

General Manager,
Deptt of Corporate Services,
Bombay Stock Exchange Ltd.
PJ Tower, 25th Floor,
Dalal Street
Mumbai-400001

Sub: Submission of Annual Report for the year 2016-17

Dear Sir,

Pursuant to clause 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the company for the Financial Year 2016-17.

This is for your information and records please.

Yours truly
For James Hotel Limited


(CA Navneet Gupta)
Resolution Professional



James Hotel Chandigarh
Block No. 10, Sec. 17-A
Chandigarh - 160 017
India

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JAMES
HOTELS LIMITED



ANNUAL REPORT
2016-2017

BOARD OF DIRECTORS

Mr. Haravtar Singh Arora, Chairman
 Mr. Neeraj Mohindroo
 Mr. Ajit Pal Singh
 Mr. Amit Julka
 Ms. Amrit Pal Bedi

AUDITORS

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

CHIEF FINANCIAL OFFICER

Mr. Bharat Bhushan Goel

COMPANY SECRETARY

Ms. Puja Sharma

BANKERS

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

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JAMES HOTELS LIMITED
CIN : L55101CH1980PLC004249
Registered office : Block no. 10, sector 17-A, Chandigarh -160 017
PH: 0172-6600 000 Tel Fax 0172-6600 001

NOTICE

NOTICE is hereby given that the **36th Annual General Meeting** of the members of James Hotels Limited will be held on Wednesday, 27th day of December, 2017 at 10.00 A.M. at Indira Holiday Home, Sector 24-B, Chandigarh to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2017 and Balance Sheet as on that date of the Company, together with the Director's Report and Auditor's Report thereon.
2. TO PASS IF THOUGHT FIT, WITH OR WITHOUT MODIFICATION(S) IF ANY, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

TO APPOINT AUDITORS AND FIX THEIR REMUNERATION.

“RESOLVED THAT pursuant to the provisions of Section 139, 141 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Bansal Vijay & Associates, Chartered Accountants, be and are hereby appointed as the Statutory Auditor of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of fifth Consecutive Annual General Meeting (subject to ratification of their appointment at every Annual General Meeting) at such remuneration as may be fixed by the Resolution Professional of the Company.

By order of the Resolution Professional
For **JAMES HOTELS LIMITED**

Navneet Gupta
Resolution Professional

Place: Chandigarh
Date: 30-11-2017

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself. The proxy need not to be a member of the company. Proxies in order to be effective must be received at the registered office of the company not less than 48 hours before the annual general meeting. A blank proxy form is enclosed herewith.
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total Share Capital of the Company. In case proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.
2. Members are requested to notify any change in their address, along with their pin code quoting their Folio No. and relevant particulars.
3. Members desiring any information on the business to be transacted at the meeting are requested to write to the Company atleast 10 days in advance to enable the management to keep the information, as far as possible ready at the meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from, 24th December 2017 to, 27th December 2017(both days inclusive).
5. The shareholders holding shares in identical order or names in more than one folio are requested to write to the Company's Share Department for consolidation of such shares enclosing their share certificate.
6. The members who hold shares in dematerialized as well as in physical form are requested to bring their Client ID and DPID numbers respectively for easy identification of attendance at the meeting.
7. The members are advised that no gift/giftcoupons will be distributed at the Annual General Meeting of the Company.
8. Members/Proxies should bring the Attendance slip sent here with duly filled in and signed and handover the same at the entrance of the Hall.
9. Corporate members intending to send authorized representative(s) to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the meeting.
10. The shareholders are requested to bring their copy of Annual Report at the Meeting.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding

- shares in physical form can submit their PAN details to the Company.
12. Members holding shares in physical form are requested to advise any change of address and are also requested to submit their specimen signatures duly attested by their banks immediately to the Company. Members holding shares electronically in dematerialized form must advise any change of address to their respective depository participants.
 13. **Nomination facility** : As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company.
 14. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate the risks associated with physical shares and for ease in portfolio management.
 15. **Updation of Members' details** :
The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual report. Members holding shares in physical form are required to submit the filled in form to the Company and Members holding shares in dematerialized form are required to submit the filled in forms to their respective Depository Participants.
 16. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote.
 17. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to reply at the meeting. For any communication, the Members may also send requests to the Company's investor email Id : csjameshotel@gmail.com
 18. Electronic copy of the Annual Report for 2016-17 is being sent to all members whose e-mail IDs are registered with the Company/ Depository Participant (s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.
 19. Members may also note that the Notice of the 36th Annual General Meeting and the Annual Report 2017 will also be available on the Company's website www.jameshotels.co.in for download. The physical copies of the aforesaid documents will also be available at the Company's Registered

Office for inspection at any time during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon marking a request for the same, by post free of cost. For any communication, the members may also send request to the Company's investor email csjameshotel@gmail.com.

20. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules made thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this notice.

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MODE

- A. NSDL shall be sending the User ID and Password; to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/ Depository Participants. For members who have not registered their email addresses, can use the details as provided in the e-voting instruction being sent along with the Notice.
- B. Open the internet browser and type the following URL: www.evoting.nsd.com.
- C. Click on the Shareholder – login.
- D. Put User ID and Password as provided in this document and click login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for your login.
- E. If you are logging in for the first time, the password change menu will appear. Change the password with new password of your choice. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- F. Once the e-voting home opens, click on e-voting: Active Voting Cycles.
- G. elect “EVEN (Electronic Voting Event Number)” of James Hotels Limited.
- H. Once you enter the Cast Vote page will open. Now you are ready for e-voting.
- I. 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.
- J. 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”, elst to change your vote, click on “Cancel” and accordingly modify your vote.
- K. Upon confirmation, the message “Vote cast successfully” will be displayed.
- L. Once you have voted on the resolution, you will not be allowed to modify your vote.

- M. Institutional shareholders (i.e other than individuals, HUF , NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with the attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at with a copy marked to evoting@nsdl.co.in.

General Instructions for e-voting:

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the downloads section of www.evoting.nsdl.com. You can also contact NSDL via email at evoting@nsdl.co.in.

- i. You can also update your mobile number and e-mail Id in the user profile details of the folio which may be used for sending future communication (s).
- ii. The e-voting period commences on 24th December 2017 at 09.00 am and ends on 26th December 2017 at 05.00 pm During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th December 2017 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- iii. The voting rights of shareholders, shall be in proportion to their shares of the paid up equity share capital of the Company as on the record date i.e. 20th December 2017.
- iv. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th December 2017 and not casting their vote electronically, may only cast their vote at the 36th Annual General Meeting.
- v. Mr. Ajay K Arora, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- vi. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- vii. The Results shall be declared on or after the 36th Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website

www.jameshotels.co.in and on the website of NSDL within two (2) days of passing of the resolutions at the 36th Annual General Meeting of the Company on and communicated to BSE.

- viii. SEBI vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 had mandated the companies to use any of the RBI approved electronic mode of payment such as ECS(Local ECS/Regional ECS/National ECS), NEFT, RTGS etc. for distribution of dividends and other cash benefits to investors. The Circular also mandated the Companies or their Registrar and Transfer Agent (RTA) to maintain bank details of investors. In case the securities are held in demat mode, the Companies or their RTA shall seek relevant bank details from depositories and in case the securities are held in physical mode, the Companies or their RTA shall take necessary steps to maintain updated bank details at their end. The members are requested to ensure that correct and updated particulars of their bank accounts are available with their respective depository participants and the Company/ its RTA to facilitate necessary payments through electronic mode.

By order of the Resolution Professional
For **JAMES HOTELS LIMITED**

Place: Chandigarh
Date: 30.11.2017

Navneet Gupta
Resolution Professional

JAMES HOTELS LIMITED
CIN-L55101CH1980PLC004249

DIRECTORS' REPORT TO THE SHAREHOLDERS

This is to apprise the members that the Hon'ble National Company Law Tribunal (NCLT) Chandigarh bench has ordered the commencement of the corporate insolvency resolution process in respect of your company on 27th April 2017. Accordingly the powers of the Board of directors suspended pursuant to section 17(1)(b) of the insolvency and Bankruptcy Code and Mr. Navneet Gupta was appointed as Interim Resolution Professional vide order dated 8th May, 2017 for the management of the affairs of the company.

In view of the above mentioned provisions of the law, since the powers of the Board stands suspended thereunder, the Directors Report which is required to be presented by the Board of Directors under Section 134(3) of the Companies Act, 2013 is not being presented. However, a report of the management containing the details and information as available to be disclosed in the Directors Report to the shareholders is being presented to you by Resolution Professional.

Further Resolution Professional is not responsible for any non compliance for the period under review.

Accordingly, Report for the year ended 31st March, 2017 is as under.

FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	2016-2017	2015-2016
Total Revenue	1868.98	2052.87
Total Expenses	4196.10	4062.37
Profit or Loss before Exceptional and Extraordinary items and Tax	(2327.12)	(2009.50)
Less: Exceptional Items	24.02	-
Less: Extraordinary Items	-	-
Profit or Loss before Tax	(2303.10)	(2009.50)
Less: Current Tax / Previous Year Tax expense	0.14	0
Deferred Tax	-	-
Profit or Loss After Tax	(2303.24)	(2009.50)
Earning Per Share		
Basic	(28.79)	(25.12)
Diluted	(28.79)	(25.12)

REPORT ON PERFORMANCE: The year under review has been quite challenging. The revenue from the operations of the Company was Rs. 1761.97 Lakhs representing fall of 9.69% over the previous year. The company was not able to pay its debts and has defaulted in repayment of loans to the banks and financial institutions. The company was also declared as NPA by the banks. During the year the Punjab National Bank also tried to take the possession of the company's unit with the help of local administration. But the order of the same was stayed by Hon'ble High Court. Thereafter the Punjab National Bank has initiated Insolvency Proceedings against the company under the Insolvency and Bankruptcy Code, 2016 and currently the company is under going Corporate Insolvency Resolution Process.

DIVIDEND: Owing to the losses incurred by the Company during the year, no dividend is being declared for the financial year ending 2016-17.

SHARE CAPITAL: There was no change in the Share Capital of the Company during the year.

GENERAL RESERVES: No amount was transferred to the General Reserve during the year.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND: The provisions of Section 125(2) of the Companies Act, 2013 do not apply to the Company as there were no amounts due to be transferred to the fund during the year under review.

DETAILS OF THE PERFORMANCE OF THE SUBSIDIARY/ ASSOCIATE OR JOINT VENTURE: The Company does not have any Subsidiary/Joint Ventures/ Associate Companies. Hence, the provisions regarding incorporation of a separate segment for disclosure of the financial positions and performance of the Subsidiary, Associate and Joint Venture companies is not applicable to the company

EXTRACT OF THE ANNUAL RETURN: Extract of the annual return as provided under sub-section (3) of section 92 in form MGT-9 is enclosed as per **Annexure-I**

NUMBER OF MEETINGS OF THE BOARD: During the year under review, Seven (7) meetings of the Board of Directors of the Company, 4. meetings of the Audit Committee were held during the year.

COMPOSITION OF THE AUDIT COMMITTEE: In compliance with the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has

constituted an Audit Committee for the financial year ending 2017.

DIRECTORS' RESPONSIBILITY STATEMENT

Statement referred to in clause (c) of sub-section (3) of Section 134 of Companies Act, 2013;

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Explanation.—For the purposes of this clause, the term “internal financial controls” means the policies and procedures adopted by the company 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;

- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FRAUDS REPORTED BY STATUTORY AUDITORS

During the financial year under review, the statutory auditors have not reported any frauds under sub section (12) of Section 143 of the Companies Act, 2013 other than those which were reportable to the Central Government. Though the auditors

DECLARATION OF INDEPENDENCE GIVEN BY INDEPENDENT DIRECTORS

As per the information available the declaration from independent directors have not been received.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE:

(i) by the auditor in his report; and

The Statutory Auditors of the Company, M/s Vasudeva & Associates, Chartered Accountants, have submitted the Auditors Report which has observation on Financial Statements for the period ended March 31, 2017. They have given adverse remarks/qualifications regarding the working of the company. The auditors report is attached with the annual report for members perusal. All these matters relates to the previous financial year when the suspended board of directors were managing the affairs of the company. The Committee of creditors have been apprised of the adverse remarks/qualifications. The qualifications are also reflected in Information Memorandum which is shared with the potential Resolution Applicants for their consideration before giving any Resolution Plan.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed B. Sehgal & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. Secretarial Auditors Report is annexed with this report. They have given their report along with observations/ qualification which is pertaining the period when the suspended Board of Directors were controlling the affairs of the company. COC has been apprised of the observations/qualification of the Secretarial Auditor. The remedial measure are being taken for the same.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year under review the company has not given any loan or guarantee or made any investment in the securities of any other body corporate.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

In line with the requirements of the Act and SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions and the same is posted on the Company's Website : www.jameshotels.co.in.

There are no contracts or arrangements with related parties entered into by the Company as referred to in Section 188(1) of the Companies Act, 2013 for the financial year 2016-17

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

Insolvency proceedings have been initiated against the company upon the application of Punjab National Bank. The NCLT has appointed Mr. Navneet Gupta as an Interim Resolution Professional (IRP) for the management of the affairs of the Company in the ensuing financial year who was appointed as resolution professional by committee of creditors. Pursuant to the provisions of Section 17(1)(b) of the Code, the powers of the Board of Directors stand suspended and are being exercised by the RP. He is making best efforts to come out with the resolution plan for the revival of the company..

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Energy Conservation Measures Taken

The company is engaged in hospitality industry. The Unit has made efforts to improve energy usage and increase contributions from renewable sources of energy. Some of the measures adopted by the Company are as follows :

1. Improvement in energy usage efficiencies of lighting systems by changing over to higher efficiency lighting solutions such as Light Emitting Diodes and increased daylight harvesting systems.
2. Reduction in lighting and air conditioning loads by installation of automated controls & sensors.
3. Installation of solar based power plants in the unit.
4. Install variable frequency drives to match output drives to changing load patterns and thereby optimize energy consumption.
5. Reuse of STP water for the gardening purpose.

