



POLO HOTELS LIMITED

**ANNUAL REPORT
2007-2008**

**OWNER OF
HOTEL NORTH PARK, PANCHKULA**



Directors	:	Sh. A.R. Dahiya, Chairman Sh. Amardeep Dahiya, Managing Director Sh. Pankaj Dahiya Sh. Devender Jain Sh. Gurmukh Singh Sh. Vikas Tibrewal
Auditors	:	M/s. Ashwani K. Gupta & Associates Chartered Accountants H.No. 1044-A, Sector-2, Panchkula.
Bankers	:	State Bank of India SSI Branch, Phase-VII, Industrial Area, Mohali (Pb.)
Registered Office	:	Hotel North Park Village: Chowki, Panchkula (Haryana)
Administrative Office	:	Plot No. 67, Industrial Area, Phase-1, Panchkula (Haryana)
Hotel	:	Hotel North Park Near Ghaggar Bridge, Panchkula (Haryana)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of the members of the Company will be held on Monday, 15th September, 2008 at 9.00 A.M. at the Registered office of the Company at Hotel North Park, Village Chowki, Near Ghaggar Bridge, Panchkula to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet of the company at 31st March, 2008 and the Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Pankaj Dahiya who retires by rotation but being eligible has offered himself for reappointment.
3. To appoint a Director in place of Sh. Gurmukh Singh who retires by rotation but being eligible has offered himself for reappointment.
4. To appoint auditors of the Company and to fix their remuneration.

Place: Panchkula
Dated: 14-8-2008

By order of the Board
Sd/-
(Amardeep Dahiya)
Managing Director

Notes :

1. A member who is entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy form duly filed in and stamped must reach the registered office of the company at least 48 hours before the commencement of the meeting.
2. Members are requested to bring their copies of Annual Report and admission slip to the meeting.
3. Members are requested to notify to the company immediately change in their address, if any.
4. The Register of Members and Transfer Books of the Company will remain closed from 12th September, 2008 to 15th September, 2008 (both days inclusive) for the purpose of Annual General Meeting of the Company.
5. Members having any queries relating to the annual report are requested to write to the company at least seven days before the date of Annual General Meeting, so as to enable the Management to keep the information ready.
6. M/s Intime Specturm Registry Ltd., A-40, 2nd Floor, Near Batra Banquet Hall, Nariana Industrial Area, Phase-II, New Delhi-110 028 have been appointed as Demat Registrar and Share Transfer Agent of the Company.
7. Members may please note that no gift or coupons will be distributed at the Annual General Meeting.

DIRECTORS REPORT

To

The Members

Polo Hotels Ltd.

Your Directors have pleasure in submitting their 24th Annual Report together with audited accounts for the year ended on 31st March, 2008.

Financial Results

	Financial Year Ending on 31.03.2008 (Rs. In Lacs)	Financial Year Ending on 31.03.2007 (Rs. In Lacs)
Gross Income	62.31	62.30
Profit before Interest, Dep. & Tax	59.72	57.56
Interest	35.80	33.60
Income Tax	-----	-----
Profit/ (Loss) before Depreciation	23.92	23.97
Depreciation	23.73	23.72
Net Profit/ (Loss) for the year	.19	0.24
Provision for Tax	.08	0.23
Deferred Tax Assets for the year	-----	1.64
Net Profit/ (Loss) for the year	.11	(1.63)
Loss brought forward	139.84	138.21
Total Loss carried to Balance Sheet	139.79	139.84

OPERATIONS

The Hotel North Park the only venture of the Company has been leased out from 26th September, 2001 to M/s Hot Millions Food (P) Ltd. Chandigarh a well known chain of fast food and restaurant in the region and the company is receiving a regular rental income.

DIRECTORS

Sh. Pankaj Dahiya, Director of the company is retiring at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

The Board recommends the re-appointment of Sh. Pankaj Dahiya.

