000)	(7,200,000)
Director's Remuneration - Anil Patodia	1,200,000	-	-	1,200,000
	(1,200,000)	-	-	(1,200,000)
Director's Remuneration - Satyanarayan Sharma	-	-	-	-
	(600,000)	-	-	(600,000)
Salary - Manorama Sharma	-	-	-	-
	-	(600,000)	-	(600,000)
Salary - Sandeep Sharma	-	-	-	-
	-	(600,000)	-	(600,000)
Advance taken - Ms. Shree Shakambhari Exims	-	-	54,210,203	54,210,203
	-	-	(77,743,983)	(77,743,983)
Advance repaid - Ms. Shree Shakambhari Exims	-	-	54,210,203	54,210,203
	-	-	(77,743,983)	(77,743,983)
Balances outstanding at the end of the year				
Deposits - Hotel Relax Pvt Ltd	-	-	12,500,000	12,500,000
	-	-	(12,500,000)	(12,500,000)

\* Previous year figures are in brackets



# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As at March 31, 2016

## 8. Expenditure on Corporate Social Responsibility

- (a) Gross amount required to be spent by the Company during the year ₹ 40,78,626/-  
 (b) Amount spent during the year on:

Particulars	In cash (₹)	Yet to be paid in cash (₹)	Total (₹)
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above (Education of Tribal Children)	4,078,626	-	4,078,626

## 9. Previous Year's Figures

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

For and on behalf of the Board of Directors

Sd/-

**Anil Patodia**

Managing Director

(DIN: 00073993)

Sd/-

**Sumit Bajaj**

Chief Financial Officer

Sd/-

**Satyanarayan Sharma**

Director

(DIN: 00798388)

Sd/-

**Swati Gupta**

Company Secretary

Place : Mumbai.

Date : May 20, 2016

Place : Mumbai.

Date : May 20, 2016

# NOTICE

## THE BYKE HOSPITALITY LIMITED

**Registered Office:** Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Complex, J. B. Nagar, Andheri (East), Mumbai - 400 099 Phone: +91 22 67079666 Fax: +91 22 67079959 Website: www.thebyke.com

Email: investors.care@thebyke.com CIN: L67190MH1990PLC056009

Notice is hereby given that the 26th 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 Tuesday, September 20, 2016 at 10:30 A.M to transact the following businesses:

### Ordinary Business

#### Item No. 1 - Adoption of Financial Statements

To receive, consider and adopt the financial statements of the company for the year ended March 31, 2016, including the audited Balance Sheet of the Company as on March 31, 2016, the Profit and Loss Account (the Statement of Profit and Loss) and the Cash Flow Statement for the financial year ended on that date, together with the Report of the Board of Directors and the Auditors thereon.

#### Item No. 2 - Declaration of Dividend

To declare a final dividend on the equity shares of the Company for the financial year 2015-16.

The Board has recommended a final dividend of Re 1.00/- per equity share of Rs. 10/-, i.e. 10%.

#### Item No. 3 - Appointment of Director in place of those retiring by rotation.

To appoint a Director in place of Mrs. Archana Anil Patodia (DIN: 00795826), who retires by rotation and who is not disqualified to become a director under the Companies Act, 2013 and being eligible, offer herself for re-appointment.

### SPECIAL BUSINESS

#### Item No. 4 - Appointment of Statutory Auditor

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

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit and Auditor) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s Borkar & Mazumdar., Chartered Accountants (Registration No. 101569W), be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors, M/s A.P.Sanzgiri & Co., Chartered Accountants, (Registration No. 1162963W) to hold office from the conclusion of this 26th Annual General Meeting till the conclusion of the 31st Annual General Meeting of the Company (subject to ratification

of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board of Directors be and are hereby authorised to fix such remuneration as may be determined by the audit committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

#### Item No. 5 - Re-appointment of Mr. Anil Patodia (DIN 00073993), as Managing Director of the Company.

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

**“RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule - V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Anil Patodia, as Managing Director of the Company for a period of five years with effect from August 01, 2016 to July 31, 2021, as well as the payment of ₹ 60,00,000/- p.a. (Rupees Sixty Lakhs) including salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Anil Patodia;

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Anil Patodia, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time;

**RESOLVED FURTHER THAT** the Managing Director shall be entitled to reimbursement of all expenses incurred for the purpose of the business of the Company and shall not be entitled to any sitting fees for attending meeting of the Board of Directors and Committee(s) thereof;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all

such documents, instruments and writings as may be required, and to delegate all or any of its powers herein conferred to any committee of Director or Director(s), to give effect to the aforesaid resolution.”

