

LEMON TREE HOTEL COMPANY PRIVATE LIMITED

Regd. Office: B 6/17 Safdarjung Enclave, New Delhi – 110 029

NOTICE

Notice is hereby given that the 4th Annual General Meeting of the members of Lemon Tree Hotel Company Private Limited will be held on Wednesday, the 29th day of September, 2010 at 11.30 A.M. at 201, Okhla Industrial Estate, Phase-III, New Delhi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2010 and the Profit & Loss account for the year ended on that date along with the Directors' and Auditors' Report thereon.
2. To consider and appoint M/s. Krishan Rakesh & Co., Chartered Accountants, the retiring auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

**BY ORDER OF THE BOARD
FOR LEMON TREE HOTEL COMPANY PVT. LTD.**

SD/-
**PATANJALI G. KESWANI
CHAIRMAN**

DATE : 4th September, 2010
PLACE : NEW DELHI

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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

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DIRECTORS' REPORT

Your Directors present the 4th Annual Report together with audited statements of account of the Company for the period ended 31st March, 2010.

FINANCIAL RESULTS AND OPERATIONS

During the Financial Year ended on 31st March, 2010, the company did not start any commercial operations.

MANAGEMENT

During the period under review, the management of the Company remain vested with Mr. Patanjali G Keswani & Mrs. Sharanita Keswani.

CAPITAL

During the Financial year under review, the authorized share capital and paid up equity share capital of the Company remained at Rs. 1,00,000/- (Rupees One lakh only) divided into 1,00,000 equity shares of Face value of Re. 1/- each.

FIXED DEPOSITS

The Company has not accepted or invited any deposit from public, hence the provisions of section 58A are not applicable.

DIVIDEND

As there were no commercial operations of the Company during the financial year ended on 31st March, 2010, no dividend is proposed by the directors.

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DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the accounts for the year, the applicable accounting standards had been followed with proper explanation relating to material departures;
- (ii) they have, selected such accounting policies in consultation with Statutory Auditors and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2010 and of the profit or loss of the company for the financial year ended on 31st March 2010;
- (iii) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) the annual accounts of the Company have been prepared on a going concern basis.

AUDITORS

M/s. Krishan Rakesh & Co., Chartered Accountants, statutory auditors of the company retire at the conclusion of this Fourth Annual General Meeting and being eligible, offer themselves for reappointment.

NOTES ON ACCOUNTS

All observations of the auditors and notes on accounts are self explanatory and therefore, do not require any further clarification/explanation.

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PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 AND RULES MADE THEREIN

As required by Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, there is no employee who is in receipt of a remuneration of Rs. 24,00,000/- per year, if employed for the whole year or Rs. 2,00,000/- per month, if employed for the part of the year.

PARTICULARS REGARDING CONSERVATION OF ENERGY ETC. UNDER SECTION 217(1) OF THE COMPANIES ACT, 1956 AND RULES MADE THEREIN

As per the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information regarding conservation of energy and technology absorption as contained in Form 'A' and Form 'B', respectively of the aforementioned rules is not applicable to the Company during the year under review.

As there were no commercial operations of the Company during the financial year ended on 31st March, 2010, the Foreign Exchange earnings and outgo were NIL.

APPRECIATION

Your Directors places on record their appreciation for the valuable support and cooperation of the Company's Bankers, Government Agencies, Shareholders, Employees and other statutory authorities, who have reposed their continued trust and confidence in the Company.

For & On behalf of the Board of Directors of
LEMON TREE HOTEL COMPANY PVT. LTD.

SD/-
PATANJALI G. KESWANI
CHAIRMAN

DATE : 4TH SEPTEMBER, 2010
PLACE : NEW DELHI



AUDITORS' REPORT

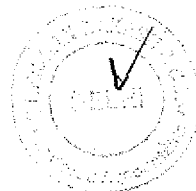
The Members of
LEMON TREE HOTEL COMPANY PRIVATE LIMITED
NEW DELHI

We have audited the attached Balance Sheet of **LEMON TREE HOTEL COMPANY PRIVATE LIMITED** as at 31st March, 2010 and the Profit & Loss Account for the Year Ended 31st March, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. Companies (Auditor's Report) order, 2003 as amended by the Companies (Auditor's Report) (Amendment) order 2004 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, is not applicable to the company in view of the conditions specified in para 1(2)(iv) of the said Order.
2. Further to our comments referred to in paragraph 1 above, we report that :-
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) Proper books of account as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss Account and Balance Sheet comply with the mandatory accounting standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31-3-2010 from being appointed as Director u/s 274(1)(g) of the Companies Act, 1956.