Sh Gurmukh Singh, Director of the Company is retiring at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

The Board recommends the re-appointment of Sh. Gurmukh Singh

Sh. Amardeep Dahiya, Director of the company is managing the affairs of the company. The members of the company have appointed him as Managing Director of the company w.e.f. 30.7.2005. He Company has been paying remuneration of Rs. 50,000/- per month to him w.e.f. 01.08.2006.

AUDITORS

M/s Ashwani K. Gupta & Associates, Chartered Accountant are the present auditors of the company. In terms of the provisions of Section 224 of the Companies Act, 1956, they would retire at the forthcoming 24th Annual General Meeting of the company, Being eligible, they have offered themselves for re-appointment. The Board recommends their re-appointment as auditors of the company for the financial year 2008-09.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, it is hereby stated:

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the Company for that period
- iii) That Director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the annual accounts on a going concern basis.

LISTING

The shares of your company are listed at the Stock Exchange of Mumbai, Delhi and Ludhiana. However, the company has applied for delisting of its shares from the Stock Exchange of Delhi & Ludhiana.

CORPORATE GOVERNANCE

The company has complied with the guidelines of SEBI on the matters relating to Corporate Governance. Additional report in this regard is furnished separately.

MANAGEMENT DISCUSSION AND ANALYSIS

The trends in the Hotel and Hospitality industry in Panchkula are mixed. While on one overall size of the market has increased but competition has increased as one new hotel and several restaurant and banquet halls have come up in the territory. The increase in size of the market provides an opportunity while the competition is of course a threat and adequate measures for maintaining the clientele is required.

The Company's only venture Hotel North Park has been given on lease w.e.f. 26.09.2001 to M/s Hot Millions Food (P) Ltd. Chandigarh, a well known Restaurants and Fast Food chain in the region and the company is receiving a regular rental income.

The company proposes to expand its business activities and venture into the entertainment and amusement business. For this purpose the company is planning to construct a Multiplex & Shopping Mall adjoining the Hotel North Park.

SEGMENTWISE OR PRODUCT WISE PERFORMANCE

The company's only venture Hotel North Park has been given on lease, Hence no segment wise reporting is required.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company ensures existence of adequate internal control and procedure at various levels in the company commensurate with the size of the company and the nature of its business.

PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956

Nil, because during the year under report the company did not have any employee covered under Section 217(2A) of the Companies Act, 1956.

ENERGY, CONSERVATION AND TECHNOLOGY ABSORPTION

Not applicable, because the company is not a manufacturing company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Nil, because your company has neither earned any foreign exchange nor it has incurred any expenditure in foreign exchange during the year under report.

Acknowledgement

The Directors take this opportunity to thank the company staff members for their continued support dedication and co-operation extended to the company. The Board also thanks its shareholders for the trust reposed by them in the company.

Place: Panchkula

Dated : 14-8-2008

Sd/-
(A.R.Dahiya)
Chairman

REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company believes in conducting its affair in a fair, transparent and professional manner and in maintaining the highest ethical standards in its dealings with all its constituents. The vision of the company is to be a financially sound, profitable, growth oriented company committed to building and maximizing sustainable value for all the shareholders. In its endeavor to attain the goal visualized, the company is laying maximum emphasis on the effective system of Corporate Governance.

2. BOARD OF DIRECTORS COMPOSITION

As on date of this report, the Board of Directors consists of 6 members comprising of 1 (one) Executive Director and 5(five) Non-executive Directors. The Chairman of the company is non-executive. Three Directors are independent non-executive directors.

The meeting of the Board of Directors is held at periodical intervals. The meeting dates are decided well in advance and the agenda papers are circulated sufficiently in advance to the directors. The directors have access to all the information about the company and can suggest for inclusion of any other matter in the agenda for discussion at the Board meetings.

During the period under review, 7 (Seven) Board Meetings were held. The dated on which the Board meetings were held are as follows:30th April, 2007, 31st July, 2007, 22th August, 2007, 31st October, 2007, 12th December, 2007, 31st December, 2007, 31st January, 2008.