### **Item No. 6 – Maintenance of the Register of Member and related books at a place other than the registered office of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 2013, the Company hereby approves that the register of members and index of members, register and index of debenture holders, register and index of any other security holders, Register of Renewed and Duplicate Shares/ Debentures/ Security Certificates, Register of Sweat Equity Shares, Register of ESOP, and other shares related documents and books be kept at the registered office of the Company’s Registrar and Transfer Agent viz. M/S Sharex Dynamic (India) Private Limited, situated at, Unit-1, Luthra Ind.Premises, 1st Floor, 44-E, M Vasant Marg, Andheri Kurla Road, Safed Pool, Andheri East, Mumbai 400072;

**RESOLVED FURTHER THAT** the Registers, Indexes, Return , Documents etc. as aforesaid be kept open for inspection between the hours of 2:00 P.M and 4:00 P.M on any working day of the Registrars except when the Registers and Books are closed.”

### **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.** The proxy form in order to be effective should be duly completed and deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for other person or member.
2. Members / Proxies should bring the duly filled Attendance Slip attached herewith to attend the meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business as set above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from September 13, 2016 to September 20, 2016 (Both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable SEBI Listing Regulations entered into with the Stock Exchanges.
5. Subject to the provisions of the Companies Act, 2013, the dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration as follows:
  - a. For shares held in physical form – to those members whose names appear in the Register of Members on the close of the day on September 12, 2016; and
  - b. For shares held in dematerialised form to those beneficiaries, whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners on September 12, 2016.
6. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharex Dynamic (India) Private Limited or to their depository participants in case shares are held in depository form.
7. 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.
8. All documents referred to in the notice are open for inspection at the registered office of the company during office hours.
9. 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.
10. 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.

11. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting along with photo identity proof.
12. Pursuant to provisions of Section 205A of the Companies Act, 1956, (corresponding Section 124 of the Companies Act, 2013) all dividends remaining unclaimed after the prescribed period of seven years shall be transferred to the "Investor Education and Protection Fund" (IEPF). Members who have not encashed their dividend warrants are requested to correspond with RTA or the Company. It is requested to note that once unclaimed dividend is transferred to IEPF pursuant to Section 205C of the Companies Act, 1956, no further claim shall be entertained. Information in respect of such unclaimed dividend when due for transfer to IEPF of Government of India including the unclaimed amount since 2008, are given in the Corporate Governance Report.
13. 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.
14. 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 Regulation 36(3) of the Listing Obligation & Disclosure Agreement with the Stock Exchanges in India, are annexed.
15. 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.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Sharex Dynamic (India) Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
17. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH. 13 for this purpose.
18. In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereof and Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015, the Company is providing its members with the facility for voting by electronic means and the business may be transacted through such voting. The Company also will be providing voting facility through polling paper at the Meeting and the members attending the Meeting who have not already cast their vote by remote e-voting may be able to exercise their voting right at the Meeting. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

#### **Procedure for voting through Electronic Means**

Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on September 17, 2016 at 9:00 A.M and ends on September 19, 2016 by 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of September 12, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- iv. Click on Shareholders.
- v. Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

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**For Members holding shares in Demat Form and Physical Form**

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PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

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- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for THE BYKE HOSPITALITY LIMITED on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx. Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

19. Ms. Suman Sureka (Membership No. 6842), Practising Company Secretary, have been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, at the address Ms. Suman Sureka, C/o The Byke Hospitality Limited, Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarty Ashok Complex, J.B. Nagar, Andheri (E), Mumbai – 400 099, not later than Monday, September 19, 2016 (5:00 P.M IST). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [investors.care@thebyke.com](mailto:investors.care@thebyke.com) by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer not later than Monday, September 19, 2016. Ballot Form received after this date will be treated as invalid.

The Scrutinizer after scrutinizing the votes cast at the Meeting by Poll and through remote e-voting, will not later than two (2) days of conclusion of the Meeting, make a consolidated Scrutinizer’s Report and submit the same forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

The Results declared along with the consolidated Scrutinizer’s Report shall be hosted on the website of the Company ([www.thebyke.com](http://www.thebyke.com)) and on the website of the CDSL. The Results shall simultaneously be communicated to Stock Exchanges where the Shares of the Company are listed.

