

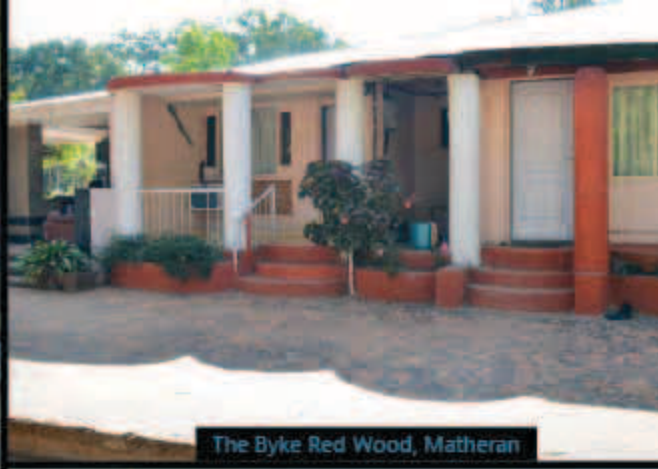


The
Byke

The Byke Hospitality Limited
(Formerly known as Suave Hotels Limited)



The Byke Heritage, Matheran



The Byke Red Wood, Matheran



The Byke Old Anchor, Goa



The Byke Old Anchor, Goa



Hotel Paawana, Shekhawati, Rajasthan



The Byke Old Anchor, Goa



Sunflower Beach Resort, Goa



Goan Holiday Resort, Goa



Sunshine Beach Resort, Goa

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Vision

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

Mission

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

The Byke – Heritage, Matheran



Corporate Information

REGISTRAR AND SHARE TRANSFER AGENT

13 A/B, Samhita Warehousing Complex
2nd Floor, Off Andheri Kurla Road,
Sakinaka Telephone Exchange Lane,
Sakinaka, Andheri (East), Mumbai – 400 072.
Tel : +91 22 6772 0331
Website: www.shareproservices.com
E-mail: sharepro@shareproservices.com

BOARD OF DIRECTORS

Mr. Anil Patodia
Mr. Satyanarayan Sharma
Mr. Pramod Patodia
CA Ram Ratan Bajaj
Mr. Ramesh Vohra
Mr. Manoj Bhadupota

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mrs. Naina Hemant Kurane

BANKERS

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

STATUTORY AUDITOR

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

REGISTERED OFFICE

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

BOARD COMMITTEES

Audit Committee

CA Ram Ratan Bajaj – Chairman
Mr. Manoj Bhadupota – Member
Mr. Anil Patodia – Member

Shareholders / Investors Grievance Committee

Mr. Manoj Bhadupota – Chairman
Mr. Satyanarayan Sharma – Member
Mr. Anil Patodia – Member

Remuneration Committee

Mr. Ramesh Vohra – Chairman
Mr. Manoj Bhadupota – Member
CA Ram Ratan Bajaj – Member



The Byke – Old Anchor, Goa

“ It is The Byke’s endeavour to emerge as a leader in the hospitality industry by synergising its core competencies and leading towards strong foundation of growth. ”

Dear Fellow Shareowners,

It gives me immense pleasure to present the 22nd Annual Report of your Company, for the year ended on March 31, 2012.

The financial year 2011 - 12 has been challenging for the Indian economy. After two years of fairly robust growth of 8.4%, India's GDP growth is 6.5% for the Fiscal Year 2011 - 12. The Long-term fundamentals of the Indian economy remain robust. India's growth prospect arises from factors such as high domestic savings and investment rates, favourable demographics and a stable democratic polity.

December month of the year 2011, proved to be a great month for the tourism in India as roughly 7,15,000 foreign tourists visited India as compared to 6,80,000 tourists visited in the same month of 2010. The Hospitality Sector in India is witnessing stable occupancy levels and steady increase in demand from domestic travellers as well. A Steady rise in domestic tourist spending has also brought cheer to the industry with a 13.7% compound annual growth rate (CAGR) from the Year 2010 to 2012.

Tourism is not only a growth engine but also an employment generator. According to the Economic Survey 2011 - 12, the sector has capacity to create large scale employment both direct and indirect, for diverse sections in society, from the most specialized to unskilled workforce.

While the global economic climate remains volatile, timely utilization of opportunities will ensure that Indian Travel & Tourism continue on their growth trajectory in the services sector. Intelligent strategizing, a progressive outlook, and adequate support from the government and financial institutions will prove to be critical in helping services sector to overcome difficult economic conditions and pave the way for a promising and rewarding future.

Once again, your Company's performance has shown its resilience to economic volatility and proved the credibility of its business model and strategies. It has achieved record income and profits post global financial crisis.

The Byke Hospitality Limited (The Byke) results for the financial Year 2011 - 12 extended the strong progress as compared to the financial Year 2010 - 11. Your Company registered a growth of 48% in turnover over previous year's performance. We continued to focus on our strategic priorities – controlling costs, optimising cash and improving our return on capital employed – to deliver another set of excellent results and further strengthen our financials. The board is proposing a final dividend of 10% i.e., ₹1/- per share, inspite of the background of increasingly tough economic conditions; this performance bears witness to the underlying strength of the business.

The Byke is in a transition phase. The external environment is a challenge for all businesses. With Management succession we have taken the opportunity to review the fundamentals of what we do. Led by our new management team, the group is embracing a new set of strategic priorities which builds on established strengths, recent successes and emerging opportunities. To stimulate sales growth we are enhancing our innovation processes in both established and new markets.

Your Company witnessed a change in the corporate parentage as it has entered into lease contract to operate hotels: The Byke - Old Anchor, Goa, The Byke - Redwood, Matheran. The Byke - Neelkanth, Manali and The Byke, Shimla are the upcoming ventures of your Company thereby increasing the brand presence "The Byke" countrywide. The new Management at the group level is committed to grow the business with a strong focus on breakthrough initiatives on productivity and growth.

We will continue to enhance our record of long-term value creation and thank you for your support over recent times. We as a group strive to build a sustainable, successful business.

In conclusion, I would like to thank the Fellow Shareowners, the Board, the Management and in particular the dedicated team of employees. I would also like to thank the suppliers, customers, bankers and other stakeholders for continued support to your Company in all its endeavours.

I look forward to the year ahead with a sense of confidence to deliver even greater value to all stakeholders.

Best Regards,

Anil Patodia
Managing Director



The Board of Directors



Mr. Anil Patodia
Managing Director



Mr. Satyanarayan Sharma
Whole-Time Director



Mr. Pramod Patodia
Executive Director



Mr. Ram Ratan Bajaj
Non-Executive, Independent Director



Mr. Ramesh Vohra
Non-Executive, Independent Director



Mr. Manoj Bhadupota
Non-Executive, Independent Director



Financial Highlights

₹ IN LAKHS

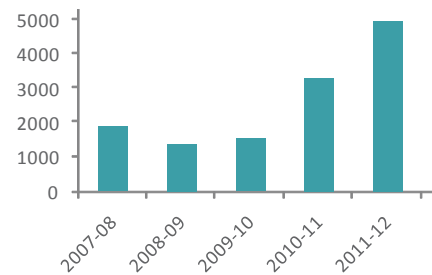
FINANCIAL HIGHLIGHTS	2011-12	2010-11	2009-10
Total Income	4910.72	3345.33	1504.03
Profit Before Tax	354.85	322.57	141.54
Profit After Tax	239.69	226.55	94.97
Retained Earnings	589.67	582.61	582.44
Dividend	200.48	190.48	62.74
Dividend per Equity Share	₹ 1	₹ 1	₹ 0.50
Dividend %	10%	10%	5%
Equity Share Capital	2004.89	1904.89	1254.89
Reserves and Surplus	4699.67	4352.61	2142.44
Net Worth	6704.56	6361.64	3397.33
Borrowings	1733.41	18.30	0.00
Market Capitalization	25973.35	16058.22	5007.01

Key Indicators

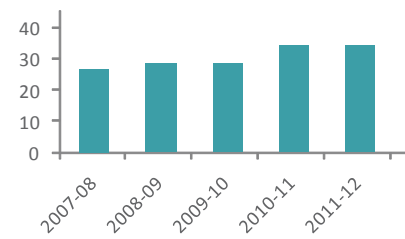
Net Worth per Equity Share of ₹10/- each	33.44	33.40	27.07
Earnings per Equity Share (Basic) – In ₹	1.24	1.60	0.83
Earnings per Equity Share (Diluted) – In ₹	1.24	1.58	0.83
Debt: Equity Ratio	0.14:1	-	-
Net Profit Margin	4.89	6.82	6.31

Performance at a glance

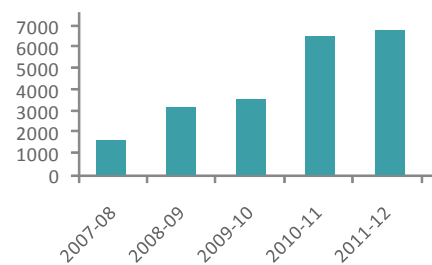
Revenues
(₹ in Lakhs)



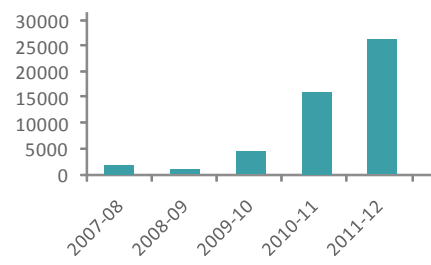
Book Value Per Share (₹)



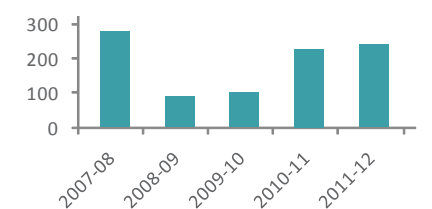
Net Worth
(₹ in Lakhs)



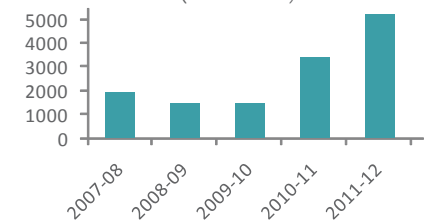
Market Capitalization
(₹ in Lakhs)



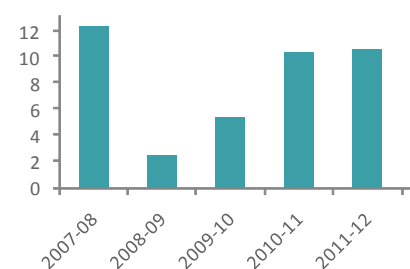
Profit After Tax
(₹ in Lakhs)



Income from Operations
(₹ in Lakhs)



Dividend (%)



Notice

Notice is hereby given that the 22nd ANNUAL GENERAL MEETING of the members of THE BYKE HOSPITALITY LIMITED will be held at the Registered Office of the Company located at Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Complex, J.B. Nagar, Andheri (East), Mumbai - 400099 on Thursday, September 27, 2012 at 11.00 a.m. to transact the following business:

Ordinary Business:

1. Adoption of Accounts

To receive, consider and adopt the Audited Balance Sheet & the Statement of Profit and Loss Account for the year ended March 31, 2012, together with the Report of the Board of Directors and the Auditors thereon.