ATTENDANCE OF DIRECTORS AT THE BOARD MEETING AND LAST ANNUAL GENERAL MEETING

Name of the Director	Number of Board Meetings held during the tenure of the Director	Number of Board meetings attended	Last AGM attendance
Sh. A.R.Dahiya	7	7	Yes
Sh. Amardeep Dahiya	7	7	Yes
Sh. Pankaj Dahiya	7	7	Yes
Sh. Devender Jain	7	7	Yes
Sh. Gurmukh Singh	7	7	Yes
Sh. Vikas Tibrewal	7	7	Yes

Number of other Boards and Committees in which a Director is a Member or Chairperson:-

Name	Designation	Category	Number of other Director -ship	Total Number of Membership (s) in other board committees (*)	Number of chairmanship (s) in other board committees (*)
Sh. A.R.Dahiya	Chairman	Non Executive	3	-	-
Sh.Amardeep Dahiya	Managing Director	Executive	4	-	-
Sh. Pankaj Dahiya	Director	Non Executive	1	-	-
Sh. Devender Jain	Director	Independent Non Executive	-	-	-
Sh. Gurmukh Singh	Director	Independent Non Executive	-	-	-
Sh. Vikas Tibrewal	Director	Independent Non Executive	-	-	-

*This includes chairmanships/ memberships of audit committees, shareholders grievance committees and remuneration committees of public limited companies, whether listed or not.

No Director is a member of more than 10 committees or chairman of more than 5 committees across all companies in which he is Director.

3. AUDIT COMMITTEE

The broad terms of reference of the Audit Committee include all the matters provided in revised Clause 49 of the Listing Agreement and section 292A of the Companies Act 1956 which inter alia includes:

- i. Oversight 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.
- ii. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- iii. Approval of payment to statutory auditors for any others services rendered by the statutory auditors.
- iv. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.

- f. Disclosure of any related party transactions.
- g. Qualifications in the draft audit report.
- v. Reviewing with the management the quarterly financial statements before submission to the board for approval.
- vi. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- vii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- viii. Discussion with internal auditors any significant findings and follow up thereon.
- ix. 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.
- x. Discussion with statutory auditors before the audit commences, about the nature and scope of audits as well as post audit discussion to ascertain any area of concern.
- xi. To look into the reasons for substantial defaults in the payment to depositors, debenture holder, shareholders (in case of non payment of declared dividends) and creditors.
- xii. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- xiii. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee of the company constituted by the board of Directors of the company and during the financial year under report consisted of three directors namely Sh. Devender Jain (Chairman), Sh. Gurmukh Singh, Sh. Amardeep Dahiya as members. During the year under review, Audit Committee met on 27th April 2007, 30th July 2007, 28th October 2007 and 25th January 2008 and the attendance of members at the meetings was as follow:-

Name of Member	Status	No. of Meeting Attended
Sh. Devender Jain	Chairman	4
Sh. Amardeep Dahiya	Member	4
Sh. Gurmukh Singh	Member	4

4. REMUNERATION COMMITTEE:

This is a non-mandatory requirement of Clause 49 of the Listing Agreement. The Board has however formed a remuneration committee in terms of Schedule XIII to the Companies Act, 1956 consisting of Sh. Vikas Tibrewal, Sh. Devender Singh and Sh. Gurmukh Singh.

The broad terms of reference of the Remuneration Committee include all the matters provided in Schedule XIII to the Companies Act, 1956 which inter alia includes approval of remuneration of Managing Director, Executive Directors, etc., after taking into account the financial position of the company, trends in the industry, appointee's qualification, experience, past remuneration, etc.

The Remuneration Committee of the company was constituted on 31.07.2006 and during the financial year under report consisted of three directors namely Sh. Vikas Tibrewal (Chairman), Sh. Devender Jain and Sh. Gurmukh Singh, as members. During the year under review, Remuneration Committee met on 31st July, 2007, 31th October, 2007 and 31th January, 2008 and the attendance of members at the meetings was as follow:-

Name of Member	Status	No. of Meeting Attended
Sh. Vikas Tibrewal	Chairman	3
Sh. Devender Jain	Member	3
Sh. Gurmukh Singh	Member	3

DETAILS OF REMUNERATION OF DIRECTORS FOR THE PERIOD ENDED 31ST MARCH 2008.