6. 5 Kg Electrical Steam Boiler is used in emergency Guest Laundry to avoid excess diesel consumption.

Energy conservation measures taken have resulted in savings in energy costs and helped partially offset the inflationary trend in fuel/ electricity.

b) Power and Fuel Consumption:

1. Electricity:

a) Purchased Units -	2250280
Total Amount (Rs.)	- 14495249
Rate per Unit (Rs.)	6.44

b) HSD consumed for Boilers	- 9612
Total Cost	- 508811

2. Coal:

Quantity (KG)	- 29339
Total Cost (Rs.)	- 704136
Average Rate (Rs. Per KG)	- 24

3. LP Gas:

Quantity	- 781
Total Cost (Rs. In Lakhs)	- 792980
Average Rate per cylinder	- 1015.34

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company continues to use the latest technologies for improving the productivity and quality of its services and products.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Particulars regarding the Foreign Exchange Earnings and Outgo is given below :

	31 st March, 2017 Rs. In Lacs	31 st March, 2016 Rs. In Lacs
EARNINGS		
a) Earnings in Foreign currency	69.43	86.18
Room Rent, Banquets & other income		
Total Earnings	69.43	86.18
EXPENDITURE		

a)CIF Value of Imports	00.00	00.00
b)Expenditure in Foreign currency		
-Travelling & Conveyance (Directors)	5.55	7.28
- Commission , Rebate & Discount	-----	2.95
Total Expenditure	5.55	10.23

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY:

Your Company is facing risks of different types all of which need different approaches for mitigation. Details of various risks faced by the Company are provided in the Management Discussion & Analysis. Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Company has adopted a Risk Management Policy which has a framework to identify and evaluate business risks and opportunities. Presently company is facing the huge financial crunch and insolvency proceedings have been launched against the company.

DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR:

The provisions of section 135 of the Companies Act 2013 regarding Corporate Responsibility Policy are not applicable to the company.

FIXED DEPOSITS

No Fixed deposits were accepted by the Company during the year under review.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is appended as Annexure – II to the Board's Report.

The Company does not have any employee whose particulars are required to be furnished under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Remuneration paid to all Key Managerial Personnel is in accordance with remuneration policy adopted by the Company.

AUDITORS

M/s Bansal Vijay & Associates, Chartered Accountants, were proposed to be appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in 2022 as per the provisions of Section 139 of the Companies Act, 2013. The auditors have confirmed that their appointment, if made, would be within the limits prescribed under the Act

OTHER MATTERS & DISCLOSURES

1) CHANGE IN THE NATURE OF BUSINESS, IF ANY:

Not applicable

2) DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

During the year Mr. Amrit Pal Bedi, Director of the Company tendered his resignation from the office of Director and ceased to be the Director of the Company with effect from 01/10/2016. Further, Ms. Ronica Bedi, was appointed as Additional Director (Independent) of the Company with effect from 14/11/2016. She also tendered here resignation in the ensuing year along with Mr. Neeraj Mohinderoo.

3) NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

Not applicable.

4) DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

The NCLT has appointed Mr. Navneet Gupta as an Interim Resolution Professional (IRP) for the management of the affairs of the Company. Pursuant to the provisions of Section 17(1)(b) of the Code, the powers of the Board of Directors shall stand suspended and be exercised by the IRP.

5) DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control system commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

BOARD EFFECTIVENESS

The Company has adopted the Governance guidelines which, inter alia, cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director's term and Committees of the Board. It also covers aspects relating to the nomination, appointment, induction and development of Directors, Director remuneration, code of conduct, Board Effectiveness Review and mandates of Board Committees.

- A. Criteria adopted for the appointment of Directors :** The RNC is responsible for developing competency requirements for the Board level. The RNC reviews and meets the potential candidates, prior to recommending their nomination to the Board. The RNC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and SEBI Listing Regulations. The criteria for appointment of directors is based upon Independence and Competency level.
- B. Remuneration Policy :** The Company has adopted a Remuneration Policy for the Directors, KMP and other employees, pursuant to the provisions of the Act and SEBI Listing Regulations. The key principles for the remuneration of Independent Directors is that the Independent Directors may be paid sitting fees for attending the meetings of the Board and of Committees of which they may be members. The key principles governing the Company's remuneration policy

for the Managing Director/ Executive Directors/ Key Managerial Personnel/ rest of the employees are as follows :

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay.
- The Company provides a fixed remuneration to MD subject to limits prescribed under Section II of Part – II of Schedule V of the Companies Act, 2013 and to the other key Managerial Personnel.

C. Board Evaluation : The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act and the Corporate Governance requirement as prescribed under SEBI (Listing and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of the criteria such as the Board Composition and structures, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the Composition of the Committees, effectiveness of committee meetings, etc.

The Board and the Remuneration and Nomination Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspect of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed.

Familiarization Programme For Independent Directors

The Company keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues faced by the industry. The familiarization programme adopted by the Company is posted on the website of the Company i.e .

Managerial Remuneration:

Statistical disclosures pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure – II**.

Disclosures about Cost Audit:

Provisions of Section 148 of the Companies Act, 2013 pertaining to the appointment of Cost Auditor are not applicable to the Company.

VIGIL MECHANISM:

The Company has adopted a Whistle Blower Policy to provide a vigil mechanism for the Directors and employees to report genuine concerns about any unethical, actual or suspected fraud or violation of the Company's code of conduct. The provisions of this policy are in line with the provisions of Section 177(9) of the Act and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Whistle Blower Policy can be accessed on the Company's website.

POLICY FOR PREVENTION OF INSIDER TRADING:

Pursuant to SEBI(Prohibition of Insider Trading) Regulations, 2015, the Company has framed a) Code of Conduct for Regulating and Reporting Trading by Insiders and b) Policy for Fair Disclosure of UPSI. The Company's Code, inter alia, prohibits purchase and/or sale of shares of the Company by an Insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment policy at the workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

ACKNOWLEDGEMENT:

Your Directors convey their sincere thanks to Banks and other concerned agencies for their continued support and co-operation extended to the Company from time to time.

Your Directors further express their deep appreciation for the contribution made by employees at all levels towards the growth of the Company.

BY ORDER OF RESOLUTION PROFESSIONAL
JAMES HOTELS LIMITED

Place: Chandigarh
Dated: 30.11.2017

Navneet Gupta
Resolution Professional

Annexure I**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2017****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the
Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L55101CH1980PLC004249
2.	Registration Date	25 th August, 1980
3.	Name of the Company	JAMES HOTELS LIMITED
4.	Category/Sub-category of the Company	NON-GOVERNMENT, PUBLIC LIMITED COMPANY
5.	Address of the Registered office & contact details	BLOCK NO. 10, SECTOR 17-A, CHANDIGARH. Tel: 0172-6600000, Fax 0172-6600001
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153A, FIRST FLOOR, OKHLA INDUSTRIAL AREA, PHASE -1, NEW DELHI-110020

**I. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the
business activities contributing 10 % or more of the total turnover of the company
shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Accommodation services	551	63.70
2	Restaurant Services	561	36.30

**III. PARTICULARS OF HOLDING/SUBSIDIARY/ ASSOCIATE
COMPANIES: Nil**

SN	Name and address of Companies	CIN	Holding/Subsidiary/ Associate	%age of shares held	Applicable section

III. SHARE HOLDING PATTERN
(Equity Share Capital Breakup as percentage of Total Equity)
 Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	824840	-	824840	10.31	824840		824840	10.31	
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other (NRI)	3411430		3411430	42.64	3411430		3411430	42.64	
Total shareholding of Promoter (A)	4236270		4236270	52.95	4236270		4236270	52.95	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	0	1100	1100	0.01	0	1100	1100	0.01	
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	
2. Non-Institutions									
a) Bodies Corp.	225757	136600	362357	4.53	231024	136600	367624	4.60	0.07
i) Indian									
ii) Overseas									
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	252273	1274019	1526292	19.08	284852	1354319	1639171	20.49	1.41
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	948914	923561	1872475	23.40	914352	836761	1751113	21.89	-1.51
c) Others (specify)									
Non Resident Indians	300	0	300	0.00	0	0	0	0.00	
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members	1706	0	1706	0.03	301	0	301	0.00	-0.03
HUF					4921	0	4921	0.06	0.06
Foreign Bodies - D R									
Sub-total (B)(2):-	1428950	2334180	3763130	47.04	1435450	2327680	3758209	46.97	-0.07
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1428950	2335280	3764230	47.05	1435450	2328780	3759309	46.98	-0.07
C. Shares held by Custodian for GDRs&ADRs	0	0	0	0	0	0	0	0	
Grand Total (A+B+C)	5665220	2335280	8000500	100	5671720	2328780	8000500	100	

B) Shareholding of Promoter-

SN		Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Mr. Ajmair Singh Bhullar	2116170	26.45	15.00	2116170	26.45	15.00	
2	Mr. Haravtar Singh Arora	1295260	16.19	15.00	1295260	16.19	15.00	
3	Mr. Ajit Pal Singh	410455	5.13	00.00	410455	5.13	00.00	
4	Mr. Kanwaljit Singh	164181	2.05	00.00	164181	2.05	00.00	
5	Mr. Gurdit Singh	82093	1.03	00.00	82093	1.03	00.00	
6	Mr. Paramjit Singh	164611	2.06	00.00	164611	2.06	00.00	
7	Mr. Bhupinder Singh	3500	0.04	00.00	3500	0.04	00.00	

C) Change in Promoters' Shareholding (please specify, if there is no change) NIL

SN. 1	Particulars	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
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	Folio No. / Client Id	Name	No. of shares at the beginning		Date	Increase/ Decrease in Share holding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
			No. of shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	6491	Sarabjeet Singh	176500	2.21	31/03/2016				
						0	No movement		
			176500	2.21	31/03/2017			176500	2.21
2.	IN3008881 3297742	Surinder Kumar Madan	195500	2.44	31/03/2016				
						27000	Sale	168500	2.11
			168500	2.11	31/03/2017			168500	2.11
3.	IN3017741 0776735	Vikas Garg	146300	1.83	31/03/2016				
						26600	Sale	119700	1.50
			119700	1.50	31/03/2017			119700	1.50
4.	12047900 00071460	Kanwaljeet Kaur	213957	2.67	31/03/2016				
						727	Purchase	214684	2.68
			214684	2.68	31/03/2017			214684	2.68
5.	IN2017741 6016386	Northland Avenues	110000	1.37	31/03/2016				
						0	No movement	110000	1.37
			110000	1.37	31/03/2017			110000	1.37

6.	6494	Jasjeet Singh	93700	1.17	31/03/2016				
			93700	1.17	31/03/2017	0	No movement	93700	1.17
7.	6300	Sandhu Resorts Private Limited	93500	1.17	31/03/2016				
			93500	1.17	31/03/2017	0	No movement	93500	1.17
8.	IN30011810008767	Vijay Trehan	92467	1.16	31/03/2016				
			92467	1.16	31/03/2017		No movement	92467	1.16
9.	6492	Navpreet	79400	0.99	31/03/2016				
			79400	0.99	31/03/2017	0	No movement	79400	0.99
10.	6496	Kamaljit Singh	76500	0.96	31/03/2016				
			76500	0.96	31/03/2017	0	No movement	76500	0.96

E) Shareholding of Directors and Key Managerial Personnel:

S.No.	Shareholding of each Directors and each Key Managerial Personnel	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
1	Mr. Haravtar Singh Arora (Managing Director)				
	At the beginning of the year	1295260	16.19		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):			1295260	16.19
	At the end of the year	1295260	16.19	1295260	16.19

S.No. 2	Shareholding of each Directors and each Key Managerial Personnel Mr. Ajit Pal Singh (Director)	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
	At the beginning of the year	410455	5.13%		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g . allotment / transfer / bonus/ sweat equity etc.):			410455	5.13%
	At the end of the year	410455	5.13%	410455	5.13%

V)INDEBTEDNESS -

Indebtedness of the Company including interest outstanding / accrued but not due for payment. Rs In Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12804.53	-	-	12804.53
ii) Interest due but not paid	2803.94	-	-	2803.94
iii) Interest accrued but not due		-	-	
Total (i+ii+iii)	15608.47			15608.47
Change in Indebtedness during the financial year				
* Addition	3766.21	-	-	3766.21
* Reduction		-	-	
Net Change	3766.21			3766.21
Indebtedness at the end of the financial year				
i) Principal Amount	15128.15	-	-	15128.15
ii) Interest due but not paid	4246.53	-	-	4246.53
iii) Interest accrued but not due		-	-	
Total (i+ii+iii)	19374.68			19374.68

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		H. S Arora	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,00,000 (*)	
	(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)	15,00,000 (*)	
	Ceiling as per the Act		

* ` 1,500,000/- paid during the year; however application for approval was rejected by the Central Government and accordingly remuneration aggregating to ` 3,000,000/- (i.e. ` 1,500,000/- for the financial year 2015-2016 and ` 1,500,000/- for the financial year 2016-2017) has been adjusted and shown as Amount Recoverable under the head "Other Current Assets".

B. Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Neeraj Mohindroo	Amit Julka	----	---	
1	Independent Directors					
	Fee for attending board committee meetings	125000	80000			205000
	Commission					
	Others, please specify					
	Total (1)	125000	80000			205000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

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

(in Rs)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CS (Puja Sharma)	CFO (Bharat Bhushan Goel)		Total
1	Gross salary	510000	1710000		2220000
	(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				

5	Others, please specify				
	Total	510000	1710000		2220000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Ministry of Corporate affairs has rejected company's application for permission of remuneration to Managing Director.

ANNEXURE – II

Particulars of Employees

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a. The ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the financial year.
- b. The percentage increase in Remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year.
- c. Comparison of the Remuneration of each Key Managerial Personnel against the performance of the Company

Rs in Lacs

Whole Time Directors and KMPs	Remuneration in 2016-17 (Rs. in Lakhs)	Remuneration in 2015-16 (Rs. in Lakhs)	% increase of remuneration in 2017 as compared to 2016	Ratio to median Remuneration	Ratio of 2016-17 Remuneration to	
					Revenue	Profit
Mr. Haravtar --- MD	15.00	15.00	No increase	8.83	0.80	(0.65)
Mr. B.B Goel -Chief Operating and Financial Officer	17.10	15.15	12.87	8.92	0.91	(0.74)
Ms. Puja Sharma - Company Secretary	5.10	4.10	24.39	3.00	0.27	(0.22)

Independent Directors : The Independent Directors are only paid sitting fees for attending Board and Committees Meetings of which they may be members.