2. Declaration of Dividend

To declare a final dividend of 10% i.e., ₹1/- per share on the equity shares of the Company for the financial year 2011-12.

3. Re-appointment of Mr. Ramratan Bajaj

To appoint a Director in place of Mr. Ramratan Bajaj, who retires by rotation and is eligible for reappointment.

4. Resignation of Mr. Manoj Bhadupota

“RESOLVED THAT Mr. Manoj Bhadupota, Director liable to retire by rotation, who does not offer himself for re-appointment, be not re-appointed as a Director of the Company.”

5. Appointment of Statutory Auditor

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

“RESOLVED THAT M/s A. P. Sanzgiri & Co., Chartered Accountants (Registration No. 116293W), be and are hereby appointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.”

Special Business:

6. Appointment of Dr. Utpal Kumar Mukhopadhyay as a Director, liable to retire by rotation

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

“RESOLVED THAT Dr. Utpal Kumar Mukhopadhyay, be and is

hereby appointed as a Director of the Company, liable to retire by rotation.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy form in order to be effective must be received at the registered office of the company not less than 48 hours before the commencement of the Meeting.
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. In terms of Article 125 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Ramratan Bajaj, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. The Board of Directors of the Company commends his respective re-appointments.
5. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business as set above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
6. The transfer Register and the Register of Members shall remain closed from September 24, 2012 to September 27, 2012 (both days inclusive) for the purpose of the Annual General Meeting of the Company and for payment of dividend.
7. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharepro Services (India) Private Limited or to their depository participants in case shares are held in depository form.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

10. All documents referred to in the notice are open for inspection at the registered office of the companies during office hours.
11. As a measure to save the cost, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.
12. Members desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries at least seven days before the date of the Meeting of the company so that the information required may be made available at the meeting.
13. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting alongwith photo identity proof.
14. Pursuant to Sections 205A and 205C of the Companies Act, 1956, all dividends remaining unclaimed for seven years from the date they first became due for payment are now required to be transferred to the "Investor Education and Protection Fund" (IEPF) established by the Central Government under the amended provisions of the Companies Act, 1956. Members

shall not be able to claim any unpaid dividend from the said Fund nor from the Company thereafter. It may be noted that unpaid dividend for the financial year ended March 31, 2006, is due for transfer to the IEPF on October 27, 2013.

15. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
16. Pursuant to clause 49 of the Listing Agreement, the particulars of Directors seeking appointment/ reappointment at the meeting are annexed.
17. The Board of Directors request the shareholders to kindly register their email id with the Company /Registrar and Share Transfer Agent to implement the 'Go Green Initiative' started by the Ministry of Corporate Affairs and to enable us to send the communications/information's/Annual Reports to the shareholders thus making the process much faster.

Details of Directors seeking appointment / reappointment at the ensuing Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges):

Name of Director	Dr. Utpal Kumar Mukhopadhyay	CA Ramratan Bajaj
Date of Birth	January 26, 1944	July 21, 1954
Date of appointment on the Board	-	March 30, 2011
Expertise in specific functional area	Hospitality and Real Estate business	Finance, Taxation , Corporate Law, Accounts, Project Implementation, cost control, etc
Qualification	IAS, Phd.(Economics), M.sc (Geology)	Chartered Accountant
Details of shares held in the Company	NIL	NIL
Directorship in Public Limited Company	3	NIL
Chairman / Member of the Committees* of other Companies on which he is director as on March 31, 2012	1	NIL

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

For and On behalf of the Board of Directors

Sd/-

Naina Hemant Kurane
Company Secretary

Mumbai, August 13, 2012

EXPLANATORY STATEMENT:

The Following Explanatory Statement, as required by Section 173 of the Companies Act, 1956, set out all material facts relating to the business under Item No. 6 mentioned in the accompanying notice dated August 13, 2012.

Item No. 6

Dr. Utpal Kumar Mukhopadhyay is proposed to be appointed as the director of the Company.

Notice under Section 257 of the Companies Act, 1956, has been received from a member proposing the candidature of Dr. Utpal Kumar Mukhopadhyay for the office of Director.

Dr. Utpal Kumar Mukhopadhyay holds degree of Ph. D (Economics) from Mumbai University) and M.sc, Geology from Calcutta University. He worked as an IAS officer for the state Government of Maharashtra and the Central Government of India, he was appointed as an Advisor for the World Bank (USA) in the Environment and Energy sectors.

Dr. Utpal Kumar Mukhopadhyay was an Ex-Managing Director of Tata Housing Company Limited. He also worked as Secretary in the Department of Tourism and Chairman of the Board of the School of Catering Technology, Dadar - Mumbai for more than three years.

The Board commends the above appointment and the relevant Resolution at Item No. 6 of the accompanying Notice.

None of the Directors except Dr. Utpal Kumar Mukhopadhyay is interested in the Resolution set out at Item No. 6 of the accompanying Notice.

For and On behalf of the Board of Directors

Sd/-

Naina Hemant Kurane
Company Secretary

Mumbai, August 13, 2012

Invitation to participate in the Green Initiative launched by the Ministry of Corporate Affairs

The Ministry of Corporate Affairs (MCA) has permitted paperless compliances by the Companies; vide its circulars No. 17/2011 and No. 18/2011 dated April 21, 2011 and April 29, 2011 respectively. MCA has clarified that services of documents on Members by e-mail will constitute sufficient compliances with Section 53 of the Companies Act, 1956, provided the Members are given an advance opportunity to register their Email address or changes, if any, therein with the Company.

Pursuant thereto, we once again invite those members who have not registered their Email address to participate in the Green Initiative by registering their Email address with the Company for the purpose of service of documents viz. Annual Report, Notice of General Meetings, Notice of Postal Ballot, Intimation of ECS Credits etc. by email.

Directors' Report

TO THE MEMBERS

The Directors have pleasure in presenting the 22nd Annual Report of the Company together with its Audited Profit & Loss Account for the financial year ended March 31, 2012 and the Balance Sheet as on that date:

PERFORMANCE OF THE COMPANY

₹ IN LAKHS

PARTICULARS	YEAR ENDED MARCH 31, 2012	YEAR ENDED MARCH 31, 2011
Total Income	4910.71	3345.33
Profit before Depreciation, Finance Costs and Tax	518.61	409.43
Less: Depreciation	111.92	86.42
Less: Finance Costs	51.84	0.44
Profit before Tax	354.85	322.57
Less: Provision for Tax	145.45	96.02
Add: MAT Credit	30.28	-
Profit after Tax	239.69	226.55
Add: Balance brought forward from the previous year	582.61	582.45
Amount available for Appropriation	822.30	809.00
Appropriations:		
Short /Excess provision of taxes of earlier years (Net)	0.38	5.00
- Dividend	200.49	190.49
A dividend of 10% i.e. ₹ 1/- per Equity Share was recommended by the Board of Directors on August 13, 2012 (In respect of the previous year, a final dividend of 10% i.e. ₹ 1/- per Equity Share was declared and paid to the Members)		
Tax on Dividend	32.52	30.90
Balance carried to Balance Sheet	589.67	582.61

YEAR IN RETROSPECT

The first year of operations after the change in Management of the Company, has recorded significant performance growth during the financial year under review. The total income of the Company has increased as compared to previous financial year. The total turnover of the Company for the year was recorded at ₹4905.97 lakhs as compared to ₹3324.06 lakhs in the previous year an increase of around 48 % over last year. The Company has registered profit after tax of ₹239.69 lakhs as compared to profit of ₹226.55 lakhs in the previous year.

DIVIDEND

Your Directors are pleased to recommend a dividend of 10% i.e. ₹1/- per Equity Share of ₹10 each subject to the approval of the Shareholders at the ensuing Annual General Meeting for the financial year ended March 31, 2012. The dividend would involve a cash outgo of ₹200.49 lakhs towards dividend and ₹32.52 lakhs towards tax on dividend. The dividend, as recommended by the Board, if approved at the Annual General Meeting, will be paid on or after September 27, 2012 to those members or their mandates whose names appear in the register of Members as on September 24, 2012. In respect of

shares held in dematerialised form, it will be paid to members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as beneficial owners as on September 24, 2012.

SHIFTING OF REGISTERED OFFICE

The Company has shifted its registered office from "F/72, Solaris, Opp. L&T Gate No. 6, Off Saki Vihar Road, Andheri (East), Mumbai - 400 072" to "Shree Shakambhari Corporate Park, Plot No.156 - 158, Chakravarti Ashok Complex, J. B. Nagar, Andheri (East) Mumbai - 400 099" w.e.f. October 6, 2011.

AUGMENTATION OF YOUR HOTELS

During the year your Company has entered into a Lease contract to manage hotels i.e. The Byke - Old Anchor, Goa and The Byke - Redwood, Matheran, under 'The Byke' brand. The business at "The Byke - Old Anchor, Goa with 240 guest rooms and The Byke - Redwood, Matheran" with 25 guest Rooms in first year of its operation, has been very successful and has secured the brand presence 'The Byke' in South Goa and Matheran with the new units.

Although business has taken time to pick up in the first year of operation after change in management of the Company, the hotel has received excellent feedback and accolades from both trade analysts and discerning international travelers, eventually it has reached new heights. With this presently your Company owns and operates seven hotels at the locations viz. The Byke-Heritage and The Byke- Redwood, Matheran, The Byke- Old Anchor, Hotel Sunflower, Hotel Sunshine, Hotel Goan, Goa and The Byke-Paawana, Shekhawati.

CHANGE IN EQUITY SHARE CAPITAL DUE TO CONVERSION OF WARRANTS

During the year under review, the Board of Directors of your Company, at its Board Committee meeting held on January 16, 2012, issued and allotted 10,00,000 Equity Shares pursuant to conversion of Warrant at a price of ₹44/- per share as approved by the shareholders and in accordance with the SEBI (ICDR) Regulations, 2009 on preferential basis. Due to this, the outstanding issued, subscribed and paid up Equity Share capital increased from ₹19,04,89,000 to ₹20,04,89,000 as at March 31, 2012.

EXPANSION / UP-GRADATION PLANS

Tourism industry is growing and bound to grow stronger in India owing to its splendid historical architecture, rich heritage and ancient culture along with beautiful beaches, rural tourism and the inherently rooted concept of hospitality in form of "Atithi Devo Bhava".

Your Company's upcoming ventures, The Byke - Neelkanth, Manali and The Byke - Shimla will soon commence its operation in the financial year 2012 - 13.

The Company is also in negotiations for management and franchise contracts in various other parts of the country. The Company expects to start its operations of the hotels under the brand "The Byke" at Aronda - Goa, Khopoli - Maharashtra, Kudal - Maharashtra, Jodhpur - Rajasthan and Lavasa - Maharashtra in coming years.

DIRECTORS

Mr. Ramratan Bajaj, Director retire by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

Mr. Manoj Bhadupota, a Director liable to retire by rotation, does not offer himself for re-appointment at the ensuing Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange in India, is presented in a separate section forming part of the Annual Report.

PUBLIC DEPOSITS

During the year 2011-12, your company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

LISTING AND TRADING OF SHARES

The Equity Shares of your Company are listed and traded on the Bombay Stock Exchange Limited and Madras Stock Exchange Limited, with effect from December 30, 2011 the Equity Shares of your Company are allowed to Trade on National Stock Exchange.