The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 20, 2016 subject to receipt of the requisite number of votes in favour of the Resolutions.

By order of the Board of Directors  
For **The Byke Hospitality Limited**

Sd/-  
**Neha Mankame**  
Company Secretary



## EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

### Item No 4

The Statutory Auditors, M/s. A.P Sanzgiri & Co, have expressed their unwillingness to be re-appointed as the Auditors of the Company. A special notice under the provisions of Section 140(4)(i) read with Section 115 of the Companies Act, 2013 has been received from a Member proposing the appointment of M/s. Borkar & Mazumdar, Chartered Accountants, as the Statutory Auditors in place of the retiring Auditors, Ms/. A. P.Sanzgiri & Co. A copy of the special notice has been sent to A.P. Sanzgiri & Co.

M/s. Borkar & Mazumdar, Chartered Accountants have confirmed that the appointment, if made, would be acceptable to them and would be in compliance with the statutory requirements under the Companies Act, 2013 and the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

The Audit Committee has recommended to the Board of Directors, the appointment of M/s. Borkar & Mazumdar as the Statutory Auditors as their qualifications and experience have been found to be commensurate with the size and requirements of the Company.

The Board of Directors considered the matter and has recommended the appointment of M/s. Borkar & Mazumdar as the Statutory Auditors in place of the retiring Auditors, A. P. Sanzgiri & Co.

Your directors recommend Resolution at Item No. 4 as an Special Resolution for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, deemed to be concerned or interested in this item of business.

### Item No 5

At the Annual General Meeting of the Company held on July 21, 2011, the shareholders had approved the appointment of Mr. Anil Patodia, as Managing Director (MD) for a period of five years from August 01, 2011.

The Board of Directors of the Company in its meeting held on August 03, 2016 had subject to approval of shareholders in the 26th Annual General Meeting, re-appointed Mr. Anil Patodia as Managing Director for another term of five years effective from August 01, 2016.

Keeping in view that Mr. Anil Patodia has rich and varied experience in the Hotel Industry and has been involved in the operations of the Company over a long period of time, it would be in the best interest of the Company to continue the employment of Mr. Anil Patodia as Managing Director.

### Brief profile of Mr. Anil Patodia:

Mr. Anil Patodia is a Commerce Graduate from the University of Rajasthan, having huge experience in the Hospitality and service industries for over 20 years. He took over the management of The Byke in 2010. Mr.Patodia has formulated many value-based strategies to create a niche for the Byke as a brand. As an experienced hotelier, Mr. Patodia plays a significant role in the Company's operations and marketing, global expansion and future development.

### Other details about Mr. Anil Patodia

1. Date of Birth: June 19, 1969
2. Age: 48
3. Name of the Companies in which Mr. Anil Patodia holds the Directorship in public company and the Chairmanship/ Membership of the Committees of the Board is as follows:

S No.	Name of Company	Designation on Board	Committees		
			Audit Committee	Stakeholder Relationship Committee	Other Committees
1.	The Byke Hospitality Limited	Managing Director	Member	Member	Chairman – CSR Committee & Risk Management Committee

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on August 03, 2016 approving re-appointment of Mr. Anil Patodia, as Managing Director of the Company for a further period of five years with effect from August 01, 2016 to July 31, 2021. This is subject to the approval of the shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Remuneration payable to Mr. Anil Patodia is Rs. 60,00,000 P.A including salary, perquisites and commission.

Upon approval by the members, a separate agreement to give effect to the above terms will be executed by and between the Company and Mr. Anil Patodia.

The Board of Directors recommends the resolution in relation to the re-appointment of Managing Director, for the approval of the shareholders of the Company.

Notice has been received from member signifying their intention to propose appointment of Mr. Anil Patodia as Managing Director of the Company along with a deposit of ₹ 1,00,000.

The disclosure under Regulation 36 (3) of the Listing Regulation & Disclosure Requirement, 2015 is provided at Annexure A of this Notice.

Except Mr. Anil Patodia, Mrs. Archana Anil Patodia, wife of Mr. Anil Patodia and Mr. Pramod Patodia, brother of Mr. Anil Patodia, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 5.

Your directors recommend Resolution at Item No.5 as a Special Resolution for approval of the members.