- d. The Percentage increase in the median remuneration of employees in the financial year was 18.35 .
- e. The number of permanent employees on the rolls of the Company were 186 in number.
- f. The explanation towards the relationship between average increase in remuneration and Company Performance.

The overall percentage increase has been primarily provided to offset the inflation cost, increase in cost of living expenses and to retain the

talent.

g. Comparison of the Remuneration of the Key Managerial Personnel with regard to the performance of the Company :

Particulars	Rs. in Lakhs
Aggregate Remuneration of KMP in 2016-17	37.20
Full Year Revenue	1868.98
% to Revenue	1.99
Profit before Tax and Exceptional items	(2303.24)
% to above	(1.62)

h.

- i. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or 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.

The market capitalization of the Company as at March 31, 2017 is Rs. 25.56 Crore as against Rs. 25.68 Crore as at March 31, 2016.

The Last public offer for the shares of the Company was an offer for acquisition of shares in 2006, for 1600100 equity shares of the Company at a price of Rs. 18 per fully paid up share.

j. The key parameters for any variable component of remuneration availed by the Directors.

Independent Directors :

The sitting fees to the Independent Directors is paid on the basis of number of meetings of the Board and the Committees of the Board attended.

- h. 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 :

Highest Paid Director is the Managing Director of the Company. The Highest paid employee is the General Manager (COFO) whose remuneration is more than the remuneration of the Managing Director and the ratio of remuneration of Managing Director to that of the General Manager (COFO) is 0.87.

- i. It is affirmed that the Remuneration is as per Remuneration Policy for Directors, Key Managerial Personnel and other employees adopted by the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey

The Indian Economy is growing at a rapid pace The Services Sector is expected to grow at a faster pace in the times to come. The onset of reforms by the Government and relaxation in FDI norms in all sectors will further boost the Economy. The Government has enacted Goods and Service Tax legislation which on introduction will help in boosting the economy further.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP). The economic activities which witnessed significant growth were financing, insurance, real estate and business services' and 'trade, hotels, transport, communication services.

HOSPITALITY AND TOURISM INDUSTRY

The travel and tourism industry has become one of the largest and fastest growing economic sectors globally. Its contribution to the global Gross Domestic Product (GDP) and employment has increased manifold.

For India, the direct contribution of travel and tourism to GDP is expected to grow 7.2 per cent per annum to US\$ 88.6 billion (2.5 per cent of GDP) by 2025. The travel and tourism industry in India entailing domestic and international inbound travel is projected to increase at a CAGR of 12 percent .At the same time, rising income levels, altering lifestyles, growth of varied tourism offerings and strategy and regulatory backing by the government are playing a focal role in modeling the travel and tourism sector in India.

The growth opportunities in the travel and tourism can be understood only with the progress of the hospitality sector. With the high amount of tourist inflows over the past few years, it is a major contributor to Indian economy.

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 groundbreaking enterprise solutions, the hospitality scene in India is improving.

PRESENT STATUS

The Company's name comes in one of the prestigious hotels in the Hospitality Sector. The Management is committed to be one of the best in this sector and is fighting against

all odds to run the Hotel successfully.

FINANCIAL PERFORMANCE

	(Rs.inLakhs) 2016-17	(Rs.inLakhs) 2015-16
Revenue	1868.98	2052.87
Total Revenue	1868.98	2052.87
Total Expenditure	4196.10	4062.37
Depreciation	933.15	1158.21
Exceptional items		0
Profit on sale of fixed assets	24.02	
Gross Profit/(Loss) before Tax	(2303.10)	(2009.50)
Provision for Income Tax Previous Year	0.14	0
Surplus/(Deficit)	(2303.24)	(2009.50)

RESERVE & SURPLUS

During the year under review there has been no changes in the capital reserve of the Company which stands as Rs.6,01,000/-.

SECURED LOANS

The total amount of Secured loans as per the figure in the Balance Sheet are Rs. 13242.70 Lacs including vehicle loan of Rs. 18.53 Lacs. The amount of Secured Loans include Current Maturities of Rs. 1344.07 Lacs, Interest accrued and due of Rs. 4246.53 Lacs and Installments due of Rs. 1885.44 Lacs, after which the net amount of Secured Loans is Rs. 5766.66 Lacs. The Secured loans except vehicle loans are availed from State Bank of India, Punjab National Bank and United Bank of India. State Bank of India has assigned its debt to Asset Reconstruction Company (India) Limited and United Bank of India has assigned its debt to UBARC..

FIXED ASSETS NET BLOCK

The Net Block of Fixed Assets decreased from Rs, 12219.24 lacs to Rs. 11316.72 lacs during the Financial Year ended on 31st March, 2017.

INVESTMENTS

the company has not made any investments during the year.

NET CURRENT ASSETS

The Net Current Assets has decreased from Rs.878.15 Lacs to Rs. 835.96 Lacs during the current Financial year ended on 31st March, 2017.

RESULTS OF OPERATIONS

The Company has total income of Rs. 1868.98 Lacs during the year under review which includes Operating revenue of Rs. 1835.37 Lacs and other income of Rs. 33.61 Lacs. The loss for the year is Rs.2303.24 Lacs as compared to loss of Rs. 2009.50 Lacs in the previous year. The company cannot recommend dividend due to losses.

RISKS, CONCERNS AND THREATS

Historically, building a good hotel has always been a huge task, but in these times of 21st century it is gigantic due to manifold increase in the prices of nearly each and everything that is required to make a hotel of the best standards. Hotels usually are a spectacular display of architecture combined with luxury at its best and conventionally are built in accord with the contemporary and futuristic designs with distinction for not only the exterior outlook but at the same time interiors are also given a chic and edgy styles with an intricate eye for details on every aspect. Hotel Industry is ever evolving, ever changing not by its nature but due to the need of an hour. New and progressive concepts like Boutique Hotels, Green Hotels, and Healthy Hotels have emerged in the market with time, leading to the evolution and growth of new trends in the hotel industry.

SEGMENT-WISE AND PRODUCT-WISE PERFORMANCE

The Company is engaged in the business of hotels and restaurants, which is its only segment. There is no identifiable secondary segment.

OUTLOOK FOR 2017-18

Though outlook for the industry is positive, but your company is facing stringent financial crunch. It is not able to repay its debts. Insolvency proceedings have been initiated against the company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

James Hotels Limited has adequate system of internal controls to ensure all assets are safeguarded and protected and loss from unauthorized use or disposing and that

transactions are authorised, recorded and reported correctly.

The internal control is supplemented by policies, guidelines and procedure and an extensive programme of internal and external audit and periodic review by management. The system is designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability for assets.

The Audit Committee review the quarterly, half yearly and annual financial statements before these are submitted to the Board and ensures compliance of internal control system.

The Internal Auditors of the Company had conducted exhaustive internal audits pertaining to all operational areas and their reports were placed before the Audit Committee for its review and recommendations.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Industrial relations with the employees were cordial. Company's key business strategy is to empower every employee to be a leader in its stride towards total quality. The Company draws its strength from a highly engaged and motivated workforce. The Company always strives to retain the best talent as per its remuneration policy. The Company has workforce of 186 employees.

CAUTIONARY STATEMENTS

Statements in the Management Discussion and Analysis are based on information available on different sites, certain assumptions and expectations of future events over which the Company exercise no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. Actual results could differ materially from those expressed or implied.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment. Keeping the same in mind, your Company continues to lay great emphasis on the highest standards of Corporate Governance which are an integral part of the Company's activities to ensure efficient conduct of the Company's affairs, without compromising its core values.

Pursuant to SEBI(LODR) Regulations, 2015, your Company has executed fresh Listing Agreement with the Stock Exchanges.

The Company has complied with the requirements of Corporate Governance as stipulated under Clause 49 of the Erstwhile Listing Agreement and those specified under the SEBI Listing Regulations, as applicable, the details of which are as under :

BOARD OF DIRECTORS

1. The Board consisted of five Directors as on 31st March, 2017. The Board comprises Executive, Non-Executive as well as Independent Directors. More than half of the Board of Directors comprises of Independent Directors of which one is a woman director, with Chairman being an Executive Director. The composition of the Board is in accordance with the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.
2. "Independent Director" i.e Directors who apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors or its Senior Management, which may affect the independence of the Director. During the year, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company.
3. All the Independent Directors have confirmed that they meet the criteria of independence as laid down under the Act and the SEBI Listing Regulations.
4. None of the Directors hold directorships in more than twenty Companies including ten public limited Companies. Further, none of them serve as Members of more than ten Committees nor are any of them serving as Chairman of more than five Committees, as per the requirements of the SEBI Listing Regulations. "Committees" for this include Audit Committee and the Stakeholders Relationship Committee as per the SEBI Listing Regulations.
5. None of the Directors serve as Independent Directors in more than seven listed

Companies.

6. During the Year 2016-17, the Board met **Seven** times on 30.05.2016, 06.08.2016, 20.08.2016, 15.10.2016, 14.11.2016, 10.02.2017 and 27.03.2017. The maximum time gap between any two meetings was not more than four calendar months. The necessary quorum was present for all the meetings. As required under the SEBI Listing Regulations, all the necessary information was placed before the Board from time to time. A detailed explanation in the form of a table is given on next page for ready reference.
7. None of the Directors are related to each other except Mr. Haravtar Singh Arora and Mr. Ajit Pal Singh. Mr. Ajit Pal Singh being a nephew of Mr. Haravtar Singh Arora.
8. The Company has an appropriate induction programme for new Directors and an ongoing familiarization programme with respect to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. The details of the familiarization programme are disclosed on the Company's website :www.jameshotels.co.in.
9. The Independent Directors of the Company are paid sitting fees for attending the meetings of the Board and meetings of the Committees.
10. The Company has adopted a Code of Conduct for its Directors, Senior Management and all the employees of the Company. Due Compliance of the same is affirmed by all the employees, Senior Management and Directors.
11. Other than the transactions entered into in ordinary course of business, the Company has not entered into any materially significant transaction which could have a potential conflict between the Company and its Promoters, directors, Management and/or relatives.
12. The Company has established a Vigil Mechanism / Whistle Blower Policy to enable stakeholders to report unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The Policy provides adequate safeguards against victimization. The Whistle Blower Policy has been placed on the Company's Website www.jameshotels.co.in.

Name	Category	Board Meeting attendance during tenure of directorship		No. of other Directorship in Outside Companies
		Held	Attended	
Mr.Haravtar Singh Arora	Promoter & Managing Director	7	6	Nil
Mr.Neeraj Mohindroo	Non-Executive & Independent Director	7	7	Nil
Mr. Ajit Pal Singh	Promoter Director	7	7	Nil
Mr. Amit Julka	Non-Executive & Independent Director	7	7	Nil
Ms. Ronica Bedi Appointed w.e.f 14.11.2016	Non- Executive & Independent Director	3	3	Nil
Ms. Amrit Pal Bedi Resigned w.e.f. 1 st Oct 2016	Non- Executive & Independent Director	3	2	Nil

COMMITTEES OF THE BOARD :

Your Company has following Board level Committees :

1. Audit Committee
2. Shareholders Grievance Committee
3. Remuneration and Nomination Committee

1. AUDIT COMMITTEE:

As on 31st March, 2017, the Audit Committee comprised of Mr. Neeraj Mahindroo, Chairman and Mr. Amit Julka, Mr. Haravtar Singh Arora , Ms. Amrit Pal Bedi, Members. Mr. Neeraj Mahindroo possesses required financial and accounting knowledge. Chairman of Audit Committee was present at the Annual General Meeting.

Meetings Held during the Year

During the financial year 2016-17, 4 (four) meetings of the Audit Committee were held during the year 30.05.2016, 06.08.2016, 14.11.2016 and 10.02.2017.

Terms of Reference

The terms of reference of the Audit Committee are in consonance with the Regulation 18 of the Listing Regulations, 2015 as well as Section 177 of the Companies Act, 2013 and are as under:

- * Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- * Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- * Reviewing with management the annual financial statements before submission to the Board focusing primarily on:
 - Any change in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumptions.
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the Company of material nature, with Promoters or the management, their subsidiaries or relatives. That may have potential conflict with the interests of Company at large.
- * Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- * Reviewing the adequacy of internal audit function.
- * Discussing with internal auditors on 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 the external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- * Reviewing the Company's financial and risk management policies.
- * To look into there as on s for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

The details of all significant transactions with related party are periodically placed before the Audit Committee. Related party transactions are disclosed in the Notes to Accounts.

2. REMUNERATION AND NOMINATION COMMITTEE

As on 31st March 2017, the Remuneration and Nomination Committee of the Company comprises of three Independent Directors namely Ms. Amrit Pal Bedi, Chairman, Mr. Amit Julka, Mr. Neeraj Mohindroo and one Promoter Director Mr. Ajit Pal Singh, Members. Ms. Ronica Bedi has replaced Ms. Amrit Pal Bedi as member after her appointment.

The terms of reference and the powers of the Remuneration and Nomination Committee are in conformity with the provisions of Regulation 19 of Listing Regulations, 2015 and Section 178 of the Companies Act, 2013 including Remuneration Policy of the Company.

Remuneration Policy

The Board on the recommendation of the Remuneration and Nomination Committee formulated the policy relating to the remuneration of the Directors, key managerial personnel and other employee in compliance with the provisions of the Companies Act, 2013 and the Listing Agreement.