AUDITORS REPORT

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

AUDITORS

At the Annual General Meeting, the Members will be requested to re-appoint M/s A.P. Sanzgiri & Co, Chartered Accountants as Statutory Auditors of the Company for the current year and authorize the Board of Directors to fix their remuneration.

CORPORATE GOVERNANCE REPORT

Your Company has complied with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance. A report on the corporate governance practices, the Auditors Certificate on compliance of mandatory requirements thereof are given as an annexure to this report.

PARTICULARS OF EMPLOYEES

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. in preparation of the annual accounts for the financial year ended March 31, 2012, the applicable accounting standards have been followed and that there are no material departures from the same;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012, and of profit of the Company for the said period;
- iii. the Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for detecting fraud and other irregularities; and
- iv. the Directors have prepared the accounts for the financial year ended March 31, 2012 on a 'going concern' basis.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation to the employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to achieve remarkable growth. The Board also acknowledges the unstinted support of the customers, suppliers, investors, bankers, Central Government and State Governments and other statutory authorities and others associated with the Company.

For and On behalf of the Board of Directors

Sd/-

Anil Patodia
Managing Director

Mumbai
August 13, 2012

Management's Discussion and Analysis Report

ECONOMIC OVERVIEW:

FY 2011-12 was a challenging year. The global economy, barely a year after recession, witnessed lower economic growth, resulting primarily from the Euro Zone debt crisis and high oil prices, which were fuelled by uncertainties of supply. The European economies stagnated and the US witnessed a downgrade in its credit rating, while the growth engines of the global economy, China and India were forced to tighten liquidity to tame rising inflation.

At present, India is experiencing high inflation and a high fiscal deficit. Monetary tightening measures have been instituted to control inflation. Economic growth is likely to slow moderately to about 7.5 per cent in 2012-13. As inflation declines to an acceptable level and interest rates are reduced by the Reserve Bank of India, growth will rebound to over 8 per cent in 2013-14.

These global & domestic events had a negative impact on demand, despite the challenging environment; The Byke Hospitality Limited performed reasonably well and grew its revenues by 48% in the year 2011 - 12. The Company's earnings were essentially at the higher level resulting in increase in PBDIT, PBT and net profit for the Financial Year 2011-2012 as compared to Financial Year 2010- 2011.

INDUSTRY STRUCTURE AND OUTLOOK:

The Hospitality Sector in India is witnessing stable occupancy levels and steady increase in demand from domestic travellers. A steady rise in domestic tourist spending has also brought cheer to the industry with a 13.7 per cent compound annual growth rate (CAGR) from 2010 to 2012, according to a report by World Travel and Tourism Council (WTTC).

The changing preferences of the travellers have resulted in creating many opportunities for the hospitality sector. The Hospitality Sector in India with its diverse product profile is poised for a phenomenal growth. In the last few years, with a higher disposable income, the Indian middle class has been exploring a range of holiday destinations. This has boosted the Indian travel and tourism industry.

Tourism has significantly increased its scope and opportunity in India. India's rich history and its cultural and geographical diversity make its international tourism appeal large and diverse. It presents heritage and cultural tourism along with medical, business and sports tourism. India has one of the largest and fastest growing medical tourism sectors.

The data released by ministry of tourism (MOT) and WTO has verified this prediction, according to which, tourism in Asia has witnessed a double-digit growth despite the worldwide economic slowdown. According to the data released by MOT, foreign tourist arrivals (FTA) to India during January 2012 was 6.81 lakh as compared to FTA of 6.24 lakh during January 2011 - a year-on-year (y-o-y) growth of 9.2%.

The tourism Industry generates a new source of livelihood, jobs, growth of remote areas, preservation of local skills, enterprise development at the micro level and sustainable environment management. The Internet has also added a new dimension to the business of Hospitality sector with websites being used as a primary source of information and booking. The way forward for India tourism would be to have a streamlined approach so that we can widen the scope of the industry.

India's pledge to sustainable Hospitality & tourism development has led to the industry waking up to the need for doing its bit of giving back to society through Corporate Social Responsibility (CSR) and environment protection.

FUTURE OUTLOOK:

According to World Travel and Tourism Council, India will be a tourism hot-spot till 2018, having the highest 10-year growth potential.

India's rich history and its cultural and geographical diversity make its international tourism appeal large and diverse. Indian tourism offers most diverse products globally; it has registered significant growth over the years. This has been led by growth in both leisure and business tourism. Rising incomes, increasing affordability, growing aspirations, increasing globalisation, and a growing airline industry along with improvement in travel-related infrastructure have supported hospitality industry growth. It holds immense potential for the Indian economy.

It can provide impetus to other industries through backward and forward linkages and can contribute significantly to GDP. So the outlook for the Hospitality industry is looking good. At The Byke Hospitality Limited we are planning to expand our presence geographically and further increase our quality of service to meet the growing demand of customers. Therefore, the Company's outlook for 2012-2013 is optimistic.

OUR EXISTING HOTELS:

The Byke - Heritage, Matheran, Maharashtra



The Byke - a Hotel Retreat, Pride of Matheran" is located at an elevation of around 800m (2,625 ft) above sea level about 90 km from Mumbai. The Byke is spread over an area of 7 acres of extensive ground nestled amidst the green hills of Matheran. Old British-style architecture has been preserved in Matheran and most structures are now heritage. "The Byke" is a perfect weekend gateway with its sylvan surroundings, majestic trees and exotic shrubs, rain-fed water streams coupled with family entertainment facilities built within the heritage architecture.

It is a matter of pride that the first bungalow built in 1854 by Hugh Malet, the then Collector of Thane is part of our estate. A unique holiday experience with a perfect blend of nature and history.

The Byke - Old Anchor, Goa

The first ever Resort in South Goa - Old Anchor has cast its spell on one and all. Here, from dawn to dusk, you can see the earth & the sea resting in one another's arms & dreaming of waves, tides, clouds, sands & lush green palms.

And there's no better place to drop anchor in Goa than at Byke's exotic Old Anchor Resort. You have the river on one side, a pool in the middle and the sea on the other side. Invigorating warm sun above and cool green shades below.



The Byke - Redwood, Matheran

The premium hotel, Redwood Matheran is located at an elevation of around 800 meters above sea level, 100 kms away from Mumbai. With 25 rooms and average occupancy rate at 68% with peak level at 85%. The location serves as the perfect gate away spot during the weekend.

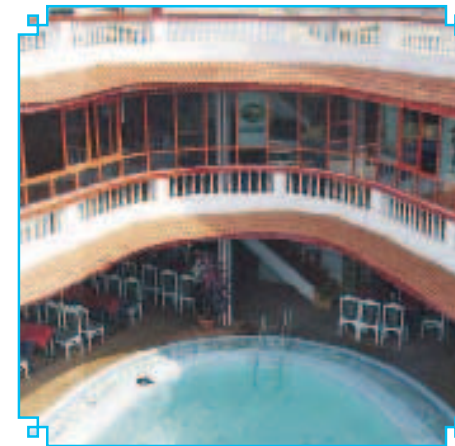


Hotel Paawana, Shekhawati, Rajasthan

Located at the heart of Mandawa, minutes away from historical havelis and forts of the Shekhawati region of Rajasthan, also known as the "Open art gallery of Rajasthan". Spread over 3000 sq ft area with 18 well appointed rooms, Hotel Paawana is a renaissance haveli with a rare sparkling beauty with refined taste. The Hotel is well equipped with modern facilities in an ethnic set-up. A night's stay is an experience in itself with theme based evenings and oriental and medieval cuisine. The three year hotel has been successful to create its demand in the niche market it serves.

Sunflower Beach Resort, Goa

Located just a minute away from world famous Calangute Beach at Goa, Hotel Sunflower has a variety of rooms equipped with modern amenities and facilities decorated in a royal manner for a comfortable living. The resort is strategically located amidst a shopping complex offering quaint local handicrafts and it has everything a traveler would look forward to with absolute delight. The guests can also participate in water sports activities or shop for art, jewellery and other things.



Sunshine Beach Resort, Goa

Located at Baga, the heart of Goa Beach life, Hotel Sun Shine Beach Resort is an ideal family hotel. Housed in a Goan style building, it is equipped with modern amenities. It has a clean and well-kept swimming pool surrounded by lush greenery. The rooms in the hotel are bright, airy and comfortable. It is equipped with remote controlled satellite television, refrigerator, a well-stocked mini bar, air conditioner and clean and modern attached baths.

Goan Holiday Resort, Goa

The hotel is located in tranquil environment of Goa.

Each room of the hotel is aesthetically done-up with a private balcony which commands a breath taking view. The hotel restaurant serves its special Goan, Indian and Continental Cuisine. The travelers can have fun at Goa's most favourite beaches "Baga" & "Calangute" which are 5 mins. walk away from the hotel.



PROPOSED VENTURES:

The Byke - Neelkanth, Manali



The Byke - Neelkanth, Manali is laying out a luxury hotel in the scenic state of Himachal Pradesh with elevation ranging from about 350 metres to 7,000 metres above the sea level. During the 2010, Himachal Pradesh logged record number of tourist in a year. The hotel will comprise of 50 rooms spread across 5 acres and it will be within the vicinity of the city, providing easy access. Presently, the development is In advance stage.

The Byke Shimla



UPCOMING VENTURES:

The Byke Khopoli, Maharashtra



Spread on 3.75 acres land with surrounding mountains is already acquired for development of hotel. A 75 rooms, 5-star category Business Hotel cum Travel Mall strategically located near proposed Navi Mumbai Airport on Mumbai-Pune Express Highway with traveling distance of 1 hour from Mumbai as well as Pune City.

The Byke Kudal, Maharashtra

A premium class theme based hotel which is aimed to serve as a perfect weekend spot to tourist spread over 15 acres land surrounded by greenery with natural touch. The Place is Located in Sindhudurg District of Maharashtra. The Proposed hotel aims to tap its tourist coming for annual fair or Jatra with room capacity of over 60 would serve to premium class.



The Byke Lavasa, Maharashtra



A 5 star category Resort with a room capacity of over 75 rooms located on the Sahyadri Range of Hills on the bank of Warasgaon Lake adjacent to the proposed two theme parks of international pattern and grade. With its prime location, guests accommodation feature impressive views of the chain of mountain peaks offering a challenging program of year-round activities, it is new in concept and philosophy to utterly delight its guests.

The Byke Jodhpur

A 5 star category Hotel in Jodhpur which is also known as "Sun City", with room capacity of 60, keeping in mind the heritage class associated with the city. The luxury hotel created in the spirit of beauty and opulence with extraordinary works of Italian marble, mosaic and glass surround visitors to this international destination, complete with everything from views of famed desserts that welcome and delight guests.



OUR STRATEGY

We seek to further strengthen our position by successfully differentiating our service offerings and increasing the scale of our operations. To achieve these goals, we seek to:

- Increase business from existing and new clients
- Expand geographically
- Continue to invest in infrastructure and employees
- Continue to enhance our engagement models and offerings
- Enhance brand visibility
- Pursue alliances and strategic acquisitions

MARKETING & STRATEGIC ALLIANCE

Change is the only constant! The present and the future is all about Web-based Marketing Strategy. At "The Byke Hospitality Limited" we believe in this adage and has been taking measures in promoting its properties through web-based methods. It has become one of the core areas in its Marketing Strategy.