### Item No 6

Under the provisions of the Companies Act, 2013, (the "Act") certain documents such as the register of members and index of members – separately for each class of equity and preference shares, register and index of debentures holders, register and index of any other Security holders, register of Renewed and Duplicate Shares/ Debentures/ Security Certificates, Register of Sweat Equity Share, Register of ESOP and other shares related documents and books, are required to be maintained at the registered office of the company unless a special resolution is passed in a general meeting authorising the keeping of the register at any other place in Indian in which more than one tenth of the total members entered in the register of members reside. M/s Sharex Dynamic (India) Private Limited, Mumbai is Company's Register and Share Transfer Agent (RTA), who have been providing depository related services for the shares/ debentured/ securities held in demat mode and also acting as the Share Transfer Agent for the shares/ debentures/ securities held in physical segment.

In the view of the enabling provisions of Companies Act, 2013 as explained above, it is proposed to keep the aforementioned Registers and documents at the premises of the R&T Agents as stated in the resolution.

Your directors recommend Resolution at Item No.6 as a Special Resolution for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, deemed to be concerned or interested in this item of business.

By order of the Board of Directors  
For **The Byke Hospitality Limited**

Sd/-  
**Neha Mankame**  
Company Secretary

Jaipur (Rajasthan)  
August 03, 2016

## Annexure A

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

#### (Pursuant to Regulation 36 (3) of the Listing Obligation & Disclosure Requirement, 2015 with the Stock Exchanges):

Name of Director	Mrs. Archana Patodia	Mr. Anil Patodia
DIN	00795826	00073993
Date of Birth	December 28, 1973	June 19, 1969
Date of first appointment	27/09/2014	30/03/2011
Expertise in specific functional area	Management & Administrative	Hospitality and Service Industries
Qualification	Graduate	Graduate
Details of shares held in the Company	549150	1019000
Board Membership of other Companies as on March 31, 2016	NIL	NIL
Chairman / Member of the Committees * of other Companies in which he is director as on March 31, 2016	NIL	NIL

\* The Committees include the Audit Committee and Stakeholders Relationship Committee and Nominations & Remuneration Committee.



## 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 CIN: L67190MH1990PLC056009

### 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

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I hereby record my presence at the 26th Annual General Meeting of the Company held on September 20, 2016 at 10:30 A.M at the Anchorage Hall, Hotel Suba International, 211, Chakala, Sahar Road, Andheri East, Mumbai 400099 on Tuesday.

\_\_\_\_\_  
Signature of Shareholder/ Proxy

\* Applicable for investors holding shares in electronic form





## THE BYKE HOSPITALITY LIMITED

**Registered Office:** Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Society, J.B. Nagar, Andheri (East),  
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### FORM NO. MGT-11

#### FORM OF PROXY

**Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014.**

Venue of the meeting : \_\_\_\_\_

Date & Time : \_\_\_\_\_

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	_____
Registered Address	_____
Email ID	_____
DP ID*	_____
Client ID*	_____
Folio No	_____

\*Applicable for investors holding shares in Electronic form.

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/members of The Byke Hospitality Limited hereby appoint the following as my/our Proxy to attend vote (for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on \_\_\_\_\_ (date & time) and at any adjournment thereof) in respect of such resolutions as are indicated below;

1. Mr/Mrs \_\_\_\_\_ (Name & Signature of the Proxy) or failing him/her

Registered address \_\_\_\_\_

Email id \_\_\_\_\_ Signature \_\_\_\_\_

2. Mr/Mrs \_\_\_\_\_ (Name & Signature of the Proxy) or failing him/her

Registered address \_\_\_\_\_

Email id \_\_\_\_\_ Signature \_\_\_\_\_

3. Mr/Mrs \_\_\_\_\_ (Name & Signature of the Proxy) or failing him/her

Registered address \_\_\_\_\_

Email id \_\_\_\_\_ Signature \_\_\_\_\_



\*\* I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sr. Resolution No.	Number of shares held	For	Against
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**Ordinary Business**

1. Adoption of audited Financial Statements for the financial year ended March 31, 2016 and reports of the Board of Directors and the Auditors Thereon
2. Confirmation of final dividend of 10% i.e. Re 1/- per share on the equity shares of the Company for the financial year 2015 - 16.
3. Appointment of Director in place of those retiring by rotation.