During the year, 01 meeting of the Committee was held. Independent Directors are being paid Sitting Fees of Rs. 10,000/- for each Board Meeting and of Rs. 5000/- for each Committee Meetings. The Details of sitting fees paid(excluding Service tax)to the Independent Directors during the year 2016-17 are as under:

Sr.	Name of Director	Sitting Fee Paid for Rs.	
		Board Meetings	Committee Meetings
1	Mr. Amit Julka	50000	30000
2	Mr. NeerajMahindroo	70,000	55000
	Total	120000	85000

Ms. Amrit Pal Bedi & Ms Ronica Bedi have forgone to receive the sitting fees for the Board & Committee meetings. She had not accepted any sitting fees during the financial year 2016-17.

3. SHAREHOLDER'S/ INVESTORS GRIEVANCE COMMITTEE

Composition

The Shareholders/Investor's grievance committee of the Board presently comprises of Four Directors namely Mr. Amit Julka (Chairman), Mr. Neeraj Mohindroo, Mr. Ajit Pal Singh and Ms. Amrit Pal Bedi, Members of the Committee. Ms Ronica Bedi has appointed as member in place of Ms. Amrit Pal Bedi after her appointment.

Terms of Reference

The Committee, inter alia, approves issue of duplicate share certificates and oversees and reviews all matters connected with transfer of shares of the Company. The Committee also looks into redressal of investors complaints related to transfer of shares, non- receipt of Balance sheet etc. The Committee also oversees the performance of Registrar and Transfer agent of the Company, and recommends measures for overall improvement in investor services. The Committee also monitors implementation and compliance of Company's Code of Conduct for prohibition of Insider Trading in pursuance of SEBI(Prohibition of Insider Trading) Regulations, 1992. M/s Skyline Financial Services Private Ltd. has been acting as Registrar and Transfer Agent of the Company.

GENERAL BODY MEETINGS:

a) Location and time of previous three Annual General Meetings:

Year	Venue	Date	Time	No. of Special resolutions passed
2015-16	Indira Holiday Home, Sector-24-B, Chandigarh	30-09-2016	11.00 A.M.	Nil
2014-15	Indira Holiday Home, Sector-24-B, Chandigarh	30-09-2015	11.00 A.M	2
2013-14	Indira Holiday Home, Sector-24-B, Chandigarh	30-09-2014	10.00 A.M	2

b) No Extra Ordinary General Meetings of the members was held during the year 2016-17.

c) POSTAL BALLOT

No Resolution was passed through postal ballot during the Financial Year ended 31.03.2017.

DISCLOSURES

i) Related Party Transactions :

In compliance with Accounting Standard – 18 and the Companies Act, 2013, the disclosures in respect of Related Party and transactions pertaining to related parties are given under Notes to Accounts to the Balance sheet as at 31st March, 2017 and the Profit & Loss Account for the Period ended on that date.

The Policy on Related Party Transactions is placed on Company's website www.jameshotels.co.in

ii) Accounting Treatment:

Suitable disclosures have been made in the Financial Statements, together with the Management's explanation in the event of any treatment being different from that prescribed under Accounting Standards 29.

iii) Management:

Management Discussion and Analysis Report comprising of all information as prescribed under Regulation 34 read with Schedule V Listing Regulations, 2015 forms part of the Annual Report.

iv) Conflict of Interest:

Disclosures have been made by the Senior Management relating to all material, financial and commercial transactions with personal interests, if any. Based on the declarations made, no transaction was in conflict with the interest of the Company.

v) CEO/CFO Certification:

Presently the board of the company is suspended pursuant to order of NCLT & resolution professional is managing the affairs of the company. CFO of the company has also resigned. Resolution professional is making all efforts to comply with the requirements of LODR regulations.

MEANS OF COMMUNICATION:

The Quarterly, Half Yearly and Annual Results of the Company's performance are published in leading dailies. The same is also submitted to Stock Exchanges under the Listing Regulations. The results and other important information is also published on the Company's website :www.jameshotels.co.in.

GENERAL SHARE HOLDER'S INFORMATION:

i) Annual General Meeting

Date : Wednesday, 27th December, 2017
 Time : 10.00 A.M.
 Venue : INDIRA HOLIDAY HOME, Sector-24-B, Chandigarh

ii) Financial Calendar

Financial Year : 1st April, 2016 to 31st March, 2017

Financial Calendar for the year 2016-17

Results for quarter ending 30 th June, 30 th September, 31 st December	Within 45 days from the end of the quarter
Audited Yearly Results	Within 60 days from the end of the financial year

iii) Date of Book Closures

The Register of Members and Share Transfer Register have remained closed from 24th December, 2017 to 27th December 2017 (both days inclusive) for the purpose of Annual General Meeting.

iv) Dividend Payment Date: Not Applicable

v) Listing on Stock Exchanges and Stock Code

The Company's equity shares are listed on the Bombay Stock Exchange Limited with stock code 526558. The ISIN No. of the Company is **INE510D01014**. The shares are traded on Bombay Stock Exchange Ltd w.e.f. 29.01.2010.

vi) Market Price Data

MONTH	OPEN	HIGH	LOW	CLOSE	VOLUME
April, 16	30.50	32.55	27.75	27.75	1,400
May, 16	27.00	31.00	26.75	31.00	520
June, 16	29.50	33.60	24.05	28.25	4,096
July, 16	27.00	28.00	23.40	24.90	6,665
August, 16	26.00	27.00	19.55	22.00	10,078
September, 16	23.00	28.90	23.00	28.90	16,350
October, 16	30.30	37.55	30.30	35.70	6,672
November, 16	33.95	34.65	26.20	27.50	4,891
December, 16	27.95	28.00	25.00	26.00	2,022
January, 17	25.00	25.00	22.05	24.00	557
February, 17	23.00	25.55	22.05	24.20	1,372
March, 17	25.40	25.40	24.15	24.15	3

VII) Compliance Officer: (Presently there is no CS in the company.) RP is looking after the compliance. Contact No. : 0172-6600053

VIII) Registrar and Transfer Agents (RTA)

M/s Skyline Financial Services Private Limited has been acting as the Registrar and Transfer Agent of the Company .

IX) Share Transfer System

The Share Certificates in physical form are generally processed daily and transferred within 15 days from the date of receipt, if the documents are proper and valid in all respects. Presently, the share transfer requests lodged with the Company / RTA are processed by Registrar and Transfer Agent (RTA) and approved by Shareholders/ Investors Grievance Committee which meets depending upon the requirement and the minutes of the Committee Meetings are placed regularly at the Board Meeting for their noting. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with the stock exchanges and files a copy of the certificate with the stock exchanges.

X) Distribution of shareholding

By ownership, as on 31st March, 2017

Category	No. of Shares Held	%age of Shareholding
A. Promoters Holding		
1. Indian Promoters	--	--
Foreign Promoters	34,11,430	42.64%
2. Person acting in concert		
Relatives/Friends & Associates	8,24,840	10.31%
SubTotal	42,36,270	52.95%
B Non-Promoters Holding		
3 Institutional Investors	1100	0.01%
Others		
a. Private Corporate Bodies	367624	4.60%
b Indian Public	3395506	42.44%
Sub Total	37,64,230	47.05%
Grand Total	80,00,500	100.00%

Distribution of shareholding as on 31st March, 2017

No. of Share	No. of holders	% of share holders	No. of Share holding	Voting strength(%)
Upto 5000	2136	71.34	5708210	7.13
5001 to 10000	575	19.21	4363730	5.45
10001 to 20000	173	5.78	2721960	3.4
20001 to 30000	25	0.84	625370	0.78
30001 to 40000	12	0.04	439600	0.55
40001 to 50000	12	0.04	534300	0.67
50001 to 100000	15	0.05	1103000	1.38
100000 & above	46	1.54	64508830	80.63
Total	2994	100	80005000	100

XI) Shares held in physical and dematerialized form

The Company's shares are available for Dematerialization on National Securities Depository Limited (NSDL) & Central Securities Depository Limited (CDSL). Out of total shareholding, 56,71,720 Equity Shares representing 70.89% of the paid-capital have of are been dematerialized by investors up to 31st March, 2017.

XII. Investor's Grievances

The company has constituted a Shareholder's/Investor Grievance's Committee to look in to and redress shareholders and investors complaints.

Designated Email Id for handling investors grievances

csjameshotel@gmail.com

XIII) Registered Office

Block10, Sector17-A, Chandigarh-160017

Address for Correspondence

Block10, Sector17-A, Chandigarh-160017

XIV) Address for Shares Transfer and related operations

Share transfer and related operations for the Company are conducted by the Registrar and Share Transfer Agents having their office at:

Skyline Financial Services Private Limited,

'D-153A, 1st Floor, Phase-1, Okhla Industrial Area,
New Delhi – 110020.'
Ph: 011-26812683, Fax : 011-26812682
E-mail: admin@skylinerta.com

XV) Code of Conduct

The Board of directors is suspended. Presently there is no CFO and CS in the company. In the present circumstances Resolution Professional is doing his best to comply with various provisions of Companies Act, and LODR regulations.

B. SEHGAL & ASSOCIATES
Company Secretaries

SECRETARIAL AUDIT REPORT
for the Financial Year ended March 31, 2017

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

To
The Members,
James Hotels Limited
Block No. 10, Sector-17,
Chandigarh, 160017

We have conducted the Secretarial Audit of the Compliance of applicable Statutory Provisions and the adherence to Good Corporate Practices by James Hotels Limited (hereinafter called the 'Company') for the year ended March 31, 2017 (the 'audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has during the audit period 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, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the "Act") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended on March 31, 2017:

- (I) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investments and;

The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:

- (a) Food Safety and Standards Act, 2006,
- (b) Food Safety and Standards Rules, 2011,
- (c) Public Performance License

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

- (I) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Company has defaulted in repayments of dues to the banks namely State Bank of India (assigned to Asset Reconstruction Company (India) Limited), Punjab National Bank and Union Bank of India.
2. Central Govt. has rejected the application for payment of remuneration to Managing Director of the Company. The Company proposes to approach the members and file a fresh application to Central Govt. for its approval.
3. Intimation to Stock Exchange has not been given for change in Secretarial Auditor and appointment/cessation of Director within the time limit prescribed by regulation 30(6) read with Schedule III of SEBI (LODR) Regulations, 2015.
4. There was an inadvertent delay in publishing of Financial Results in the newspaper for the period ended 31st March 2017.
5. The Company has not framed Policy on determination of materiality with board meeting approval and no person authorized and contact details not mentioned in website as per SEBI (LODR) Regulations, 2015.
6. The Company has not maintained disclosure on website for 5 years and archival policy as per Regulation 30 of SEBI (LODR) Regulations, 2015.
7. The Company has given information to Stock Exchange regarding loss of share certificates and issue of duplicate certificates with a delay of 4 days from the time limits specified in SEBI (LODR) Regulations, 2015.
8. The Company has not passed the Resolution for appointment of Internal Auditor and neither filed form MGT-14 with ROC for the same.
9. There are pending litigations against the Company under Section 241-242 of the Companies Act, 2013 and various other laws.
10. There are minor discrepancies in the preparation of Minutes of Board Meetings, Committee Meetings and Annual General Meeting in relation to Secretarial Standards-1 and Secretarial Standards-2.
11. The Company has not taken note of the Certificate of Compliance of the Conditions of Corporate Governance under Chapter IV of SEBI (LODR) Regulations, 2015 in the Board Meeting held after the date of issue of Certificate.
12. Nomination of Appointment of Director has not been made in the meeting of Nomination and Remuneration Committee with regard to appointment of Independent Women Director.
13. Internal Audit Report has not been considered in the meeting of Audit Committee.

14. 50% of Public Shareholding is not in Demat mode.
15. The Company is yet to pay the fee to MCA for increase in Authorized Share Capital from Rs. 14,00,00,000 to Rs. 52,00,00,000 w.e.f 14.12.2011. The matter is sub judice.
16. The Company has not registered itself under the following laws:
 - i. Contract Labour (Regulation and Abolition) Act, 1970
 - ii. Walki Talki license

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 except as mentioned in the above cited observations.

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

All decisions of the Board of Directors are carried through and are captured and recorded as part of the minutes. There were no dissenting views.

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. For this purpose reliance has been placed on the Compliance Certificates and representations given by the Company from its various departments as part of the Company's Compliance Management and Reporting System.

We further report that during the Audit Period the Company has followed specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. There was an attempt by the lending banks to take possession of the Hotel (Company's Unit) on 26.08.2016. That day the Company's petition was heard by the Hon'ble High Court of Punjab and Haryana and the Company was granted a stay against the possession of the Property of the Company till 31st August 2016.
2. *Punjab National Bank had filed an application with Hon'ble National Company Law Tribunal for initiation of the Insolvency Proceedings against the Company on

07.04.2017. The Hon'ble NCLT vide its Order dated 08.05.2017 appointed Mr. Navneet Gupta, CA as the Insolvency Resolution Professional and accordingly the powers of Board of Directors were suspended.

3. *The Company received intimation from Registrar of Companies, Punjab and Chandigarh, Chandigarh vide letters no. ROC/CH/Charge/CHG-1/1126 and ROC/CH/Charge/CHG-1/2526 dated 13.07.2017 and 04.08.2017 respectively regarding assignment of Charge from Union Bank of India to UV Asset Reconstruction Company Limited vide assignment agreement dated 29.03.2017 (E-Form CHG-1 filed vide SRN G47996236 dated 11.07.2017).
4. *Assignment of Charge (Charge ID: 10211340) from Punjab National Bank to Asset Reconstruction Company (India) Limited was registered by Registrar of Companies, Punjab and Chandigarh, Chandigarh vide approval letter dated 31.07.2017. The Hon'ble National Company Law Tribunal, Chandigarh Bench, Chandigarh dismissed the petition vide order CP(IB) No.15/Chd/CHD/2017 dated 04.10.2017 regarding this matter.

For B. Sehgal & Associates
Practicing Company Secretary

Bunny Sehgal
M. No.: 39598
CP No.:
15161

Date: 13.11.2017
Place: Ambala City

Note: *Event occurred after the Audit Period.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A to Secretarial Audit Report

To
The Members,
James Hotels Limited
Block No. 10, Sector-17,
Chandigarh, 160017

1. The compliance of provisions of all laws, rules, regulations, standards applicable to James Hotels Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. 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 check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we have followed, provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
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 B. Sehgal & Associates
Practicing Company Secretary

Bunny Sehgal
M. No.: 39598
CP No.:
15161

Date: 13.11.2017
Place: Ambala City

INDEPENDENT AUDITORS' REPORT

The Members,
James Hotels Limited.