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Krishan Rakesh & Co.
CHARTERED ACCOUNTANTS

PHONE : 26222701

10/22, BASEMENT,
NERHU ENCLAVE, KALKAJI
NEW DELHI - 110019

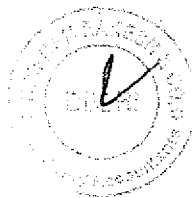
-: 2 :-

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and other Notes thereon in Schedule - 4, give the information as required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India :-
- i) In the case of the Balance Sheet of the State of affairs of the Company as at 31.3.2010.
- ii) In the case of the Profit & Loss Account of the **LOSS** for the Year Ended on that date.

For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS

(K. K. GUPTA)
PARTNER
M.No. 87891
Firm Regn. No. 009088N

PLACE : NEW DELHI
DATED : 04/09/2010



LEMON TREE HOTEL COMPANY PVT. LTD.

BALANCE SHEET AS AT 31st MARCH, 2010

PARTICULARS	SCH NO.	AS AT 31.03.2010 RS.	AS AT 31.03.2009 RS.
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SOURCES OF FUNDS

SHAREHOLDERS' FUNDS

SHARE CAPITAL

1 100,000.00 100,000.00

TOTAL

100,000.00 100,000.00

APPLICATION OF FUNDS

CURRENT ASSETS, LOANS & ADVANCES

CASH & BANK BALANCES

2 77,711.00 84,959.00

LESS : CURRENT LIABILITIES

3 14,795.00 14,795.00

NET CURRENT ASSETS

62,916.00 70,164.00

PROFIT & LOSS ACCOUNT

37,084.00 29,836.00

TOTAL

100,000.00 100,000.00

SIGNIFICANT ACCOUNTING POLICIES
AND NOTES ON ACCOUNTS

4

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED
For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI

DATED : 04/09/2010


PARTNER


DIRECTOR


DIRECTOR



LEMON TREE HOTEL COMPANY PVT. LTD.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

PARTICULARS	YEAR ENDED 31.03.2010 RS.	YEAR ENDED 31.03.2009 RS.
EXPENDITURE		
Auditor's Remmneration		
- As Audit Fees	3,309.00	3,309.00
Bank Charges	0.00	10.00
Legal & Professional Charges	3,535.00	3,528.00
ROC filing fees	404.00	400.00
PROFIT / (LOSS) BEFORE AND AFTER TAX	(7,248.00)	(7,247.00)
BALANCE BROUGHT FORWARD	(29,836.00)	(22,589.00)
BALANCE CARRIED OVER TO BALANCE SHEET	(37,084.00)	(29,836.00)
EARNING PER SHARE (BASIC)	(0.07)	(0.07)

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED
For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI

DATED : 04/09/2010




PARTNER


DIRECTOR


DIRECTOR

LEMON TREE HOTEL COMPANY PVT. LTD.

SCHEDULES

PARTICULARS	AS AT 31.03.2010 RS.	AS AT 31.03.2009 RS.
1		
<u>SHARE CAPITAL</u>		
<u>Authorised</u>		
100,000 Equity Shares of Rs. 1/- each	100,000.00	100,000.00
<u>Issued, Subscribed Paid up</u>		
100,000 Equity Shares of Rs. 1/- each fully paid up in cash	100,000.00	100,000.00
NOTE : Of the above, 99,999 Equity Shares are held by Krizm Hotels Private Limited - Holding Company.		
	100,000.00	100,000.00
2		
<u>CASH AND BANK BALANCES</u>		
Cash in hand	4,800.00	4,800.00
Balance in Current Account with Scheduled Banks	72,911.00	80,159.00
	77,711.00	84,959.00
3		
<u>CURRENT LIABILITIES</u>		
<u>Sundry Creditors</u>		
- Micro, Medium & Small Enterprises	0.00	0.00
- Others	11,486.00	11,486.00
Expenses Payable	3,309.00	3,309.00
	14,795.00	14,795.00