The Byke Hospitality Limited, has an endeavour towards its marketing efforts had tied up with the major travel portals in India. These portals help market our hotels throughout India and assists in garnering more revenue for the Company. Some of the portals are:

- Makemytrip.com
- Cleartrip.com
- Travelguru.com
- Yatra.com
- Via.com

Besides these tie-ups, many popular travel agencies and tour operators have boosted the brand visibility of the Company "The Byke Hospitality Limited".

THE BYKE – AYURVEDIC MASSAGE & SPA CENTRE

The Ayurvedic Massage & Spa is a new launch at one of its Hotel, The Byke – Old Anchor, Goa. All the Spa products are natural and contain pure essential oils, clays, mud, flower waters. The Byke – Spa centre uses eco- friendly toxin- free pottery.

The Spa unfolds a refreshing idiom of spa design that creates beautiful spaces infused with energy, soothing harmony and restorative balance which will give an amazing and unique experience.



ANALYSIS OF OPERATIONAL AND FINANCIAL PERFORMANCE:

The Financial statement of your Company forms part as a separate section of the annual report for 2011-12, the highlights of which are given below:

i. Income from operations:

Driven by the strong growth in operating incomes, total income of the Company grew by 48 % from ₹3324.06 Lakhs in F.Y. 2010-11 to ₹4905.97 Lakhs in F.Y. 2011-12

ii. Operating Expenses:

The Operating expenses increased from ₹2644.53 Lakhs in F.Y. 2010-2011 to ₹3848.21 Lakhs in F.Y. 2011-12.

iii. Profit before tax:

The Profit before tax increased from ₹322.57 Lakhs in F.Y. 2010-11 to ₹354.85 Lakhs in the F.Y. 2011 -12

iv. Profit after tax:

The Profit after tax increased from ₹226.55 Lakhs in F.Y. 2010-11 to ₹239.69 Lakhs in the F.Y. 2011-12

Balance Sheet

1) Share Capital:

On account of allotment of 10,00,000 (Ten lakhs) equity shares pursuant to conversion of warrants to a Promoter group and others on preferential basis, the Share Capital of the Company has increased from ₹19.05 crores to ₹20.05 crores during the year.

2) Reserves & Surplus:

Reserves & Surplus has increased to ₹46.99 crores from ₹43.53 crores in the previous year on account of allotment of shares on premium.

HUMAN RESOURCES MANAGEMENT:

Over the years, the Company has built up a pool of excellent human resources with a variety of skill sets appropriate to its business requirements. The HR mandate is to attract the good people, retain the better and advance the best. At The Byke Hospitality Limited, active efforts are made to improve its human resources management service system. Parallel to developing internal people capability, we are also consciously trying to source exceptional talent in core areas of Sales & Marketing, Research & Development.

RISKS & CONCERNS

Industry Risk:

a. General economic conditions

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

demand for hotels is affected by world economic growth, a global recession could also lead to a downturn in the hotel industry.

b. Socio-political risks

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

Company specific Risks:

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

a. General Risks

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

b. Operational Risks

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

c. Financial Risks

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

d. Increased Outbound Travel

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

e. Regulatory and Legal Risks

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

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

f. High Operating Leverage

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

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

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

INTERNAL CONTROL SYSTEM:

The internal controls for the services and money flows have been 'built into' business processes, and tools have been developed to support their implementation and to monitor their effectiveness in operation. In this way, a high level of internal control is achieved efficiently.

The Company's management is responsible for the fundamental design, implementation and ongoing adaptation and refinement of the internal control and risk management system as well as for the alignment of these systems and processes with the existing requirements in a way that takes account of the company's strategy, the scope of its business and other relevant economic and organisational aspects.

CORPORATE SOCIAL RESPONSIBILITY:

We dedicated ourselves to striking a balance between profitability and social conscience. We continue to believe that the ultimate way to scale the power of brand is to share the good we do so that The Byke and everyone we touch – can endure and thrive.

By welcoming a diversity of people and ideas to our business, we create more opportunities for learning and success that benefit customers, partners (employees) and suppliers.

At The Byke Hospitality Limited, we believe that volunteering for a societal cause is an enriching experience and allows the human values and self worth of individuals and teams to flourish. As our industry and operations do not directly cause harm to natural environment, our commitment to the environment is primarily through reduction of the impact of our daily operations on critical natural resources. In view of the above, your company has started "The BYKE GO GREEN PROGRAM" which is in accordance with the MCA green initiatives wherein the communication to the shareholders shall be send in the electronic form.

COMPETITION:

The hospitality industry is highly competitive and we are subject to risks relating to competition that may adversely affect our performance. The Hospitality industry in India has witnessed the entry of various new players which has resulted in heightened competition. We will be adversely impacted if we cannot compete effectively in the highly competitive hospitality industry. Competition may reduce fee structures, potentially causing us to lower our fees or prices, which may adversely impact our profits.

The success of the Company will depend upon its ability to match the quality of services, amenities and facilities, brand recognition, location of properties, etc. The success of The Byke Hospitality Limited will be dependent upon its ability to compete in areas

such as room rates, quality of accommodation, brand recognition, service level, and convenience of location and to a lesser extent, the quality and scope of other amenities, including food and beverage facilities.

CAUTIONARY STATEMENT:

Statements in this management discussion and analysis may be 'forward looking' within the meaning of the applicable Laws and Regulations. Actual performance may deviate from the explicit or implicit expectations.



Report on Corporate Governance

Governance Philosophy:

In accordance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited (BSE) and the Madras Stock Exchange Limited (MSE) and some of the best practices followed internationally on corporate governance systems and processes at The Byke Hospitality Limited is as under:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's Corporate Governance Philosophy derives from the values of Integrity, Excellence & Responsibility. At The Byke Hospitality Limited we believe that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. Good Corporate Governance practices are characterized by a firm commitment and adoption of ethical practices by an organisation in all its dealing with a wide group of stakeholders. With increasing interdependence and free trade among countries and citizens across the globe, good Corporate Governance should be followed by every company to distinguish itself.

At your Company, we believe that though total business risk elimination is not possible, it can be minimized by consistently developing and following the best practices of Corporate Governance. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leader in Hospitality Industry.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges with regard to corporate governance.

BOARD OF DIRECTORS:

1. Composition and Size of the Board

As on March 31, 2012, the Company has Six (6) Directors on its Board, of which three (3) are Executive Directors and three (3) are Non- Executive and Independent Directors. The members of our Board are from diverse backgrounds with skills and experience in critical areas like technology, finance, entrepreneurship and general management.

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

Independent Directors

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

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

The Composition and Categories of Directors during the year is as follows:

NAME	CATEGORY
Mr. Anil Patodia	Managing Director
Mr. Satyanarayan Sharma	Whole -Time Director
Mr. Pramod Patodia	Executive and Non Independent Director
CA. Ramratan Bajaj	NEID*
Mr. Manoj Bhadupota	NEID*
Mr. Ramesh Vohra	NEID*

* NEID - Non Executive and Independent Director

2. Board Meeting Schedules and Agenda

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

SR. NO.	DATE OF MEETING	FOR THE QUARTER
1.	May 30, 2011	April to June
2.	August 11, 2011	July to September
3.	October 04, 2011	October to December
4.	November 12, 2011	October to December
5.	December 03, 2011	October to December
6.	January 13, 2012	January to March
7.	February 13, 2012	January to March

The Calendar for the Board Meeting in which financial results will be considered in the ensuing year is fixed in advance as a practice and has also been disclosed later in the report. All the agenda items

are backed by necessary supporting information and documents to enable the Board to take informed decisions.

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

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

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

3. The attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM)

Name of the Director	Held	Attended	Attendance at Last AGM
	No of the Board Meetings		
Mr. Satyanarayan Sharma	7	7	Yes
Mr. Anil Patodia	7	7	Yes
Mr. Pramod Patodia	7	3	No
CA. Ramratan Bajaj	7	7	Yes
Mr. Manoj Bhadupota	7	5	No
Mr. Ramesh Vohra	7	7	Yes

The Details of the committee memberships of the Board of Directors are given below

Name of the Director	*No. of Outside Directorships held	*Number of Committee Memberships	*Number of Committees in which Chairman
Mr. Satyanarayan Sharma	Nil	1	Nil
Mr. Anil Patodia	1	2	Nil
Mr. Pramod Patodia	Nil	Nil	Nil
CA. Ramratan Bajaj	Nil	1	1
Mr. Manoj Bhadupota	Nil	2	1
Mr. Ramesh Vohra	Nil	Nil	1

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

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

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

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

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

8. Other than transactions entered into in the normal course of business, the Company and its Promoters, Directors, Management and /or relatives has not entered into any materially significant related party transactions during the year, that may have a potential conflict of interest on the Company at large.

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

COMMITTEES OF THE BOARD

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

- ❖ Audit Committee
- ❖ Shareholders/Investor Grievance Committee
- ❖ Remuneration Committee

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

❖ Audit Committee

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

i. Terms of Reference

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending the appointment and removal of statutory auditors, fixation of audit fee and also approval for payment for any other services.
- c) Reviewing with management the annual financial statements before submission to the Board for approval, with particular reference to:
 - * Matters required to be included in the Board's Report in terms of clause 2AA of Section 217 of the Companies Act, 1956.
 - * Any changes in accounting policies and practices and reasons thereof.
 - * Major accounting entries based on the exercise of judgement by the Management.
 - * Qualifications in the draft audit report.
 - * Significant adjustments made in the financial statements, arising out of audit findings.
 - * Compliance with Accounting Standards.
 - * Compliance with listing and other legal requirements relating to financial statements.
 - * Any related party transactions i.e. transactions of the Company of material nature, with Promoters or the Management and relatives etc., that may have potential conflict with the interests of the Company at large.

- d) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- e) Reviewing with the management, performance of statutory and internal auditors and the adequacy of internal control systems.
- f) Discussion with internal auditors on any significant findings and follow-up thereon.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external / statutory auditors before the audit commences, nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
- i) Reviewing the Company's financial and risk management policies.
- j) To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.

ii. Composition, Meeting and Attendance

The Committee comprises of two Non-Executive Independent Directors (NEID) and one executive Director (ED). The Committee met on May 30, 2011, August 11, 2011, November 12, 2011 and February 13, 2012 during the year. The Particulars of members and their attendance at the meetings are given below:

Name of the Member	Designation	Category of Directorship	No of the Board Meetings	
			Held	Attended
CA Ram Ratan Bajaj	Chairman	NEID	4	4
Mr. Manoj Bhadupota	Member	NEID	4	4
Mr. Anil Patodia	Member	ED	4	4

Mrs. Naina Hemant Kurane, the Company Secretary is the Secretary to the Committee. All the members of the Audit Committee are financially literate i.e., ability to read and understand the financial statement, The Chairman of the Audit Committee possess strong accounting and financial management expertise.