1. We have audited the accompanying financial statements of **James Hotels Limited** which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.
2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 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. 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 judgement 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.
3. 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.
4. 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.
5. 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 judgement, 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.

6. Attention is invited to the following points of Note '4' of the financial statements.
- i) Note 4.1 - suspension of the powers of the Board of Directors and vesting of management with Interim Resolution Professional by Hon'ble NCLT, Chandigarh.
 - ii) Note 4.2 - pending litigations/contingent liabilities against the Company.
 - iii) Note 4.3 - the Company has increased Authorised Share Capital from ₹ 140,000,000/- to ₹ 520,000,000/- by passing a special resolution dated 14th December, 2011 by way of postal ballot; however, the exact number of Equity Shares & Preference shares has not been specifically classified.
 - iv) Note 4.6 - defaults in repayment of dues to banks, assignment of loans granted by State Bank of India to Asset Reconstruction Company (India) Limited. United Bank of India, Punjab National Bank and Asset Reconstruction Company (India) Limited issued notices under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 against which the Company has preferred an appeal with Debt Recovery Tribunal; the matter is subjudiced. Provision for interest accrued, in absence of confirmation of balances by Banks, has been made on accrual basis.
 - v) Note 4.8 - non-payment of fee for increase in Authorised Share Capital.
 - vi) Note 4.13 - rejection of application, for approval of remuneration paid to the Managing Director, by the Central Government.
7. Net-worth of the Company has completely eroded; the management is of the opinion that the Company shall carry on its business as usual, hence the financial statements of the Company have been prepared on going concern basis; the appropriateness of the said basis is inter-alia dependent upon future performance and profitability and presently we are unable to express an opinion on the same.
8. Subject to paragraph 6 & 7 above, 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 inconformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the year ended on that date.
9. As required by the Companies (Auditor's Report) Order, 2016 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.
10. 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 & 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;

- (e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) with respect to the adequacy of 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:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer notes 4.1, 4.2, 4.5 & 4.6).
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - iv. the Company has provided requisite disclosures, in its financial statements, as regards its holdings and dealings in Specified Bank Notes, as defined in the Notification S.O. 3407(E) dated 08th November, 2016 of the Ministry of Finance, during the period from 08th November, 2016 to 30th December, 2016, and these are in accordance with the books of accounts maintained by the Company (Refer note 4.20).

**For VASUDEVA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. - 022239N**

**Dated : 01st November, 2017
Place : Chandigarh**

**PRATEEK PURI)
PARTNER
Membership No - 524431**

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 9 of our report of even date on accounts of James Hotels Limited for the year ended 31st March, 2017).

- i.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a programme for phased physical verification of all its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given by the management & on the basis of examination of the records of the Company, the Title Deed of immovable property (Land - on 99 years lease) is held in the name of the Company (Formerly Mehfil Restaurants & Hotels Ltd.)
- ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. According to the information and explanations given to us, the Company has neither granted loans or provided guarantees or securities nor made investments or provided guarantees or securities to the parties covered under Sections 185 & 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public.
Unsecured loan taken from the Promoter, in earlier years, in pursuance of the stipulations of the Banks had been fully repaid, by the Company without the consent of the lending Banks.
- vi. The Central Government has not prescribed maintenance of cost records under Section 148 of the Companies Act, 2013, *read with* the Companies (Cost Records and Audit) Amendment Rules, 2016. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. a) According to the information & 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, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Tax, Cess and other material statutory dues, have not 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, Employees State Insurance Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Tax, Cess and other material statutory dues, were in arrears as at 31st March, 2017 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 Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Tax and Cess which have not been deposited with appropriate authorities on account of any dispute, except as mentioned herein below:

<u>Name of the Statute</u>	<u>Nature of dues</u>	<u>Amount Involved</u>	<u>Amount deposited under protest</u>	<u>Assessment Year</u>	<u>Forum where dispute is pending</u>
Income Tax Act, 1961	Penalty (u/s. 271D)	17,500,000	2,625,000	2012-2013	CIT (Appeals), Chandigarh

- viii. According to the information & explanations given to us and on the basis of verification of records, the Company has not defaulted in repayment of dues to Financial Institution; however the Company has defaulted in repayment of principal amount and interest due to State Bank of India, Punjab National Bank and United Bank of India; resultantly the accounts were classified as NPA; the amount of default remained unconfirmed (*refer note 4.6*).

The Company has not borrowed/raised Loans from the Government and has not issued any debentures

- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans availed by the Company, were prima-facie, applied by the Company for the purposes for which loans were obtained.
- x. According to the information & explanations given to us, no material 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. According to the information and explanations given to us and based on our examination of the records of the Company, Managerial Remuneration paid by the Company is in violation of Part II of Schedule-V of the Companies Act, 2013 due to default in repayment of dues to Banks.
The Company has not taken the prior approval of the Central Government, as per the applicable provisions of Section 197 read with Schedule -V of the Companies Act, 2013 and Application for approval of Remuneration paid to the Managing Director has been rejected by the Central Government, vide its order dated 15th March, 2017 (*refer note 4.13*).
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our

examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. According to the information and explanations given 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, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For VASUDEVA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. - 022239N**

**Dated : 1st November, 2017
Place : Chandigarh**

**(PRATEEK PURI)
PARTNER
Membership No. - 524431**

“ANNEXURE B” TO THE INDEPENDENT AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of **James Hotels Limited** as of 31st March, 2017 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 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.

Auditor's 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 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 judgement, 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 31st March 2017, 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 VASUDEVA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. - 022239N**

**Dated : 01st November, 2017
Place : Chandigarh**

**(PRATEEK PURI)
PARTNER
Membership No. - 524431**

**JAMES HOTELS LIMITED
BALANCE SHEET
AS AT 31ST MARCH, 2017**

<u>NOTE</u>	<u>As at 31st March, 2017</u>		<u>As at 31st March, 2016</u>	
	₹	₹	₹	₹
<u>EQUITY & LIABILITIES</u>				
Shareholders' Funds				
(a) Share Capital	1.1	80,005,000		80,005,000
(b) Reserves & Surplus	1.2	(618,681,324)		(388,356,883)
Share Application Money				
(pending allotment)		375,140,000		375,140,000
Non Current Liabilities				
(a) Long-term Borrowings	1.3	576,666,484		709,456,157
(b) Other Long-term Liabilities	1.4	4,926,234		4,926,234
(c) Long-term Provisions	1.5	2,812,620		1,576,260
Current Liabilities				
(a) Trade Payables	1.6	26,889,282		25,534,597
(b) Other Current Liabilities	1.7	771,324,678		505,294,524
	TOTAL ₹	<u>1,219,082,974</u>		<u>1,313,575,889</u>
<u>ASSETS</u>				
Non Current Assets				
(a) Fixed Assets	1.8			
(i) Tangible Assets		1,131,523,244	1,221,175,011	
(ii) Intangible Assets		<u>148,744</u>	<u>748,875</u>	1,221,923,886
(b) Long-term Loans & Advances	1.9	1,915,144		1,937,144
(c) Other Non-Current Assets	1.10	1,900,000		1,900,000
Current Assets				
(a) Inventories	1.11	20,615,310		6,477,670
(b) Trade Receivables	1.12	18,710,277		19,999,358
(c) Cash & Bank Balances	1.13	29,809,882		45,597,253
(d) Short-term Loans & Advances	1.14	4,433,515		9,876,535
(e) Other Current Assets	1.15	10,026,859		5,864,043
	TOTAL ₹	<u>1,219,082,974</u>		<u>1,313,575,889</u>

Significant accounting policies 3

Other notes to accounts 4

The notes referred to above form an integral part of the financial statements.

"AUDITOR'S REPORT"
In terms of our attached report of even date.

NAVNEET GUPTA
(Resolution Professional)

For VASUDEVA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. - 022239N

YOGDUTT
(Financial Controller)

PUJA SHARMA
(Company Secretary)

Date : 01st November, 2017
Place : Chandigarh

(PRATEEK PURI)
PARTNER
Membership No. - 524431

JAMES HOTELS LIMITED
STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>NOTE</u>	<u>For the year ended</u> <u>31st March, 2017</u>	<u>For the year ended</u> <u>31st March, 2016</u>
		₹	₹
REVENUE			
Revenue from operations	2.1	176,196,861	195,099,418
Other Operating Revenues	2.2	7,339,748	8,402,074
Other Income	2.3	<u>3,361,279</u>	<u>1,785,467</u>
Total Revenue		186,897,888	205,286,959
EXPENSES			
Cost of materials consumed	2.4	27,146,847	33,687,244
Employee Benefits Expense	2.5	55,904,274	53,046,185
Finance Costs	2.6	145,676,964	130,113,665
Depreciation & Amortisation Expense	1.8	93,314,875	115,821,173
Other Expenses	2.7	<u>97,567,112</u>	<u>73,568,393</u>
Total Expenses		419,610,072	406,236,660
Loss before exceptional items & tax		(232,712,184)	(200,949,701)
Exceptional Items			
-Profit on sale of fixed assets		902,168	
-Reversal of Directors' Remuneration		<u>1,500,000</u>	0
Loss before tax		(230,310,016)	(200,949,701)
Tax expense			
-Earlier years		14,425	0
Loss for the year		(230,324,441)	(200,949,701)
Earnings per Equity share			
-Basic & Diluted	4.12	(28.79)	(25.12)

Significant accounting policies 3

Other notes to accounts 4

The notes referred to above form an integral part of the financial statements.

"AUDITOR'S REPORT"
In terms of our attached report of even date.

For VASUDEVA & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Registration No. - 022239N

NAVNEET GUPTA
 (Resolution Professional)

YOGDUTT
 (Financial Controller)

PUJA SHARMA
 (Company Secretary)

Date : 01st November, 2017
 Place : Chandigarh

(PRATEEK PURI)
 PARTNER
 Membership No. - 524431

JAMES HOTELS LIMITED**NOTE 1.1 : SHARE CAPITAL**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
1.1.1 Authorised				
-14,000,000 Equity shares of ₹ 10/- each	140,000,000		140,000,000	
-38,000,000 Equity shares and/or Preference shares of ₹ 10/- each	380,000,000	<u>520,000,000</u>	380,000,000	<u>520,000,000</u>
1.1.2 Issued, Subscribed & Paid up				
-8,000,500 Equity shares of ₹ 10/- each, fully paid up		80,005,000		80,005,000
TOTAL ₹		<u>80,005,000</u>		<u>80,005,000</u>

1.1.3 Details of shareholders holding more than 5% equity shares as at year end

(a) Equity shares of ₹ 10/- each, fully paid up

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	%age of shareholding	No. of shares	%age of shareholding
(i) Ajmair Singh Bhullar	2,116,170	26.45	2,116,170	26.45
(ii) Haravtar Singh Arora	1,295,260	16.19	1,295,260	16.19
(iii) Ajit Pal Singh	410,455	5.13	410,455	5.13
TOTAL	<u>3,821,885</u>	<u>47.77</u>	<u>3,821,885</u>	<u>47.77</u>

1.1.4 Reconciliation of share capital outstanding as at the beginning and at the end of the year

During the current year and in the previous year, there has been no movement in the number of equity shares outstanding.

1.1.5 30% share capital of the Company in the name of two promoters have been pledged with banks.

NOTE 1.2 : RESERVES & SURPLUS

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
1.2.1 Capital Reserve				
-Balance brought forward		601,000		601,000
1.2.2 Revaluation Reserve				
-Balance brought forward		184,147,450		184,147,450
1.2.3 Deficit				
Statement of Profit & Loss				
-Balance brought forward	(573,105,333)		(372,155,632)	
-Add : Net Loss for the year	(230,324,441)	(803,429,774)	(200,949,701)	(573,105,333)
TOTAL ₹		<u>(618,681,324)</u>		<u>(388,356,883)</u>

Date : 01st November, 2017

Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 1.3 : LONG-TERM BORROWINGS**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
1.3.1 Secured				
Term Loans				
-From : Banks	1,179,843,379		1,049,713,702	
Funded Interest Term Loans				
-From : Banks	142,574,117		128,445,152	
Vehicle Loans				
-From : Bank	235,722		677,464	
-From : Non-Banking Financial Company	1,617,354	1,853,076	0	
		1,324,270,572	1,178,836,318	
-Less: Current maturities	134,407,027		87,369,742	
Interest accrued & due	424,652,633		280,393,991	
Installments due * (refer Note 1.7)	188,544,428	747,604,088	101,616,428	709,456,157
TOTAL ₹		576,666,484		709,456,157

* principal repayments due to the banks.

Notes :

- Term Loans & Funded Interest Term Loans from State Bank of India, Punjab National Bank & United Bank of India are secured, pari passu, by first charge on the entire fixed assets including equitable mortgage of leasehold rights of commercial hotel land (measuring 9,602sq. yards) along with building constructed thereon at Block No. 10, Sector 17A, Chandigarh current assets of the Company, collateral security pari passu, by first charge on 30% share capital of the Company in the name of two promoters already pledged in favour of State Bank of India and personal guarantee of two promoters of the Company.

State Bank of India assigned their debt to the Asset Reconstruction Company (India) Limited, Mumbai and charge was modified in their favour on 20.01.2015.

- Vehicle Loans from ICICI Bank and Toyota Financial Services India Ltd. are secured against specified vehicles.
The rate of interest on the loans ranges from 9.00% to 16.00% per annum.