**Special Business**

4. Appointment of Statutory Auditor
5. Re-appointment of Mr. Anil Patodia (DIN 00073993), as Managing Director of the Company.
6. Maintenance of the Register of Members and related books at a place other than the Registered office of the Company

\*\* This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature (s) of Member(s)

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_



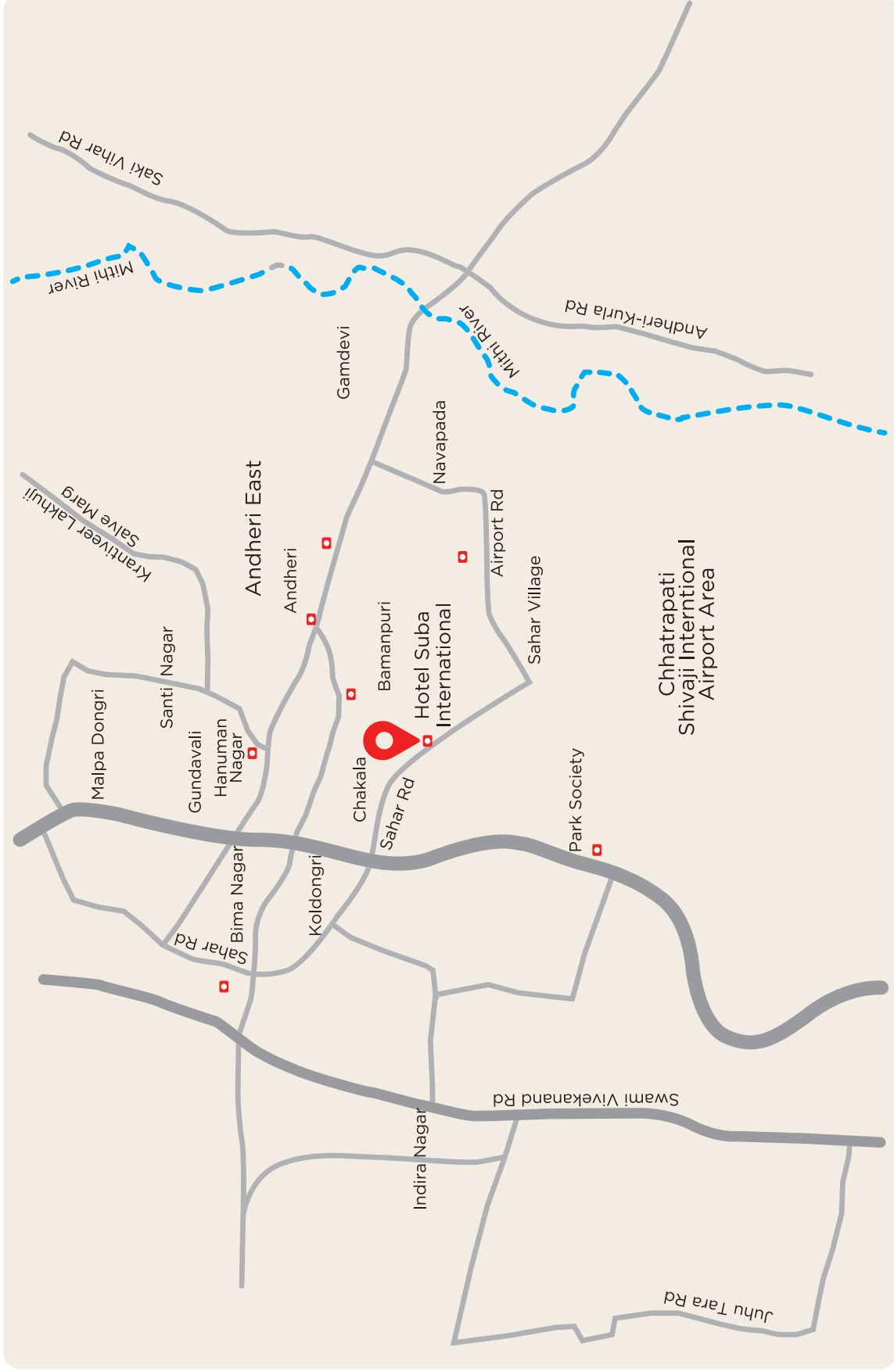
Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

**Notes:**

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

# ROUTE MAP

26th AGM of The Byke Hospitality Limited





**Registered Office:**

**The Byke Hospitality Limited**  
Shree Shakambhari Corporate Park,  
Plot No. 156-158 Chakravarty Ashok Society  
J B Nagar, Andheri (E), Mumbai 400 099  
Tel.: +91 22 6707 9666 Telefax: 022-67079696  
[www.thebyke.com](http://www.thebyke.com)