LEMON TREE HOTEL COMPANY PRIVATE LIMITED : NEW DELHI

4. ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting
The Company has prepared its financial statements in accordance with applicable accounting standards and generally accepted accounting principles and also in accordance with the requirements of the Companies Act, 1956.
2. Income and Expenditure
Accounting of Income & Expenditure is done on accrual basis.
3. Contingent Liabilities
Contingent Liabilities are determined on the basis of available information and are disclosed by way of notes to the accounts.
4. Preliminary Expenses
Preliminary Expenses are written off in the first Profit & Loss Account of the Company.
5. Unless specifically stated to be otherwise, these policies are consistently followed.

B. NOTES ON ACCOUNTS

	<u>CURRENT YEAR</u> <u>(Rs. In Lacs)</u>	<u>PREVIOUS YEAR</u> <u>(Rs. In Lacs)</u>
1. Claim against the company not acknowledged as debt	Nil	Nil
2. In the opinion of the management the Current Assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet unless otherwise stated.		
3. <u>Related Party Disclosures</u> Following information regarding related parties has been determined on the basis of criteria specified in AS-18 "Related Party Disclosures":		

A. Relationships

Key Management Personnel : Mr. Patanjali G. Keswani
: Mrs. Sharanita Keswani
Holding Company : Krizm Hotels Private Limited

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Description	Transaction with Key Management Personnel (Rs.)	Holding Company (Rs.)
	Y.E. 31.3.2010	Y.E. 31.3.2010
Sundry Creditors		
Balance as on 31.3.2010	0	11486 (11486)
Current Assets, Loans & Advances		
Balance outstanding at the year end	0	0
Maximum Balance outstanding at any time during the year	0	0

(Figures in bracket are for previous year)

4. Earnings per share (EPS) – The numerators and denominators used to calculate Basic Earning per share:

	Year Ended 31.03.2010	Year Ended 31.03.2009
Profit attributable to the Equity Shareholders (Profit after tax) – (A) (Rs)	-7248	-7247
Basic/ Weighted average number of Equity Shares outstanding during the year (B)	100000	100000
Nominal value of Equity Shares (Rs)	1	1
Basic Earnings per share (Rs) – (A)/(B)	-0.07	-0.07

5. As per the information available with the Company in response to the enquiries from existing suppliers with whom Company deals, none of the suppliers are registered with The Micro, Small and Medium Enterprises Development Act, 2006.
6. Figures for the previous year have been regrouped or recast wherever necessary.

**IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED
For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS**

PLACE : NEW DELHI
DATED 04/09/2010


PARTNER


DIRECTOR


DIRECTOR



LEMON TREE HOTEL COMPANY PVT. LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956)

I. REGISTRATION DETAILS

Registration No.	U55101DL2007PTC158376
State Code	55
Balance Sheet Date	31st March, 2010

II. CAPITAL RAISED DURING THE YEAR

Public Issue	NIL
Rights Issue	NIL
Private Placement	NIL
Bonus Issue	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

Total Liabilities	114,795
Total Assets	114,795

SOURCES OF FUNDS

Paid up Capital	100,000
Share Application money	NIL
Reserves & Surplus	NIL
Unsecured Loans	NIL

APPLICATION OF FUNDS

Investment	NIL
Net Fixed Assets	NIL
Net Current Assets	62,916
Accumulated Losses	37,084

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LEMON TREE HOTEL COMPANY PVT. LTD.

IV. PERFORMANCE OF THE COMPANY

Turnover including other incomes	Nil
Total Expenditure	7,248
Profit before tax	(7,248)
Profit after tax	(7,248)
Earning Per Share (Rs.)	(0.07)
Dividend Rate (%)	Nil

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

Item Code No. (ITC Code)	N.A.
Product Description	N.A.

IN TERMS OF OUR REPORT OF EVEN DATE
ANNEXED
For KRISHAN RAKESH & CO.
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI
DATED : 04/09/2010


PARTNER


DIRECTOR


DIRECTOR