Date : 01st November, 2017

Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 1.4 : OTHER LONG-TERM LIABILITIES**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
Security Deposits	290,000		290,000	
Retention Money	4,636,234		4,636,234	
TOTAL ₹		4,926,234		4,926,234

NOTE 1.5 : LONG-TERM PROVISIONS

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
Gratuity				
-Balance brought forward	1,576,260			
-Add : Current year's provision	<u>1,546,612</u>	3,122,872		
-Less: Reversal of Previous year provision	1,576,260			
-Less: Paid during the year	<u>23,712</u>	<u>1,599,972</u>	1,522,900	1,576,260
Leave Encashment				
-Balance brought forward	0			
-Add : Current year's provision	<u>2,356,915</u>	2,356,915		
-Less: Paid during the year		<u>1,067,195</u>	1,289,720	0
TOTAL ₹		<u>2,812,620</u>		<u>1,576,260</u>

NOTE 1.6 : TRADE PAYABLES

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
For Supplies & Services		26,889,282		25,534,597
TOTAL ₹		<u>26,889,282</u>		<u>25,534,597</u>

Date : 01st November, 2017

Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 1.7 : OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
Current Maturities				
-Long-term Borrowings	134,407,027		87,369,742	
Interest accrued & due	424,652,633		280,393,991	
Installments due (refer Note 1.3)	<u>188,544,428</u>	747,604,088	<u>101,616,428</u>	469,380,161
Interest accrued but not due		11,657		0
Advance				
From Customers		2,262,416		2,362,823
Creditors				
For Capital Goods		6,294,799		6,294,799
Taxes & Expenses Payable		9,244,471		14,227,133
Tax deducted at source		614,878		608,720
Other Liabilities		5,292,369		12,420,888
TOTAL ₹		<u>771,324,678</u>		<u>505,294,524</u>

Date : 01st November, 2017

Place : Chandigarh

JAMES HOTELS LIMITED

NOTE 1.8: FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION/AMORTISATION			NET BLOCK	
	COST AS AT 01.04.2016	ADDITIONS/ (ADJUSTMENTS)	TOTAL	AS AT 01.04.2016	DURING THE YEAR	W.D.V. AS AT 31.03.2016	W.D.V. AS AT 31.03.2017
"A" Tangible Assets							
Land							
-Leasehold	224,925,915	0	224,925,915	0	0	224,925,915	224,925,915
Building	900,054,261	0	900,054,261	124,055,501	38,229,894	775,998,760	737,768,866
Furniture & Fixtures							
-Hotel	225,021,366	19,575	225,040,941	149,853,406	26,325,636	75,167,960	48,861,899
-Office	312,100	0	312,100	273,063	11,281	39,037	27,756
Plant & Machinery							
-Machinery & Equipment	277,943,517	341,928	278,285,445	134,809,158	27,203,772	143,134,359	116,272,515
-Office Equipment	1,832,948	688,898	2,521,846	1,592,101	251,459	240,847	678,286
-Computers	6,131,736	68,660	6,200,396	5,804,599	49,643	327,137	346,154
-Vehicles	5,228,355	2,178,748 (2,434,059)	4,973,044	3,887,359	643,059 (2,199,227)	1,340,996	2,641,853
TOTAL "A" : ₹	1,641,450,198	3,297,809 (2,434,059)	1,642,313,948	420,275,187	92,714,744 (2,199,227)	1,221,175,011	1,131,523,244
"B" Intangible Assets							
Computer Software	3,000,657	0	3,000,657	2,251,782	600,131	748,875	148,744
TOTAL "B" : ₹	3,000,657	0	3,000,657	2,251,782	600,131	748,875	148,744
"C" FIGURES FOR CURRENT YEAR : ₹ (A+B)	1,644,450,855	3,297,809 (2,434,059)	1,645,314,605	422,526,969	93,314,875 (2,199,227)	1,221,923,886	1,131,671,988
"D" FIGURES FOR PREVIOUS YEAR : ₹	1,642,277,128	2,173,727	1,644,450,855	306,705,796	115,821,173	1,335,571,332	1,221,923,886

Dated : 01st November, 2017
Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 1.9 : LONG-TERM LOANS & ADVANCES**

Particulars	<u>As at 31st March, 2017</u> ₹	<u>As at 31st March, 2016</u> ₹
(Unsecured considered good - unless otherwise stated).		
Deposits with Government Departments & Other Agencies	1,915,144	1,937,144
TOTAL ₹	<u>1,915,144</u>	<u>1,937,144</u>

NOTE 1.10 : OTHER NON-CURRENT ASSETS

Particulars	<u>As at 31st March, 2017</u> ₹	<u>As at 31st March, 2016</u> ₹
Unamortised Expenses *	1,900,000	1,900,000
TOTAL ₹	<u>1,900,000</u>	<u>1,900,000</u>

* represent fee for increase in Authorised Share Capital.

NOTE 1.11 : INVENTORIES

Particulars	<u>As at 31st March, 2017</u> ₹	<u>As at 31st March, 2016</u> ₹
(As taken, valued & certified by the management)		
Food & Beverages	4,296,425	2,937,550
Crockery & Cutlery	317,752	10,910
Linen & Clothing	14,321,322	1,523,090
House Keeping	1,154,018	1,136,420
Others	525,793	869,700
TOTAL ₹	<u>20,615,310</u>	<u>6,477,670</u>

NOTE 1.12 : TRADE RECEIVABLES

Particulars	<u>As at 31st March, 2017</u> ₹	<u>As at 31st March, 2016</u> ₹
(Unsecured considered good - unless otherwise stated).		
1.12.1 Exceeding six months	14,039,551	13,834,798
1.12.2 Others	4,670,726	6,164,560
TOTAL ₹	<u>18,710,277</u>	<u>19,999,358</u>

Date : 01st November, 2017

Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 1.13 : CASH & BANK BALANCES**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
1.13.1 Cash and cash equivalents				
Balance with banks current accounts	4,166,884		2,322,224	
Cash balances *	<u>4,794,182</u>	8,961,066	<u>23,822,395</u>	26,144,619
1.13.2 Other bank balances				
fixed deposits **		20,848,816		19,452,634
TOTAL ₹		<u>29,809,882</u>		<u>45,597,253</u>

* including cheques & drafts in hand ₹ 2,510/-).

** pledged as security with United Bank of India, State Bank of India & Punjab National Bank for bank guarantees in favour of Sales Tax Department and Director General of Foreign Trade, respectively.

NOTE 1.14 : SHORT-TERM LOANS & ADVANCES

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
For Supplies & Services	712,761		3,686,632	
Prepaid Expenses	850,116		2,119,112	
Staff	69,334		0	
Taxes Balance	553,219		1,054,346	
-with Excise & Custom Department	2,248,085		3,016,445	
TOTAL ₹		<u>4,433,515</u>		<u>9,876,535</u>

NOTE 1.15 : OTHER CURRENT ASSETS

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹	₹	₹	₹
Amount Recoverable (Unsecured considered good - unless otherwise stated). Exceeding six months	4,717,391		3,239,043	
Others	5,309,468		2,625,000	
TOTAL ₹		<u>10,026,859</u>		<u>5,864,043</u>

Dated : 01st November, 2017

Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 2.1 : REVENUE FROM OPERATIONS**

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Sales	63,956,657	83,118,505
Rooms Income	112,240,204	111,980,913
TOTAL ₹	176,196,861	195,099,418

NOTE 2.2 : OTHER OPERATING REVENUES

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Banquets & Other Income	6,713,255	6,842,925
Laundry Charges etc.	559,427	615,508
Commission & Incentives	67,066	943,641
TOTAL ₹	7,339,748	8,402,074

NOTE 2.3 : OTHER INCOME

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Interest earned	1,578,078	1,621,194
Miscellaneous	1,783,201	164,273
TOTAL ₹	3,361,279	1,785,467

Dated : 01st November, 2017
Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 2.4 : COST OF MATERIALS CONSUMED**

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	₹	₹	₹	₹
Food & Beverages				
Opening Stock	2,937,550		3,717,260	
Add : Purchases	<u>28,505,722</u>	31,443,272	<u>32,907,534</u>	36,624,794
Less : Closing Stock		4,296,425		2,937,550
TOTAL ₹		<u><u>27,146,847</u></u>		<u><u>33,687,244</u></u>

NOTE 2.5 : EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	₹	₹	₹	₹
Salaries & Wages (salaries & wages, leave encashment and gratuity)		48,835,512 *		44,750,147
Contribution to : -Provident Fund & Other Funds		3,384,634		3,368,302
Staff Welfare		3,684,128		4,927,736
TOTAL ₹		<u><u>55,904,274</u></u>		<u><u>53,046,185</u></u>

* inclusive of current year's provision of Gratuity (₹ 1,546,612/-) and net of reversal of previous year provision of Gratuity (₹ 1,576,260/-).

NOTE 2.6 : FINANCE COSTS

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	₹	₹	₹	₹
Interest -Banks/Non-Banking Financial Company		144,357,897		128,515,690
Bank Charges		1,319,067		1,597,975
TOTAL ₹		<u><u>145,676,964</u></u>		<u><u>130,113,665</u></u>

Dated : 01st November, 2017
Place : Chandigarh

JAMES HOTELS LIMITED**NOTE 2.7 : OTHER EXPENSES**

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	₹	₹	₹	₹
Operating Expenses				
-Consumable Stores	30,071,700		13,181,438	
-Power, Fuel & Electricity	20,631,248		17,908,387	
-Watch & Ward	3,110,265		3,033,269	
-Gardening, Cleaning & Sanitation	1,643,478		1,798,604	
-Others	<u>5,219,159</u>	60,675,850	<u>3,822,419</u>	39,744,117
Repairs & Maintenance				
-Building & Electricals	3,352,599		3,491,819	
-Furniture & Fixtures	535,702		78,175	
-Machinery & Equipment	4,246,573		3,659,781	
-Computers	1,864,679		467,859	
-Vehicles	<u>252,090</u>	10,251,643	<u>248,976</u>	7,946,610
Insurance		666,496		763,402
Rates & Taxes		5,808,417		6,074,742
Miscellaneous Expenses				
-Other Administrative Expenses	8,603,136 *		6,622,072	
-Travelling & Conveyance			2,974,080	
Directors	1,795,508			
Staff/Others	<u>1,448,847</u>	3,244,355		
-General Charges	365,359		1,261,590	
-Selling & Distribution Expenses	7,626,856 **		7,751,780	
-Directors' Sitting Fee	<u>205,000</u>	20,044,706	<u>310,000</u>	18,919,522
Payments to Auditor		120,000		120,000
TOTAL ₹		<u><u>97,567,112</u></u>		<u><u>73,568,393</u></u>

* inclusive of Legal & Professional Charges (₹6,427,506/-).

** inclusive of Business Promotion (₹5,475,026/-).

Dated : 01st November, 2017

Place : Chandigarh

JAMES HOTELS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2017

	<u>CURRENT YEAR</u> <u>31ST MARCH, 2017</u>	<u>PREVIOUS YEAR</u> <u>31ST MARCH, 2016</u>
	₹	₹
"A" CASH FLOWS		
(1) FROM OPERATING ACTIVITIES		
a) Loss before tax	-230,310,016	-200,949,701
Adjustments :		
Depreciation and amortisation	93,314,875	115,821,173
Exceptional items	-2,402,168	0
Interest earned	-1,578,078	-1,621,194
Interest paid/incurred (Net)	144,357,897	128,515,690
Profit from operating activities	<u>3,382,510</u>	<u>41,765,968</u>
b) Working capital changes :		
(Increase)/Decrease in Inventories	-14,137,640	831,170
(Increase)/Decrease in Trade Receivables	1,289,081	493,616
(Increase)/Decrease in Short-term Loans and Advances	4,388,674	-5,633,001
(Increase)/Decrease in Other Current Assets	-2,662,816	-1,347,000
(Increase)/Decrease in Long-term Loans and Advances	22,000	-43,000
Increase/(Decrease) in Other Long-term Liabilities	0	-320,688
Increase/(Decrease) in Trade Payables	1,354,685	-1,182,864
Increase/(Decrease) in Other Current Liabilities	-12,205,430	6,933,213
Increase/(Decrease) in Long-term Provisions	<u>1,236,360</u>	<u>393,163</u>
Cash generated from operations	-17,332,576	41,890,577
c) Direct taxes paid (net of refund)	1,039,922	0
Total "I"	<u><u>-16,292,654</u></u>	<u><u>41,890,577</u></u>
(II) FROM INVESTING ACTIVITIES		
a) Purchase of tangible assets/intangible assets/ capital work-in-progress (net)	-3,297,809	-2,173,727
b) Proceeds from sale of tangible assets/intangible assets/capital work-in-progress	1,137,000	0
c) Purchase of investments	0	0
d) Proceeds from sale of investments	0	0
e) Investments in subsidiaries/associates/ business ventures	0	0
f) Realisation of Long-term Loans and Advances from subsidiaries/associates/ business ventures	0	0
g) (Increase)/Decrease in Other Non-Current Assets	0	0
h) (Increase)/Decrease in Fixed Deposits	-1,396,182	-1,475,757
i) Dividend received	0	0
j) Interest received	1,578,078	1,621,194
Total "II"	<u><u>-1,978,913</u></u>	<u><u>-2,028,290</u></u>

CONTD. P/2.....

(III) FROM FINANCING ACTIVITIES

a) Proceeds from issue of Share Capital	0	0
b) Share application money (pending allotment)	0	0
c) Proceeds from Long-term Borrowings (net) (inclusive of interest accrued thereon)	145,445,911	104,819,961
d) Increase in Short-term Borrowings (net)	0	0
e) Redemption of Preference Shares	0	0
f) Repayment of Long-term Borrowings	0	0
g) Decrease in Short-term Borrowings (net)	0	0
h) Dividends paid (including distribution tax)	0	0
i) Interest and Other Finance Costs	-144,357,897	(128,515,690)
Total "III"	<u>1,088,014</u>	<u>-23,695,729</u>
"B" Net (decrease)/Increase in cash and cash equivalents (I+II+III)	-17,183,553	16,166,558
Add : Cash and cash equivalents at the beginning of the year	26,144,619	9,978,061
"C" Cash and cash equivalents at the end of the year	8,961,066	26,144,619
Cash and cash equivalents comprises of	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	<u>31ST MARCH, 2017</u>	<u>31ST MARCH, 2016</u>
	₹	₹
Cash & Bank Balances (As per Note 1.13)	29,809,882	45,597,253
Less : Fixed Deposits	20,848,816	19,452,634
	<u>8,961,066</u>	<u>26,144,619</u>

Note : Previous year figures have been regrouped/reclassified wherever necessary.