❖ Shareholders/Investor Grievance Committee

i. Terms of Reference

The Company has constituted a Shareholders/Investor Grievance Committee of Directors to look into the redressal of complaints of investor such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc. The committee oversees performance of the Registrars and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

ii. Composition, Meeting and Attendance

The Committee comprises of One Non-Executive Independent Directors (NEID) and two Executive Director (ED). The committee had fifteen meetings during the year under consideration i.e. May 31, 2011, June 15, 2011, July 18, 2011, August 16, 2011, September 15, 2011, September 30, 2011, October 31, 2011, November 16, 2011, November 30, 2011, December 15, 2011, December 31, 2011, January 16, 2012, January 31, 2012, February 15, 2012 and March 31, 2012. The quorum of the shareholders grievance committee meeting is two members personally present.

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

Name of the Member	Designation	Category of Directorship	No of the Board Meetings	
			Held	Attended
Mr. Manoj Bhadupota	Chairman	NEID	15	15
Mr. Satyanarayan Sharma	Member	NEID	15	15
Mr. Anil Patodia	Member	ED	15	15

Mrs. Naina Hemant Kurane, the Company Secretary is the Secretary to the Committee.

iii. Transfer to IEPF

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

Given below are the proposed dates for transfer of the unclaimed dividend to the IEPF by the Company:

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

*Indicative dates, actual dates may vary.

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

❖ Remuneration Committee

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

i. Terms of Reference

The broad terms of reference of the Committee are to appraise the performance of Managing/Executive Directors, determine and recommend to the Board, compensation payable to them, details of which are included in this report.

ii. Composition, Meeting and Attendance

The Committee comprises of three Non – Executive Independent Directors (NEID). During the year the members met on May 30, 2011.

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

Name of the Member	Designation	Category of Directorship	No of the Board Meetings	
			Held	Attended
Mr. Ramesh Vohra	Chairman	NEID	1	1
Mr. Manoj Bhadupota	Member	NEID	1	1
CA Ram Ratan Bajaj	Member	NEID	1	1

iii. Remuneration Policy

a) Non – Executive Directors

Remuneration of the Non – Executive Directors of the Company by way of sitting fees and commission is decided by the Board of Directors. Payment of commission to any individual Non – Executive Director is determined by the Board and is broadly based on attendance, contribution at the Board and Committee Meetings. However, there is no sitting fees and commission paid to the Non- Executive Directors for the period under review.

b) Managing and Executive Directors

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

iv. Remuneration

a) Managing Director and Executive Directors:

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

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

b) Remuneration paid to Non – Executive Directors is Nil.

OTHER COMMITTEES

The Board of Directors of the Company had formed a Board Committee comprising of Mr. Anil Patodia (Managing Director), Mr. Satyanarayan Sharma and Mr. Ramratan Bajaj for the purpose of allotment of equity shares pursuant to conversion of Warrants on January 13, 2012 which were earlier issued under in principle approval received from the BSE vide letter no DCS/PREF/JA/PRE/325/10-11 dated July 5, 2010.

The Allotment Committee meeting was held on January 16, 2012.

Service Contract and Notice Period of the Managing Director and the Executive Directors

Mr. Anil Patodia's contract as a Managing Director is for a period of 5 years, commencing from August 01, 2011, upto and including July 31, 2016, terminable by 3 months notice on either side.

Mr. Satyanarayan Sharma's contract as Whole-time Director of the Company is for a period of 5 years, commencing from August 01, 2011, upto and including July 31, 2016, terminable by 3 months notice on either side.

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

None of the Non – Executive Directors have shareholding in the Company as on March 31, 2012.

COMPLIANCE OFFICER

Mrs. Naina Hemant Kurane

Company Secretary

Phone: 022 6707 9666

Fax: 022 67079696

E-mail : investors.care@thebyke.com

STATUS REPORT OF INVESTOR COMPLAINTS FOR THE YEARENDED

March 31, 2012.

No of Complaints Received – 13

No of Complaints Resolved - 13

No of Complaints Pending – Nil

GENERAL BODY MEETINGS

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

Year	Date & Venue	Time	No. of Special Resolution Passed
2008-09	September 30, 2009 Sahara Star, Near Domestic Airport, Vile Parle (East), Mumbai	12.30 hrs	Nil
2009-10	September 30, 2010 Hotel Suba Galaxy, N. S. Phadke Road, Off Western Express Highway, Andheri (E), Mumbai - 400069	12.00 hrs	Two
2010-11	July 21, 2011 Anchorage Hall, Hotel Suba International, 211, Chakala Sahar Road, Andheri (East), Mumbai - 400 099	11.00 hrs	Five

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

POSTAL BALLOT

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

DISCLOSURES

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

RECONCILIATION OF SHARE CAPITAL AUDIT

In keeping with the requirements of SEBI and the Stock Exchanges, a Secretarial Audit by a practicing Company Secretary is carried out to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued / paid - up capital tallies with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

MEANS OF COMMUNICATION

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

EXTENSIVE BUSINESS REPORTING LANGUAGE (XBRL)

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

MINISTRY OF CORPORATE AFFAIRS (MCA)

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

SEBI COMPLAINTS REDRESS SYSTEM (SCORES)

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

ANNUAL REPORT

The Annual Report containing inter alia the Audited Accounts, Directors' Report, Auditors' Report and other important information is circulated to the investors.

Pursuant to the Green Initiative launched by the MCA, the Company also sends e-copies of the Annual Report to Members who have registered for the same.

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

WEBSITE

The Company's website is a comprehensive reference on Company's

management, vision, mission, policies, corporate governance, investor relations, and updates. The section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars and share transfer agents.

the requirements of Clause 49 of the Listing Agreement is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the Company. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, in compliance with

Annual report has a separate detailed chapter on Management Discussion and Analysis

General Shareholders' Information

1.	Annual General Meeting	
	Date and Time	September 27, 2012 ; 11.00 a.m.
	Venue	Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Complex, Near Bombay Cambridge School, J.B. Nagar, Andheri (E), Mumbai – 400 099
2.	Financial Calendar (Tentative)	
	Financial reporting for the quarter ending June 30, 2012	2 nd week of August, 2012
	Financial reporting for the half year ending September 30, 2012	2 nd week of November, 2012
	Financial reporting for the quarter ending December 31, 2012	2 nd week of February, 2013
	Financial reporting for the year ending March 31, 2013	2 nd week of May, 2013
3.	Dates of Book Closure	September 24, 2012 to September 27, 2012 (both days inclusive)
4.	Dividend Payment Date	On or after October 01, 2012
5.	Registered Office	Shree Shakambhari Corporate Park, 156/158, Chakravarti Ashok Complex, J. B. Nagar, Andheri (East), Mumbai – 400 099 Email : investors.care@thebyke.com Website: www.thebyke.com
6.	Listing on Stock Exchanges	Bombay Stock Exchange Limited Madras Stock Exchange Limited
7.	Traded on Stock Exchanges	National Stock Exchange Limited (w.e.f. Dec. 30, 2011) Bombay Stock Exchange Limited Madras Stock Exchange Limited
8.	Stock Code	BSE – 531373 NSE – THEBYKE
9.	Payment of Annual Listing fees	Listing fees for the financial year 2012-13 has been paid to both the exchanges i. e The Bombay Stock Exchange Limited and Madras Stock exchange Limited.

Market Price Data

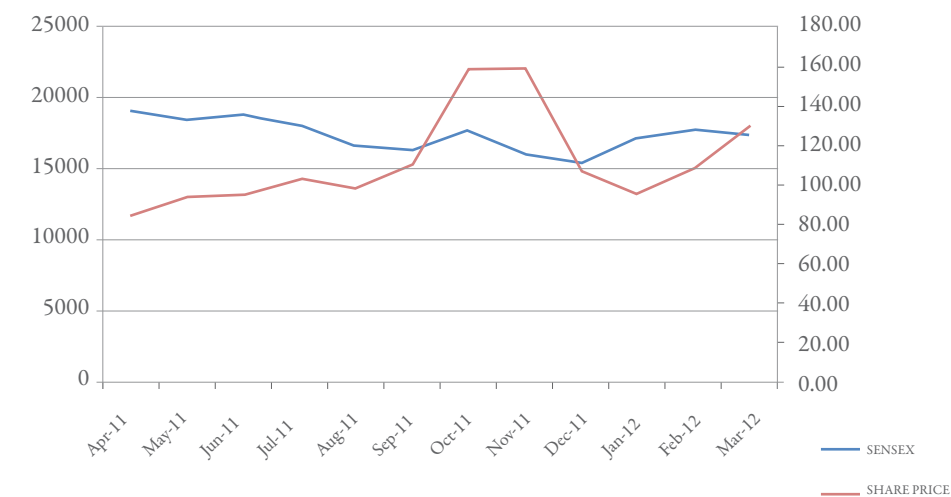
Monthly High, Low & Closing market price of the Company's shares traded at BSE during each month of the financial year ended March 31, 2012 are as under:

MONTH	HIGH	LOW	CLOSE PRICE	VOLUME	SENSEX
April -2011	99.75	82.6	84.6	24,31,642	19,135.96
May – 2011	95.4	83.95	94.25	23,40,503	18,503.28
June -2011	100.8	92	95.3	33,39,032	18,845.87
July - 2011	107.25	95	103.5	44,92,906	18,197.20
August – 2011	108.8	95	99.15	33,23,921	16,676.75
September – 2011	114.8	97.6	111	45,67,593	16,453.76
October-2011	215.8	110.25	158.8	66,63,036	17,705.01
November-2011	170.95	139.5	159.1	20,62,891	16,123.46
December-2011	162	104.55	107.65	55,73,314	15,454.92
January-2012	109.65	79.05	95.7	11,03,487	17,193.55
February-2012	117.8	95.6	108.5	7,85,029	17,752.68
March-2012	132	103.3	129.55	19,00,465	17,404.20

❖ High and low are in rupees per traded share

❖ Volume is the total monthly volume of traded shares (in number) of The Byke Hospitality Limited on Bombay Stock Exchange Limited.

Share Price Performance in Comparison with Sensex

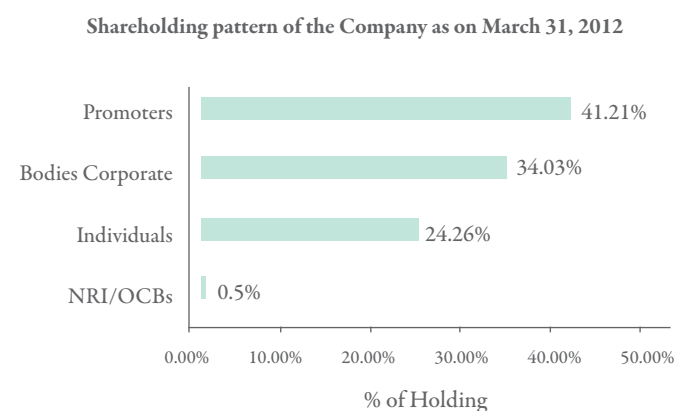


Distribution Schedule of The Byke Hospitality Limited Shareholding as on March 31, 2012

Number of Shares	Number of Shareholders	% to total No. of Shareholders	No. of Shares	% to total share capital
1-100	2259	69.15	188795	0.94
101-200	281	8.60	53509	0.27
201-500	296	9.06	116535	0.58
501-1000	152	4.65	124884	0.62
1001-5000	155	4.74	408744	2.04
5001-10000	22	0.67	172453	0.86
10001-100000	75	2.30	2566052	12.80
100001 to Above	27	0.83	16417928	81.89
Total	3264	100.00	20048900	100.00

Categories of Shareholders as on March 31, 2012

Sr. No.	Description	No. of Shares (as at March 31, 2012)	% to capital
A.	Promoters	82,62,918	41.21
B.	Public Shareholding		
	-NRI/ OCBs	1,00,427	0.50
	-Bodies Corporate	68,22,618	34.03
	-Individuals	48,62,937	24.26
	Total	2,00,48,900	100.00



Registrar and Transfer Agent,

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

Share Transfer System

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

The Share Certificates in physical form are generally processed fortnightly and returned within 30 days from the date of receipt, if the documents are proper and valid in all respects. A summary of the transfer / transmission so approved is placed at every Board Meeting.