In terms of our attached report of even date.

For VASUDEVA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. - 022239N

NAVNEET GUPTA
(Resolution Professional)

(PRATEEK PURI)
PARTNER
Membership No. - 524431

YOGDUTT
(Financial Controller)

PUJA SHARMA
(Company Secretary)

Dated : 1st November 2017
Place : Chandigarh

JAMES HOTELS LIMITED
NOTE '3' : SIGNIFICANT ACCOUNTING POLICIES
(Forming part of Accounts)
FOR THE YEAR ENDED 31ST MARCH, 2017

3.1. Basis of Accounting

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical convention on accrual basis. These financial statements have been prepared to comply, in all material aspects, with the accounting standards as prescribed under Section 133 of the Companies Act and the presentation requirements as prescribed by the Schedule-III of the Companies Act, 2013 to the extent applicable.

3.2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires that management makes estimates and assumptions that affect the reported amounts of income and expenses of the year, the reported balance of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions. The difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

3.3. Fixed Assets

- Tangible Assets

Tangible Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment of assets, if any.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and net of Cenvat/VAT availed.

- Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation.

- Capital Work-in-Progress

Expenses incurred during construction/installation period are included under capital work-in-progress and allocated to relevant fixed assets in the ratio of cost of the respective assets on completion of construction/installation.

3.4 Depreciation/Amortisation

- Depreciation on tangible assets is provided on written down value method over the useful life of assets assigned to each asset in accordance with Schedule - II of the Companies Act, 2013.

- Residual value of assets is considered at 5% of the original cost of the assets.

- Depreciation on additions to fixed assets is calculated on month-end balances.

- Depreciation on assets sold & scrapped, during the year, is provided upto the month in which such fixed assets are sold or scrapped.

- Intangible Assets (i.e. Computer Software) have been amortised on straight line method pro-rata on month end balances over a period of five years in accordance with Accounting Standard -26 "Intangible Assets".

3.5. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

3.6. Valuation of Inventories

Inventories are valued at cost which is based on first-in first-out (fifo) method. Unserviceable/damaged/discarded stock and shortages are charged to the Statement of Profit & Loss.

3.7 Revenue Recognition

- Revenue from sale of goods is recognised when risk and rewards of ownership are transferred to the customers.
- Revenue from services is recognised when services are rendered and related costs are incurred.
- Other income is recognised on accrual basis unless otherwise stated.
- Insurance and other claims are accounted for on settlement of claims/on receipt.
- Revenue from sales/services are shown net of taxes, as applicable.

3.8. Employee Benefits

a) Short-term Employee Benefits :

Bonus is accounted for on accrual basis.

b) Post-Employment Benefits

(i) Defined Contribution Plans:

Contributions as required under the Statute/Rule are made to Employees' State Insurance & Provident Fund and charged to the Statement of Profit & Loss of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plans:

Gratuity is accounted for on accrual basis on the basis of actuarial valuation - the Company has not taken any Gratuity policy with Life Insurance Corporation of India or any other insurer covered under the specified provisions of the Income Tax Act, 1961.

c) Other Long-term Employee Benefits:

Leave Encashment, on the basis of actual computation, is accounted for on accrual basis, during the tenure of employment the payment in respect thereof is made by the Company from its own funds as per the past practice consistently followed by the Company.

d) Termination Benefits:

Termination benefits are recognised as an expense as and when incurred.

3.9. 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 to the extent that they relate to the period till such assets are ready to use. 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 the Statement of Profit & Loss.

3.10 Foreign Currency Transactions

-The Company accounts for the effects of difference in foreign exchange rates in accordance with Accounting Standard 11 as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

-Foreign currency transactions are recorded using the exchange rate prevailing on the date of transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit & Loss.

-Monetary assets and liabilities denominated in foreign currency are restated at the exchange rate prevailing at the year end. The resultant differences are recognised in the Statement of Profit & Loss.

3.11. Operating Lease

-Leases are classified as finance or operating leases depending upon the terms of the lease agreements. Assets held under finance leases are recognised as assets of the Company.

-Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit & Loss on a straight line basis.

3.12. Taxes on Income

-Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

-Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

-Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities.

3.13. Earnings Per Share (EPS)

-Annualised basic earnings per equity share is arrived at based on net profit/(loss) attributable to equity shareholders to the basic weighted average number of equity shares outstanding.

-Annualised diluted earnings per equity share is arrived at based on adjusted net profit/(loss) attributable to equity shareholders to the adjusted weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares; except where the results are anti-dilutive. At present the Company does not have any dilutive potential equity shares.

3.14. Cash Flow Statement

- The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard (AS) 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.
- Cash and cash equivalents presented in the Cash Flow Statement consists of cash in hand, cheques & drafts in hand and balances in current accounts.

3.15. Contingencies and Provisions

A provision is recognised when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure 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 estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

NOTE 4 : OTHER NOTES TO ACCOUNTS
(Forming part of Accounts)
FOR THE YEAR ENDED 31ST MARCH, 2017

- 4.1. Hon'ble NCLT, Chandigarh, vide its order dated 08th May, 2017, on the petition filed by Punjab National Bank, under Insolvency and Bankruptcy Code, 2016, has suspended the powers of the Board of Directors of the Company; accordingly management has been vested with CA Navneet Gupta (appointed as Interim Resolution Professional). The financial statements of the Company have been prepared, on going concern basis, and signed by Resolution Professional, Company Secretary and Chief Financial Officer of the Company.

The proceedings initiated against the Company, in all other pending cases, will be kept on hold and status-quo will be maintained in terms of the order of Hon'ble NCLT, Chandigarh.

The Corporate Insolvency resolution process shall be completed within a period of 180 days from the date of admission of the application to initiate such process.

The Company has preferred an appeal with National Company Law Appellate Tribunal (NCLAT), against the order passed by NCLT.

That the audited results for financial year ended 31st March, 2017 reflect the financial position, results of operation and cash flows of the Company, prior to the period Interim Resolution Professional took over the management of the Company.

The Resolution Professional has relied upon and assumes the accuracy/veracity of data set out in the financial statements, which are in conformity with generally accepted accounting standards, Companies Act and the related rules and regulations, and present

a true and fair view of the assets and liabilities, profit and loss and cash flow of the Company for the year ended 31st March, 2017. Resolution Professional is of the view that according to the information given & data provided to him by Key Management Personnel and other employees, the financial statements do not contain any untrue statement or omit to state a material fact as required.

4.2. Contingent Liabilities & Commitments:

a) Estimated amount of contracts remaining to be executed and not provided for in the books of account - Nil (previous year - Nil).

b) Contingent Liabilities:

-Claims against the Company not acknowledged as debt:

Third party claims arising from dispute relating to contracts aggregating to (₹ 8,185,219/-) and an ex-employee claim (₹ 275,710/-).

Income Tax demand (penalty u/s. 271D - ₹ 17,500,000/-) raised by the Income Tax Department for the assessment year 2012-2013 vide their order dated 20th November, 2015, against which the Company has deposited (₹ 2,625,000/-) under protest and preferred an appeal with Commissioner of Income Tax (Appeals), Chandigarh; the decision of CIT (Appeals) is awaited.

Fine for late/non-submission under clauses 35, 41 and 49 of the erstwhile Listing Agreement - ₹ 1,700,624/- (previous year - ₹ 1,700,624/-).

Additional fee for increase in Authorised Share Capital - ₹ 8,307,750/- (previous year - ₹ 7,330,200/-).

-The Franchisor (Sarovar Hotels Pvt. Ltd.) terminated the franchise agreement with the Company in the year 2015-16 and filed a suit for the recovery of outstanding dues; the Company has also filed counter claim on account of deficiency of services etc.

The ultimate outcome of these matters cannot be determined & provision for liability, if any, cannot be estimated at this stage.

- Counter indemnity in respect of guarantees issued by United Bank of India, Punjab National Bank and State Bank of India in favour of Sales Tax Department (₹ 50,000/-) and Director General of Foreign Trade (₹ 14,703,888/-).

Fixed Deposits (₹ 20,848,816/- inclusive of interest accrued thereon) with United Bank of India, Punjab National Bank and State Bank of India have been pledged with Banks.

-Liabilities in respect of Income Tax, Excise Duty, Service Tax, Sales Tax and other material statutory dues have been accounted for on the basis of respective returns filed with the relevant authorities. Additional demand, if any, arising at the time of assessments will be accounted for in the year in which assessments are completed.

4.3. Authorised Share Capital:

The Authorised Share Capital of the Company is ₹ 520,000,000/- (Rupees fifty two crores only) divided into 14,000,000 (One crore and forty lakhs only) Equity shares of ₹ 10/- each (Rupees ten only) and 38,000,000 (Three crores and eighty lakhs only) Equity and/or Preference Shares of ₹ 10/- each (Rupees ten only). However, the exact number of Equity Shares & Preference shares has not been specifically classified.

4.4. Share Application Money (pending allotment - ₹ 375,140,000/-)

(read with Note 4.5 below)

- A) Balance (As on 01st April, 2011 - ₹ 80,300,000/-):
- i) Share Application Money (₹ 80,300,000/-) had been received, consequent to the resolution passed in the Annual General Meeting of the Company held on 29th September, 2007, in order to comply with the terms and conditions of the lending Bank as mentioned in para (ii) hereunder.
 - ii) State Bank of India sanctioned a term loan of ₹ 450,000,000/- to part finance the completion of hotel project (situated at Plot No. 10, Sector 17A, Chandigarh), with a stipulation that the remaining amount (i.e. ₹ 73,100,000/-) will be contributed by the promoters as Share Capital.
 - iii) The Shareholders at the Annual General Meeting held on 29th September, 2007 passed a resolution under Section 81(1A) of the Companies Act, 1956 for preferential allotment of equity shares in accordance with the applicable provisions of the Companies Act, 1956 to Mr. Ajmair Singh Bhullar and Mr. Haravtar Singh Arora, the promoters of the Company.
 - iv) The Company, pursuant to the provisions of Clause 24 of the Listing Agreement, had applied for getting 'in principle' approval of Bombay Stock Exchange (BSE) for listing of new issue of shares. However, BSE had not granted the approval.
 - v) According to the stipulation of the Banks; monies already brought in by the Promoter in the form of Share Capital, Share Application Money and Unsecured Loans will not to be withdraw, till the currency of Bank Loans. Hence Share Capital, Share Application Money and Unsecured Loans had not been refunded to the Promoters. However, Unsecured Loan has been repaid in the contravention of stipulation of the Banks, by the Company.
- B) Received during the financial year 2011-2012 (₹ 294,840,000/-):
- i) Share Application Money (₹ 294,840,000/-) had been received, consequent to the special resolution (through Postal Ballot) passed by the shareholders of the Company on 14th December, 2011, in order to comply with the terms and conditions of the lending Bank as mentioned in para (ii) hereunder.
 - ii) State Bank of India, while appraising the Company's request for grant of additional Term Loan in the month of October, 2011, has stipulated that Unsecured Loans aggregating to ₹ 37.53 crores be converted into Share Application Money, before the disbursement of proposed additional Term Loan.

- 4.5. Petition was filed, in earlier years, by a few minority shareholders (objecting preferential allotment to promoters) with the Company Law Board u/s. 397 & 398 of the Companies Act, 1956. The Hon'ble Company Law Board vide its order no. CP No. 132(ND)/2011 dated 13th December, 2011 kept the resolution of offer, issue and allotment of Preference Shares in abeyance till the final decision of the Company Law Board; the hearing now stands adjourned to 25th July, 2017 - the matter is subjudiced till the completion of Corporate Insolvency resolution process (CIRP) (refer note 4.1). The Company had duly intimated regarding the above mentioned order of the Board to the Principal Stock Exchange (i.e. Bombay Stock Exchange); where the shares of the Company are listed.

4.6. The Company has defaulted in repayment of principal and interest due to State Bank of India, Punjab National Bank and United Bank of India; resultantly the accounts were classified as NPA. Provision for interest accrued, in absence of confirmation of balances by Banks, has been made on accrual basis; However, no provision has been made in the accounts for penal interest and liquidated damages etc. State Bank of India assigned their debt to the Asset Reconstruction Company (India) Limited, Mumbai and charge was modified in their favour on 20.01.2015. United Bank of India, Punjab National Bank and Asset Reconstruction Company (India) Limited, issued notices under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, against which the Company has preferred an appeal with Debt Recovery Tribunal; the matter is subjudiced till the completion of Corporate Insolvency resolution process (CIRP) (refer note 4.1).

4.7. **Long-term Borrowings:**

State Bank of India (vide their letter no. SCB/CHD/AMT-III/ 2012-2013/72 dated 19th January, 2013) and Punjab National Bank (vide their letter no. LCB/2012 dated 29th November, 2012) have restructured/rescheduled the loans, as mentioned herein below:-

a) Secured

-Term Loans

From State Bank of India

Restructured Credit Facilities

Repayments in monthly ballooned installments are as under:

Principal outstanding as on 01st January, 2012 (₹ 398,000,000/-).

15 monthly instalments of ₹ 800,000/- each w.e.f. January, 2012.

12 monthly instalments of ₹ 1,000,000/- each w.e.f. April, 2013.

12 monthly instalments of ₹ 1,200,000/- each w.e.f. April, 2014.

12 monthly instalments of ₹ 1,700,000/- each w.e.f. April, 2015.

12 monthly instalments of ₹ 4,000,000/- each w.e.f. April, 2016.

12 monthly instalments of ₹ 6,000,000/- each w.e.f. April, 2017.

12 monthly instalments of ₹ 7,000,000/- each w.e.f. April, 2018.

12 monthly instalments of ₹ 5,000,000/- each w.e.f. April, 2019.

10 monthly instalments of ₹ 6,000,000/- each and last two monthly instalments of ₹ 7,600,000/- each w.e.f. April, 2020.

Funded Interest Term Loan - I (₹ 9,000,000/-).

45 monthly instalments of ₹ 200,000/- each w.e.f. 31st July, 2013.

Funded Interest Term Loan - II (₹ 66,200,000/-)

09 monthly instalments of ₹ 300,000/- each w.e.f. 31st July, 2013.

12 monthly instalments of ₹ 500,000/- each w.e.f. 30th April, 2014.

12 monthly instalments of ₹ 500,000/- each w.e.f. 30th April, 2015.

12 monthly instalments of ₹ 2,100,000/- each w.e.f. 30th April, 2016.

11 monthly instalments of ₹ 2,200,000/- each and last instalment of

₹ 2,100,000/- w.e.f. 30th April, 2017.

Funded Interest Term Loan - III (₹ 1,500,000/-)

30 monthly instalments of ₹ 50,000/- each w.e.f. 31st July, 2013.

From Punjab National Bank

Restructured Credit Facilities

Restructured Term Loan (₹ 273,000,000/-).

03 monthly instalments of ₹ 200,000/- each w.e.f. January, 2014.

24 monthly instalments of ₹ 200,000/- each w.e.f. April, 2014.

12 monthly instalments of ₹ 500,000/- each w.e.f. April, 2016.

12 monthly instalments of ₹ 2,500,000/- each w.e.f. April, 2017.

12 monthly instalments of ₹ 3,500,000/- each w.e.f. April, 2018.

12 monthly instalments of ₹ 2,000,000/- each w.e.f. April, 2019.

12 monthly instalments of ₹ 2,300,000/- each w.e.f. April, 2020.

10 monthly instalments of ₹ 13,800,000/- each w.e.f. April, 2021.

Fresh Term Loan (₹ 34,000,000/-)

48 monthly instalments of ₹ 100,000/- each w.e.f. April, 2015.

36 monthly instalments of ₹ 600,000/- each w.e.f. April, 2019.

07 monthly instalments of ₹ 1,000,000/- each and last instalment of ₹ 600,000/- w.e.f. April, 2022.

Funded Interest Term Loan (₹ 33,800,000/-)

09 monthly instalments of ₹ 600,000/- each w.e.f. July, 2013.

12 monthly instalments of ₹ 1,000,000/- each w.e.f. April, 2014.

11 monthly instalments of ₹ 1,400,000/- each and last instalment of 1,000,000/- w.e.f. April, 2015.

From United Bank of India

Term Loan (₹ 95,000,000/-)

76 monthly instalments of ₹ 100,000/- each w.e.f. December, 2012 to March, 2019.

07 monthly instalments of ₹ 10,900,000/- each w.e.f. April, 2019 to October, 2019.

01 monthly installment of ₹ 11,100,000/- due & payable in November, 2019.

Fresh Term Loan (₹ 20,000,000/-)

82 monthly instalments of ₹ 244,000/- each w.e.f. October, 2013 to July, 2020.

-Interest on all the above term loans is payable on monthly basis.

4.8 Other Non-Current Assets:

Unamortised Expenses (₹ 1,900,000/-) represent fee for increase in Authorised Share Capital (i.e. normal fee for filing of Form-SH-7).

Since the case (refer note 4.5 supra) is pending with the Company Law Board, the Company has not deposited the requisite fee till date.

4.9 Other Long-term Liabilities (₹ 4,926,234/-):

Security Deposits (₹ 290,000/-) represent amount received, in earlier year, for leasing of portion of Building i.e. Restaurants, Night Club, SPA, Banquet/Basement & First Floor.

4.10 Other Current Liabilities (₹ 771,324,678/-):

- Advance from Customers (₹ 2,262,416/-); services will be rendered in the ensuing year and accordingly party accounts adequately & properly adjusted.

- Tax deducted at source (₹ 614,878/-); *interest on late deposit will be accounted for at the time of actual payment.*

- Other Liabilities (₹ 5,292,369/-) include (₹ 1,990,000/-) due to Ministry of Corporate Affairs on account of fee for increase in Authorised Share Capital.

4.11 **Related Party Disclosures (AS-18)**

Related parties & their relationship and related parties transactions - As per Annexure - (A).

4.12 **Earnings Per Share (AS-20)**

	<u>Year ended</u> <u>31st March, 2017</u>	<u>Year ended</u> <u>31st March, 2016</u>
Numerator		
Net Loss attributable to Equity shareholders	₹ (230,324,441)	₹ (200,949,701)
Denominator		
Weighted Average Number of Equity shares outstanding	No's 8,000,500	No's 8,000,500
Nominal Value per Equity share	₹10	₹10
Earnings per Equity share Basic & Diluted	₹ (28.79)	₹ (25.12)

Note: Since the case (refer note 4.5 supra) is pending with the Company Law Board, the Company has not considered Share Application Money (pending allotment) for computation of diluted earnings per equity share (as required by paragraph 28 of Accounting Standard - 20) on "Earnings Per Share" as prescribed under Section 133 of the Companies Act, 2013.

4.13 Application for approval of Remuneration paid to the Managing Director has been rejected by the Central Government, vide its order dated 15th March, 2017 and accordingly, remuneration aggregating to ₹ 3,000,000/- (i.e. ₹ 1,500,000/- for the financial year 2015-2016 and ₹ 1,500,000/- for the financial year 2016-2017) has been adjusted and shown as Amount Recoverable under the head "Other Current Assets".

4.14 Net-worth of the Company has completely eroded; the management is of the opinion that the Company shall carry on its business as usual, hence the financial statements of the Company have been prepared on going concern basis.

- 4.15 a) In the opinion of the Directors, “Current Assets” and “Loans & Advances” are approximately of the value stated in the Balance sheet, if realised in the ordinary course of business and to the best of their knowledge provisions for all the known liabilities have been made and, *as certified*, all the contractual and statutory obligations have been duly complied with.
- b) Party balances have been incorporated in the financial statements at the value as per the books of account & are considered hopeful of recovery/good for payment.

4.16 **Segment Reporting (AS - 17)**

Since the Company primarily operates in one segment (Hotel Industry) - therefore segment reporting as required under Accounting Standard - 17 is not applicable - there is no reportable geographical segment either.

4.17 Land (Leasehold) was allotted by the Chandigarh Administration to the Company. Accounting Standard - 19 is not applicable in case of “lease agreements to use land”.

4.18 **Deferred Tax Asset & Liability (AS-22)**

In absence of virtual certainty supported by convincing evidence that unabsorbed depreciation and carry forward losses can be set off against future taxable income, deferred tax asset as a measure of prudence has not been recognised.

4.19 **Micro, Small & Medium Enterprises**

Based on the information presently available, there are no amounts due to any micro or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

4.20. **Disclosure on Specified Bank Notes (SBNs)**

During the year, the Company had specified Bank Notes (SBNs) or Other Denomination Notes, as defined in the MCA notification, G.S.R. 308(E), dated 30th March, 2017. The details of SBNs held and transacted during the period from November 08th, 2016 to December 30th, 2016, are mentioned herein below:

Particulars	SBNs* (₹)	Other Denomination Notes (₹)	Total (₹)
Closing Cash in hand, as on 08 th November, 2016	13,078,000	1,024,536	14,102,536
(+) Permitted Receipts	-	2,589,563	2,589,563
(-) Permitted Payments	-	(820,688)	(820,688)
(-) Amount Deposited in Banks	(13,078,000)	-	(13,078,000)
Closing Cash in hand, as on 30 th December, 2016	-	2,793,411	2,793,411

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 08th November, 2016.

4.21 Auditor's Remuneration
(excluding Service Tax)

	<u>31st March, 2017</u>	<u>31st March, 2016</u>
	<u>AMOUNT</u>	<u>AMOUNT</u>
	₹	₹
-As Auditors	110,000	80,000
-Other Services	-	30,000
-Reimbursement of expenses	10,000	10,000
TOTAL ₹	120,000	120,000

4.22 Other additional information

a) **Revenue from Operations**

The Company is engaged in operating and managing hotel.

b) **Raw material consumed**

	<u>31st March, 2017</u>	<u>31st March, 2016</u>
<u>Particulars</u>	<u>AMOUNT</u>	<u>AMOUNT</u>
	₹	₹
Food & Beverages	27,146,847	33,687,244

c) **Imported & indigenous consumption of Raw Material/Stores & Spares**

<u>Particulars</u>	<u>31st March, 2017</u>		<u>31st March, 2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
	₹		₹	
-Raw Material/Stores & Spares				
Indigenous	57,218,547 *	100	46,868,684	100
Imported	-		-	

* inclusive of Consumable Stores (₹ 30,071,700/-).

d) **Transactions in Foreign Currency**

	<u>31st March, 2017</u>	<u>31st March, 2016</u>
<u>Particulars</u>	<u>AMOUNT</u>	<u>AMOUNT</u>
	₹	₹

(i) **Value of Imports calculated on C.I.F. Basis**

	Capital Goods	Nil	Nil
(ii)	Expenditure in Foreign Currency		
	Travelling & Conveyance (Directors) (GBP 6,501.70)	554,771	727,986
	Commission, Rebate & Discount	Nil	294,511
(iii)	Earnings in Foreign Currency		
	Room Rent, Banquets & Other Income * (USD 103,871.37)	6,943,519	8,617,563

* Earnings in foreign exchange represent foreign inward remittances (FIRC).

4.23 Figures for previous year have been regrouped/rearranged, where considered necessary to conform to the current year's presentation.

4.24 Figures have been rounded off to nearest rupee.

In terms of our attached report of even date. For and on behalf of the Board of Directors

**For VASUDEVA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. - 022239N**

**(PRATEEK PURI)
PARTNER
Membership No. - 524431**

**NAVNEET GUPTA
(Resolution Professional)**

**YOGDUTT
(Financial Controller)**

**Dated : 01st November, 2017
Place : Chandigarh**

**PUJA SHARMA
(Company Secretary)**

JAMES HOTELS LIMITED
NOTES FORMING PART OF ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2017
ANNEXURE 'A' TO NOTES TO ACCOUNTS [NOTE 4.11]

RELATED PARTY DISCLOSURES :

Disclosures as required by the Accounting Standard - 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below :

(As certified by the Management)

'A' Relationship

- | | | |
|----|--|---|
| 1. | Key Management Personnel
Haravtar Singh Arora
Bharat Bhushan Goel
Puja Sharma | Managing Director
Chief Financial Officer
Company Secretary |
| 2. | Individual having control or significant influence
Ajmair Singh Bhullar | |

'B' Aggregate amount of transactions, during the year, with the related parties

<u>S.No. Nature of Transactions</u>	<u>Key Management Personnel</u>	<u>Individual having control or significant influence</u>
	<u>AMOUNT</u> ₹	<u>AMOUNT</u> ₹
A) Expenditure		
1. Salaries & Allowances	2,220,000	1,500,000
2. Directors' Remuneration	1,500,000 *	-
B) Year end balances		
1. Salaries & Allowances	215,000	-
2. Amount Recoverable	3,000,000 *	-

* ₹ 1,500,000/- paid during the year; however application for approval was rejected by the Central Government and accordingly remuneration aggregating to ₹ 3,000,000/- (i.e. ₹ 1,500,000/- for the financial year 2015-2016 and ₹ 1,500,000/- for the financial year 2016-2017) has been adjusted and shown as Amount Recoverable under the head "Other Current Assets".

Dated : 01st November, 2017
Place : Chandigarh

YOGDUTT
(Financial Controller)

PUJA SHARMA
(Company Secretary)

To,
James Hotels Limited
Block No. 10, Sector – 17A,
Chandigarh – 160017

Updation of Shareholder Information

I/ We request you to record the following information against my/ our Folio No. :

General Information

Folio No. : Name of the first named Shareholder PAN : * CIN/ Registration No.: * (applicable to Corporate Shareholders) Tel No. with STD Code: Mobile No. : Email Id :	
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*Self attested copy of the document(s) enclosed.

Bank Details :

IFSC : (11 digit) Bank A/c Type :	MICR : (9 digit) Bank A/c No.:
Name of the Bank : Bank Branch Address :	

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information. I/ We would not hold the Company responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/ We hold the securities under the above mentioned Folio No.

Place :

Date:

Signature of Sole/ First Holder

To
Dear Member

This is to inform that we are in the process of updating our database as per the requirements stipulated. You are requested to provide us the information in the table below for faster communication and serving you better.

Folio No. / Client Id	Name (First Holder/ Second Holder)	No. of Shares	Date of Purchase	Certificate No.'s		Distinctive No.'s		Type of holding Demat or Physical
				From	To	From	To	

Please send this form duly completed in all respects at the earliest.

Yours Sincerely
For James Hotels Limited

Navneet Gupta
Resolution Professional

James Hotels Limited**REGD.OFFICE: BLOCK 10, SECTOR17-A, CHANDIGARH PROXY FORM
ANNUAL GENERAL MEETING**

I/We.....of.....in the district of
.....being a member / members of the
above-named Company hereby appoint.....of
.....in the district of.....or
failing him.....of.....in the district
of.....as my/our proxy to attend and vote for me/us on my/our behalf at the
36th Annual General Meeting of the Company to be held on Wednesday, the 27th day of
December, 2017 at 10.00A.M.at Indira Holiday Home, Sector 24-B,Chandigarh and at
any adjournments thereof.

Name of the Shareholder

Client ID No.....

DP ID No.....

Registered Folio No.....

No. of Shares held.....

Signed thisday of2017

Signature.....

One Rupee
Revenue Stamp

Note: The proxy form duly signed across the revenue stamp of the Rupee should reach the Registered Office of the Company at least 48 hours before the time of the meeting.

James Hotels Limited**REGD.OFFICE: BLOCK 10, SECTOR 17-A, CHANDIGARH
ATTENDANCE SLIP**

L.F. No.....

NO.OF SHARES HELD.....

Client ID No.....

DPID No.....

I here by record my presence at the 36th Annual General Meeting of the Company to held on Wednesday, the 27th day of December, 2017 at 10.00 A.M. at Indira Holiday Home, Sector 24-B,Chandigarh

.....
Full Name of the Shareholders/Proxy
(INBLOCKLETTERS)

.....
Signature

Note: Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

Map of Indira Holiday Home