The Company obtains from a practising Company Secretary a half yearly Certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges concerned.

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

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

Dematerialization of Shares and liquidity:

The shares of the company are traded on the Bombay Stock Exchange Limited only in the dematerialized form. As on March 31, 2012, 83.03% of the Company's shares were in dematerialized form.

Status on Dematerialised shares (Equity ISIN No. INE319B01014)

Shares held through	Percentage of Holding
NSDL	17.45
CDSL	65.58
Physical	16.97
Total	100

Full Conversion of Warrants

The Company had issued 75, 00, 000 share warrants convertible into 75, 00, 000 equity shares of ₹10/- each at a premium of ₹34/- each to its promoters and others on preferential basis, convertible within 18 months, vide special resolution passed at extra ordinary general meeting held on July 2, 2010.

The Company has received notice for conversion of the warrants into equity shares and accordingly 30, 00, 000 equity shares, 35, 00, 000 equity shares and 10, 00, 000 equity shares have been allotted on September 15, 2010, March 30, 2011 and January 16, 2012 respectively.

Investor Correspondence:

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

The Byke Hospitality Limited

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

National Electronic Clearing Service (NECS)

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

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

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

For and on Behalf of Board of Directors

Sd/-

Anil Patodia
Managing Director

Mumbai, August 13, 2012

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

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

We have examined the compliance of conditions of Corporate Governance by The Byke Hospitality Limited for the year ended on March 31, 2012, as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges in India.

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

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

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

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

Sd/-
Satish Kumar Gupta
Partner
M. No. 101134
Mumbai, August 13, 2012

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

In accordance with sub-clause I (D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2012.

For **The Byke Hospitality Limited**

Sd/-
Anil Patodia
Managing Director
Mumbai, August 13, 2012

Chief Executive Officer Certificate

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

- 1) I have reviewed the financial statements & cash flow statement for the year ended March 31, 2012 and to best of my knowledge and belief I state that:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) To the best of our knowledge and belief, no transactions entered in to by the company during the year ended March 31, 2012 are fraudulent, illegal or violating of the company's code of conduct.
- 3) I accept the responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and the steps have been taken to rectify these deficiencies.
- 4) There is not been any significant change in internal control over financial reporting during the year under reference;

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

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

Sd/-
Anil Patodia
Managing Director & CEO

Mumbai August 13, 2012

Auditors' Report

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

We have audited the attached Balance Sheet of THE BYKE HOSPITALITY LIMITED as at 31st March, 2012, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 and amendments thereto issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as it appears from our examination of those books.
 - c) The said Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors as on 31st March, 2012 and taken on record by the Board, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with notes appearing thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012,
 - ii) In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

Sd/-

Satish Kumar Gupta
Partner (M.N. 101134)

Mumbai, August 13, 2012

Annexure to Auditors' Report

Annexure referred to in Paragraph 2 of the Auditors Report to the members of THE BYKE HOSPITALITY LIMITED for the year ended 31st March 2012.

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management according to the regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies on such physical verification were not material.
- (c) In our opinion and according to the information and explanation given to us no part of fixed assets has been disposed off during the year.
- (ii) (a) In our opinion and according to the information and explanations given to us, inventories have been physically verified by the management during the year at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion and according to information and explanation given to us, the company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stock and book records were not material.
- (iii) (a) The Company has not granted any loan to any party covered in the register maintained under Section 301 of the Companies Act, 1956.
- (b) The company has not taken any loan from any party covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanation given to us there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) (a) Based on the audit procedures performed by us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained in that section.
- (b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The company has not accepted any public deposit.
- (vii) The Company does not have any formal internal audit system but its financial and internal checks ensures proper recording of financial transactions.
- (viii) The Central Government has not prescribed for maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 for the Company.
- (ix) (a) According to the records of the Company, the undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty, Cess have regularly deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2012 for a period more than six months from the date they became payable.
- (b) There are no amount in respect of any disputed income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess.

- (x) The company does not have any accumulated losses at the end of the financial year.
- (xi) The Company has not defaulted in repayment of its dues to banks and financial institutions.
- (xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the company.
- (xiv) In respect of dealing in shares, securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities and other investments have been held by the company in its own name.
- (xv) The company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) The Company has raised new term loans during the year. Term loans raised during the year have been applied for the purposes for which they were raised.
- (xvii) On an overall examination of the balance sheet of the Company, we report that there are no funds raised on short-term basis have been used for long term investments.
- (xviii) The company has made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year.

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

Sd/-

Satish Kumar Gupta
Partner (M.N. 101134)

Mumbai, August 13, 2012

BALANCE SHEET AS AT MARCH 31, 2012

Figures in ₹

PARTICULARS	Note No.	AS AT MARCH 31, 2012	AS AT MARCH 31, 2011
I EQUITY & LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	2(1)	20,04,89,000	19,04,89,000
(b) Reserves and Surplus	2(2)	46,99,66,737	43,52,60,536
		67,04,55,737	62,57,49,536
2. Share Application Money Pending Allotment	2(3)	-	1,10,00,000
3. Non - Current Liabilities			
(a) Long -Term Borrowings	2(4)	9,62,60,000	-
(b) Deferred Tax Liabilities (Net)	2(5)	2,81,24,325	2,06,79,571
(c) Long - Term Provisions	2(6)	71,50,092	73,87,279
		13,15,34,417	2,80,66,850
4. Current Liabilities			
(a) Short - Term Borrowings	2(7)	7,70,81,113	18,30,308
(b) Trade Payables	2(8)	3,01,34,216	16,07,960
(c) Other Current Liabilities	2(9)	65,10,688	1,52,57,164
(d) Short - Term Provisions	2(10)	2,33,01,333	2,21,39,108
		13,70,27,350	4,08,34,540
TOTAL		93,90,17,504	70,56,50,926
II ASSETS			
1. Non - Current Assets			
(a) Fixed Assets	2(11)		
(i) Tangible Assets		46,70,85,911	13,19,09,273
(ii) Capital Work-in-Progress		19,70,17,825	37,98,47,650
(b) Long - Term Loans and Advances	2(12)	8,87,359	8,36,550
(c) Other Non - Current Assets	2(13)	3,88,25,000	5,85,883
		70,38,16,095	51,31,79,356
2. Current Assets			
(a) Inventories	2(14)	6,02,22,288	3,55,84,590
(b) Trade Receivables	2(15)	2,92,85,999	1,69,77,455
(c) Cash and Bank Balances	2(16)	2,41,84,173	1,04,98,109
(d) Short - Term Loans and Advances	2(17)	12,15,08,949	12,94,11,416
		23,52,01,409	19,24,71,570
TOTAL		93,90,17,504	70,56,50,926

See accompanying notes to the financial statements, as under

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

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

Sd/-
Satish Kumar Gupta
Partner
Membership No. : 101134
Mumbai, August 13, 2012

For and on behalf of Board of Directors

Sd/- Anil Patodia Managing Director Mumbai, August 13, 2012	Sd/- Satyanarayan Sharma Whole - Time Director	Sd/- Naina Hemant Kurane Company Secretary
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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

Figures in ₹

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED MARCH 31, 2012	FOR THE YEAR ENDED MARCH 31, 2011
I Revenue from Operations	3(1)	49,05,97,422	33,24,05,914
II Other Income	3(2)	4,74,137	21,27,151
III Total Revenue (I + II)		49,10,71,559	33,45,33,065
IV Expenses			
Cost of Materials Consumed	3(3)	3,46,98,137	83,70,216
Employee Benefits Expenses	3(4)	2,01,97,508	1,83,88,025
Finance Costs	3(5)	51,83,595	43,780
Depreciation and Amortization Expenses	2(11)	1,11,91,892	86,41,661
Operating & Other Expenses	3(6)	38,43,14,996	26,68,32,270
Total Expense		45,55,86,128	30,22,75,952
V Profit before Tax (III-IV)		3,54,85,431	3,22,57,113
VI Tax Expense:			
(a) Current Tax expense for Current Year		71,00,000	78,00,000
(b) (Less) : MAT Credit		30,28,158	-
(c) Current Tax expense relating to Prior Years		-	-
Net Current Tax expense		40,71,842	78,00,000
(d) Deferred Tax	2(5)	74,44,754	18,01,643
		1,15,16,596	96,01,643
VII Profit for the period after tax (V - VI)		2,39,68,835	2,26,55,470
VIII Earnings Per Equity Share (Face Value ₹ 10 Per Share):	3(7)		
(1) Basic (₹)		1.24	1.60
(2) Diluted (₹)		1.24	1.58

See accompanying notes to the financial statements, as under

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

In terms of our report of even date

For **A P SANZGIRI & CO.**

Chartered Accountants

Firm's Registration No. : 116293W

Sd/-
Satish Kumar Gupta
Partner

Membership No. : 101134

Mumbai, August 13, 2012

For and on behalf of Board of Directors

Sd/-
Anil Patodia
Managing Director

Mumbai, August 13, 2012

Sd/-
Satyanarayan Sharma
Whole - Time Director

Sd/-
Naina Hemant Kurane
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Figures in ₹

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2012	FOR THE YEAR ENDED MARCH 31, 2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation	3,54,85,431	3,22,57,113
Adjustments for:		
Interest expenses	51,83,595	40,519
Depreciation on fixed assets	1,11,91,892	86,41,661
Interest income	(4,74,137)	(3,48,855)
Profit on sale of Investment	-	(17,78,296)
Misc. Expenditure w/off	5,85,883	1,25,000
Provision for gratuity	50,092	-
Operating profit before Working Capital changes	5,20,22,756	3,89,37,142
Changes in Working Capital		
(Increase)/decrease in Trade and Other Receivables	(1,23,08,544)	(75,56,668)
(Increase)/decrease in Inventories	(2,46,37,698)	(3,15,52,229)
Increase/(decrease) in Trade and Other Payables	2,02,77,879	68,79,193
Cash generated from operations	3,53,54,393	67,07,438
Income Taxes (paid)/ refund	(76,85,042)	(29,53,010)
Net cash inflow from/(outflow) from Operating Activities	2,76,69,351	37,54,428
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(16,35,38,705)	(25,38,13,888)
Sale of Investments	-	40,01,166
Movement in Loans and Advances	1,12,16,278	(4,14,81,516)
Deposits given	(3,88,25,000)	-
Interest received	4,69,661	-
Net cash inflow from/(outflow) from Investing Activities	(19,06,77,766)	(29,12,94,238)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(51,83,595)	-
Dividend paid (including dividend distribution tax)	(2,26,37,207)	(55,22,097)
Money/(repaid) from/to borrowings	17,15,10,805	17,89,789
Proceeds from issue of Share Capital / Warrants	3,30,00,000	29,70,00,000
Net cash inflow from/(outflow) from Financing Activities	17,66,90,003	29,32,67,692
Net increase/(decrease) in Cash and Cash Equivalents	1,36,81,588	57,27,882
Opening Cash and Cash Equivalents	1,02,75,125	45,47,243
Closing Cash and Cash Equivalents	2,39,56,713	1,02,75,125

In terms of our report of even date

For **A P SANZGIRI & CO.**

Chartered Accountants

Firm's Registration No. : 116293W

Sd/-
Satish Kumar Gupta
Partner

Membership No. : 101134

Mumbai, August 13, 2012

For and on behalf of Board of Directors

Sd/-
Anil Patodia
Managing Director

Mumbai, August 13, 2012

Sd/-
Satyanarayan Sharma
Whole - Time Director

Sd/-
Naina Hemant Kurane
Company Secretary

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2012

NOTE 1: Significant Accounting Policies

1.1 Basis of accounting and preparation of financial statements

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

1.2 Use of estimates

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

1.3 Inventories

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

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

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

1.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.6 Depreciation and amortisation

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

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

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

1.7 Tangible fixed assets

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

Capital work-in-progress:

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

1.8 Impairment of assets

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

1.9 Revenue recognition

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

1.10 Investments

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

1.11 Employee benefits

- (a) All employee benefits falling due within twelve months of rendering the services are classified as short term employee benefits. Benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.
- (b) Retirement benefits in the form of Provident Fund and Employees State Insurance Scheme are defined contribution schemes and the contributions are charged to the Profit & Loss Account of the period when the contributions to the respective funds are due.
- (c) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period.
- (d) Actuarial gains and losses in respect of gratuity is charged to the Profit & Loss Account.

1.12 Borrowing costs

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

1.13 Segment reporting

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

1.14 Leases

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

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

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

1.15 Earnings per share

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

1.16 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

1.17 Provision and Contingencies

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

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2012

NOTE 3: Notes to the Balance Sheet

Figures in ₹

PARTICULARS	AS AT MARCH 31, 2012	AS AT MARCH 31, 2011
1. SHARE CAPITAL		
(a) Details of authorised, issued and subscribed share capital		
Authorised Capital		
2,10,00,000 (P.Y. 2,10,00,000) Equity Shares of ₹ 10/- each	21,00,00,000	21,00,00,000
Issued Capital		
2,00,48,900 (P.Y. 1,90,48,900) Equity Shares of ₹ 10/- each	20,04,89,000	19,04,89,000
Subscribed and Paid up Capital		
2,00,48,900 (P.Y. 1,90,48,900) Equity Shares of ₹10/- each fully paid up	20,04,89,000	19,04,89,000
TOTAL	<u>20,04,89,000</u>	<u>19,04,89,000</u>
(b) The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.		
In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distributing of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder.		
(c) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:		
No. of shares at the beginning of the year	1,90,48,900	1,25,48,900
Add: Conversion of warrants into shares on preferential basis	10,00,000	65,00,000
No. of shares at the end of the year	<u>2,00,48,900</u>	<u>1,90,48,900</u>
d) Details of Shareholders holding more than 5% shares (in Number) :		
Name of the Shareholders		
Hotel Relax Pvt. Ltd.	44,62,549 22.26%	44,62,549 23.43%
Vinita Patodia	20,34,170 10.15%	20,34,170 10.68%
Satyanarayan Sharma	11,57,100 5.77%	11,57,100 6.07%
Florence Agrofoods Pvt. Ltd.	- -	10,00,000 5.25%
Hot N Ice Entertainment Pvt. Ltd.	20,00,000 9.98%	10,00,000 5.25%

PARTICULARS	Figures in ₹			
	AS AT MARCH 31, 2012	AS AT MARCH 31, 2011		
2. RESERVES & SURPLUS				
Securities Premium Reserve				
Opening Balance	36,70,00,000	14,60,00,000		
Add: received on shares issued during the year	3,40,00,000	22,10,00,000		
Closing Balance	40,10,00,000	36,70,00,000		
General Reserve				
Opening Balance	1,00,00,000	1,00,00,000		
Add: transferred from Profit and Loss Account	-	-		
Closing Balance	1,00,00,000	1,00,00,000		
Surplus / (Deficit) in Statement of Profit and Loss				
Opening Balance	5,82,60,536	5,82,44,174		
Add/(Less): profit/(loss) for the period	2,39,68,835	2,26,55,470		
Add: Excess Provision of Taxes in Earlier Years	38,699	-		
Less: Short Provision of Taxes in Earlier Years	-	5,00,000		
Less: Proposed Dividend	2,00,48,900	1,90,48,900		
Less: Dividend Distribution tax on Proposed Dividend	32,52,433	30,90,208		
Closing Balance	5,89,66,737	5,82,60,536		
Grand Total	46,99,66,737	43,52,60,536		
3. SHARE APPLICATION MONEY PENDING ALLOTMENT				
Share application money pending allotment	-	1,10,00,000		
Total	-	1,10,00,000		
4. LONG-TERM BORROWINGS				
a) Secured Loans				
Term Loans - From Banks	9,62,60,000	-		
Grand Total	9,62,60,000	-		
b) Term Loan is secured by way of first charge on all fixed assets of the company, both present & future and assignments of rights under lease agreements for hotels taken on lease basis, personal guarantee of promoters, corporate guarantee of Hotel Relax Pvt. Ltd.				
c) Maturity Profile of Secured term loan is as set out below :				
	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
Term Loan - from Bank	2,20,00,000	2,20,00,000	2,20,00,000	3,02,60,000
d) Rate of Interest is 13.75% p.a.				

PARTICULARS	Figures in ₹	
	AS AT MARCH 31, 2012	AS AT MARCH 31, 2011
5. DEFERRED TAX LIABILITIES (NET)		
The major components of deferred tax liabilities/assets as recognized in the financial statements is as follows:		
Deferred Tax Liabilities		
On difference between book balance and tax balance of fixed assets	2,88,11,691	2,06,79,571
	2,88,11,691	2,06,79,571
Deferred Tax Assets		
Provision for gratuity	16,252	-
Others - Diff. in Lease Rent as per Lease Agreement & AS-19	6,71,114	-
	6,87,366	-
Net	2,81,24,325	2,06,79,571
6. LONG-TERM PROVISIONS		
Prov. For Gratuity	50,092	-
Prov. For Taxation	71,00,000	73,87,279
Total	71,50,092	73,87,279
7. SHORT-TERM BORROWINGS		
a) Secured Loans		
Term Loans - From Banks	1,49,99,662	-
Cash Credit facility with Banks	6,04,18,876	-
Other loans & Advances - Overdraft Facility	16,62,575	18,30,308
Total	7,70,81,113	18,30,308
b) Term Loan is secured by way of first charge on all fixed assets of the company, both present & future and assignments of rights under lease agreements for hotels taken on lease basis, personal guarantee of promoters & corporate guarantee of Hotel Relax Pvt. Ltd. (Promoter). Rate of interest is 13.75% p.a.		
Cash Credit facility is secured by way of first charge on all current assets of the company including hypothecation of inventory/book debts/consumable stores & spares and extension of assignments of rights under lease agreements for hotels taken on lease basis, personal guarantee of promoters & corporate guarantee of Hotel Relax Pvt. Ltd. Rate of interest is 13.50% p.a.		
Overdraft facility is secured against fixed deposit receipt.		
8. TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises*	-	-
Other than Micro, Small and Medium Enterprises	3,01,34,216	16,07,960
Total	3,01,34,216	16,07,960
<i>*Based on the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises based on the confirmations circulated and responses received by the management.</i>		
9. OTHER CURRENT LIABILITIES		
Advance from Customers	10,39,214	32,50,000
Unclaimed Dividend	21,17,725	26,15,824
Other Payables (Other Liabilities) *	33,53,749	93,91,340
Total	65,10,688	1,52,57,164
<i>* includes statutory dues & security deposits</i>		
10. SHORT-TERM PROVISIONS		
Proposed dividend	2,00,48,900	1,90,48,900
Tax on proposed dividend	32,52,433	30,90,208
Total	2,33,01,333	2,21,39,108

11. FIXED ASSETS

Figures in ₹

DESCRIPTION	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	As at April 1, 2011	Additions	Deductions/ Adjustments	As at March 31, 2012	Charged For the year	Deductions/ Adjustments	As at March 31, 2012	As at March 31, 2011
(i) Tangible Assets								
Land	-	5,72,45,250	-	5,72,45,250	-	-	5,72,45,250	-
Buildings								
Owned	6,88,79,957	-	-	6,88,79,957	11,22,743	-	6,27,11,010	6,38,33,753
Leased*	-	15,50,44,700	-	15,50,44,700	9,00,698	-	15,41,44,002	-
Plant and Machinery	5,23,13,160	10,85,13,317	-	16,08,26,477	31,37,295	-	15,23,00,943	4,69,24,921
Furnitures and Fixtures	1,09,10,735	2,26,77,433	-	3,35,88,168	11,80,773	-	2,70,82,819	55,86,159
Vehicles	14,48,025	24,00,075	-	38,48,100	1,38,185	-	27,98,149	5,36,259
Office Equipments	29,88,956	-	-	29,88,956	1,41,975	-	22,84,571	24,26,546
Computer	2,81,92,515	4,87,755	-	2,86,80,270	45,70,223	-	85,19,167	1,26,01,635
TOTAL	16,47,33,348	34,63,68,530	-	51,11,01,878	1,11,91,892	-	46,70,85,911	13,19,09,273
Previous Year	14,59,19,460	1,88,13,888	-	16,47,33,348	86,41,661	-	13,19,09,273	12,17,37,046
(ii) Capital Work-In-Progress #							19,70,17,825	37,98,47,650
* Building includes improvements made in the hotels taken on lease basis for 10 to 15 years.								
# Capital Work-in-Progress includes expenses incurred on leasehold premises and development of land.								

PARTICULARS	Figures in ₹	
	AS AT MARCH 31, 2012	AS AT MARCH 31, 2011
12. LONG-TERM BORROWINGS		
Other loans and advances		
Unsecured, considered good	8,87,359	8,36,550
Grand Total	8,87,359	8,36,550
13. OTHER NON-CURRENT ASSETS		
(a) Deposits	3,88,25,000	-
(b) Unamortised expenses		
Share issue expenses	-	5,85,883
Total	3,88,25,000	5,85,883
14. INVENTORIES		
Food & Beverages, Stores & Supplies, Wines, Linens etc.	6,02,22,288	3,55,84,590
Total	6,02,22,288	3,55,84,590
15. TRADE RECEIVABLES		
(Unsecured, considered good)		
Trade receivables exceeding six months	-	69,39,279
Others	2,92,85,999	1,00,38,176
Total	2,92,85,999	1,69,77,455
16. CASH AND BANK BALANCES		
(a) Balance with banks (excluding bank deposits with more than 12 months maturity) *	34,93,978	10,02,176
(b) Cash on Hand	1,64,62,735	31,72,949
(c) Bank deposits with more than 12 months maturity #	42,27,460	63,22,984
Total	2,41,84,173	1,04,98,109
* Balance with banks includes Unclaimed Dividend of ₹ 9,56,845/- (Previous Year ₹ 9,68,605/-)		
# Fixed Deposit includes accrued interest of ₹ 2,27,460/- (Previous Year ₹ 2,22,984/-)		
# Fixed Deposit of ₹ 40,00,000 given as security against overdraft facility		
17. SHORT-TERM LOANS AND ADVANCES		
(Unsecured considered good)		
Loans and advances to related parties	13,62,618	-
Loans and advances to employees	7,78,089	-
Prepaid expenses	2,29,03,622	-
Advance income tax	3,36,462	-
MAT credit entitlement	30,28,158	-
Other loans and advances	9,31,00,000	12,94,11,416
Total	12,15,08,949	12,94,11,416
18. PROPOSED DIVIDEND		
(i) Amount of proposed dividend	2,00,48,900	1,90,48,900
(ii) Proposed dividend per share	1.00	1.00
(iii) Tax on proposed dividend	32,52,433	30,90,208
(iv) Transfer to general reserve	-	-

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2012

NOTE 3: Notes to Statement of Profit and Loss

Figures in ₹

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2012	FOR THE YEAR ENDED MARCH 31, 2011
1. REVENUE FROM OPERATIONS		
Income from Services rendered	49,05,97,422	33,24,05,914
Total	49,05,97,422	33,24,05,914
2. OTHER INCOME		
Interest Income	4,74,137	3,48,855
Net Gain on Sale of Investment	-	17,78,296
Total	4,74,137	21,27,151
3. COST OF MATERIALS CONSUMED - FOOD & BEVERAGES, WINES, LINEN, STORES, SPARES ETC.		
Opening Stock	3,55,84,590	40,32,361
Add : Net Purchases	5,93,35,835	3,99,22,445
Less : Closing Stock	6,02,22,288	3,55,84,590
Materials Consumed	3,46,98,137	83,70,216
4. EMPLOYEE BENEFIT EXPENSES		
(i) Salaries, Incentives and Wages	1,93,47,991	1,69,51,261
(ii) Contribution to Provident & Other Funds	1,12,176	-
(iii) Staff Welfare Expenses	6,87,249	14,36,764
(iv) Gratuity	50,092	-
Total	2,01,97,508	1,83,88,025
5. FINANCE COST		
Interest on borrowings	51,79,955	40,519
Other Interest	3,640	3,261
Total	51,83,595	43,780

Figures in ₹

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2012	FOR THE YEAR ENDED MARCH 31, 2011
6. OTHER EXPENSES		
Operating Expenses		
Accommodation Expenses	32,85,14,227	24,97,44,008
Freight and forwarding	1,50,677	1,20,215
Power & Fuel	52,96,567	13,67,475
Water Charges	4,70,778	-
Rent including lease rentals - Hotels	1,16,50,077	29,86,936
Other Operating Expenses	40,40,156	18,63,769
Total	35,01,22,482	25,60,82,403
Other Expenses		
Bank Charges	3,03,738	45,074
Brokerage, discount and commission	6,37,772	12,50,810
Communication Expenses	5,34,961	5,87,653
Insurance	72,628	-
Legal and professional charges	73,30,506	29,43,432
Marketing and advertisement expenses	19,11,362	7,54,323
Printing and stationery	5,83,266	6,94,926
Rent, Rates and taxes	42,42,299	-
Repairs and maintenance- Building	1,26,89,609	20,08,601
Repairs and maintenance- Machinery	7,10,358	-
Repairs and maintenance- Others	11,51,632	-
Security Charges	1,26,600	2,56,600
Transport Charges	2,70,050	-
Travelling and conveyance	9,26,568	8,05,621
Payment to Auditors		
- Statutory & Tax Audit Fees	3,37,080	3,30,900
Amortisation of share issue expenses and discount on shares	5,85,883	1,25,000
General Expenses	17,78,203	9,46,927
Total	3,41,92,515	1,07,49,867
Grand Total	38,43,14,996	26,68,32,270
7. EARNING PER EQUITY SHARE		
Profit/(Loss) attributable to Equity shareholders	2,39,68,835	2,26,55,470
Weighted average number of equity shares	1,92,56,550	1,41,95,475
Basic Earnings Per Share	1.24	1.60
Face value per Share	10	10
Weighted average number of equity share after considering potential equity shares	1,92,56,550	1,43,74,927
Diluted Earnings per Share	1.24	1.58

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2012

NOTE 4: Other Notes

1. CORPORATE INFORMATION

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

2. MONIES RECEIVED AGAINST SHARE WARRANTS

The company had issued 75,00,000 share warrants convertible into 75,00,000 equity shares of ₹ 10/- each at a premium of ₹ 34/- to its promoters & others on preferential basis, convertible within 18 months, vide special resolution passed at extra ordinary general meeting held on 02nd July, 2010. Out of 75,00,000 warrants, 10,00,000 share warrants have been converted into shares during the year and 65,00,000 warrants had already been converted into shares in previous year.

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

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

5. DETAILS OF LEASING ARRANGEMENTS

Figures in ₹

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2012	FOR THE YEAR ENDED MARCH 31, 2011
As Lessee		
The Company has entered into operating lease arrangements for certain hotel premises. The leases are non-cancellable and are for a period of 10 to 15 years and may be renewed for a further period based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments on year to year basis.		
FUTURE MINIMUM LEASE PAYMENTS		
not later than one year	3,42,70,000	-
later than one year and not later than five years	14,75,95,000	-
later than five years	30,77,37,140	-
Total	48,96,02,140	-
Lease payments recognised in the Statement of Profit and Loss	1,16,50,077	-

6. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 15 'EMPLOYEE BENEFITS'

EMPLOYEE BENEFIT PLANS

Defined contribution plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 1,12,176 (Year ended 31 March, 2011 ₹ NIL) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

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

Figures in ₹

PARTICULARS	2011-12 GRATUITY (UNFUNDED)	2010-11 GRATUITY (UNFUNDED)
a. Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:		
Present value of obligation as at the beginning of the year:	-	-
Interest cost	-	-
Current service cost	50,092	-
Benefits paid	-	-
Actuarial (gain) / loss on obligation	-	-
Closing Present value of obligation*	50,092	-
<i>*Closing Present value of obligation ₹ 50,092/- consist of ₹50,092/- as non-current liability.</i>		
b. The amounts recognised in the Balance Sheet are as follows:		
Present value of obligation as at the end of the year	50,092	-
Fair Value of Plan Assets	-	-
Unrecognised Past Service Cost	-	-
Unrecognised Actuarial Loss	-	-
Unfunded Liability recognised in Balance Sheet	50,092	-
c. The amounts recognised in the Statement of Profit and Loss are as follows:		
Current service cost	50,092	-
Past service cost	-	-
Interest cost	-	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	-	-
Adjustment to opening balance	-	-
Expenses recognised in the statement of profit and loss*	50,092	-
<i>* Included in Note 3 (4) "Employee benefits expenses".</i>		
d. Actuarial assumption:		
Salary Growth	6.00%	-
Discount Rate*	8.50%	-

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

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

7. RELATED PARTY DISCLOSURE

a. Details of Related Parties

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

NOTE: Related parties have been identified by the management

a. Details of Related Party transactions during the year ended March 31, 2012

Figures in ₹

PARTICULARS	KMP	RELATIVES OF KMP	ENTITIES IN WHICH KMP / RELATIVES OF KMP HAVE SIGNIFICANT INFLUENCE	TOTAL
Infusion of Equity	-	-	1,00,00,000	1,00,00,000
	-	-	(NIL)	(NIL)
Lease Rent paid - Hotel Relax Pvt. Ltd.	-	-	17,51,610	17,51,610
	-	-	(NIL)	(NIL)
Deposits given - Hotel Relax Pvt. Ltd.	-	-	1,25,00,000	1,25,00,000
	-	-	(NIL)	(NIL)
Director's Remuneration - Anil Patodia	12,00,000	-	-	12,00,000
	(NIL)	-	-	(NIL)
Director's Remuneration - Satyanarayan Sharma	12,00,000	-	-	12,00,000
	(7,00,000)	-	-	(7,00,000)
Director's Remuneration - Sandeep Sharma	NIL	-	-	NIL
	(5,00,000)	-	-	(5,00,000)
Salary - Manorama Sharma	-	6,00,000	-	6,00,000
	-	(4,50,000)	-	(4,50,000)
Salary - Sandeep Sharma	-	6,00,000	-	6,00,000
	-	(NIL)	-	(NIL)
Accommodation Expenses - Hotel Relax Pvt. Ltd.	-	-	NIL	NIL
	-	-	(1,12,320)	(1,12,320)
Advances given - Hotel Relax Pvt. Ltd.	-	-	13,62,618	13,62,618
	-	-	(NIL)	(NIL)
Balances outstanding at the end of the year				
Loans and advances	-	-	13,62,618	13,62,618
	-	-	(NIL)	(NIL)
Deposits	-	-	1,25,00,000	1,25,00,000
	-	-	(NIL)	(NIL)

* Previous year figures are in brackets

8. PREVIOUS YEAR'S FIGURES

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

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

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

Mumbai, August 13, 2012

For and on behalf of Board of Directors

Sd/-
Anil Patodia
Managing Director

Sd/-
Satyanarayan Sharma
Whole - Time Director

Sd/-
Naina Hemant Kurane
Company Secretary

Mumbai, August 13, 2012

NOTES



THE BYKE HOSPITALITY LIMITED

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

ATTENDANCE SLIP

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

Regd. Folio No. _____

DP ID* _____

No. of Shares Held : _____

Client ID* _____

Name and Address of the Shareholder _____

I hereby record my presence at the 22ND ANNUAL GENERAL MEETING of the Company held on Thursday, September 27, 2012 at 11.00 a.m. at registered office of the company at Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Complex, J.B. Nagar, Andheri (East), Mumbai- 400 099

Signature of Shareholder/ Proxy

** Applicable for investors holding shares in electronic form*



Cut Here



THE BYKE HOSPITALITY LIMITED

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

PROXY FORM

Regd. Folio No. _____

DP ID* _____

No. of Shares Held : _____

Client ID* _____

I/We _____ of _____
_____ being a member(s) of The Byke Hospitality Limited
hereby appoint _____ of _____ or failing
him/her _____ of _____ as my/our proxy to vote for me/us and on my/
our behalf at the 22ND Annual General Meeting of the Company to be held on Thursday, September 27, 11.00 a.m. 2012 at registered
office of the company at Shree Shakambhari Corporate Park, Plot No. 156-158, Chakravarti Ashok Complex, J.B. Nagar, Andheri
(East), Mumbai- 400 099 or / and any adjournment thereof.

Signed this _____ day of _____ 2012.

Signature _____



** Applicable for investors holding shares in electronic form*

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



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In-house Water Sports

The Byke boasts of in-house water sports activities along its riverside area even during the monsoon season



Registered office

Shree Shakambhari Corpoarte Park, Plot 156-158, Chakravarti Ashok Complex, J. B. Nagar, Andheri (East), Mumbai - 400099.

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