No remuneration has been paid to any non-executive director of the company during the year under report except Salary to Sh. Amardeep Dahiya, Managing Director of Rs., 50000/- (Rs. Fifty thousand only) per month w.e.f 01.08.2006.

Remuneration payable to Managing Director has been duly approved by the remuneration committee, Board of Directors and by the members in the 22nd Annual General Meeting. Remuneration paid is within the limits as prescribed under schedule XIII of The Companies Act, 1956.

5. INVESTOR GRIEVANCES AND SHARE TRANSFER COMMITTEE

The company has constituted Investors Grievances and Share transfer committee comprising Sh. A.R. Dahiya. (Chairman) and Sh. Amardeep Dahiya. Sh. Mohinder Singh company Secretary, has been nominated as the Compliance Officer of the company.

During the period under review, the Company received no complaints from the shareholders except one from Mr. Anis Ahmad of Kanpur for non-de-mating of shares which has been redressed. The Company endeavors to reply to all complaints received from the shareholders. As on date no complaints are pending with the company. The committee deals with various matters relating to the transmission of shares, transfer of share and other matters relating to shareholder's complaints.

1. GENERAL BODY MEETINGS:

Location and time, where last three annual general meetings (AGM) held :

Financial year	Date	Time	Venue
2004-2005 21 th AGM	21.09.2005	9.00 A.M.	Hotel North Park, Panchkula
2005-2006 22 st AGM	20.09.2006	9.00 A.M.	Hotel North Park, Panchkula
2006-2007 23 nd AGM	24.09.2007	9.00 A.M.	Hotel North Park, Panchkula

The company has passed certain resolutions as special resolutions in the 21st and 22nd Annual General Meetings of the company. However, these resolutions were not required to be passed through postal ballot. Further no special resolution is proposed to be conducted through postal ballot in the forthcoming Annual General Meeting.

6. DISCLOSURES

- a) Transactions with related parties are disclosed in detail in Schedule "L" annexed to the financial statements for the year. The company has not entered into transactions with inter related parties for sale & purchase of materials. The company has taken on rent office for Rs. 10000/- (Rs. Ten thousands only) per month at 67, Industrial Area, Phase-1, Panchkula from M/s Sumeru & Sehri a partnership firm in which Sh. A.R. Dahiya Chairman and Sh. Pankaj Dahiya, Director are Partners. The terms & conditions and prices at which office has been taken on rent are reasonable having regard to prevailing market prices at the relevant times. Adequate care was taken to ensure that the

potential conflict of interest did not harm the interests of the company at large.

- b) No penalty or strictures have been imposed on the company by the stock exchange or SEBI or any statutory authority in any matter related to capital market, for non-compliance by the company during the last three years.
- c) The company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for indirect access to the Chairman of the Audit Committee in exceptional cases. No personnel have been denied access to the Audit Committee during the year under report.
- d) The company has complied with all mandatory requirements laid down by the Clause 49. The non-mandatory requirements complied with have been disclosed at the relevant places.

7. MEANS OF COMMUNICATIONS

- i) The company has been disclosing corporate financial performance on quarterly, half yearly & annual basis to the stock exchanges after being approved by the Board or Audit committee. These results are not displayed any website.
- ii) The company has not displayed any official news releases.
- iii) The company did not make any presentation to the institutional investors or the analysts.
- iv) Management Discussion and Analysis Report is a part of annual report.

8. GENERAL SHAREHOLDERS INFORMATION:

a) Annual General Meeting

Date : 15th September, 2008
 Time : 9.00 A.M.
 Venue : Hotel North Park, Panchkula (Haryana)

b) Financial Calendar (Tentative & Subject to Change)

Sr. No.	Particulars	Date
1	Financial Year Ending	31 st March, 2008
2.	I st Quarter Results	On or before 31 st July, 2008
3.	2 nd Quarter Results	On or before 31 st Oct., 2008
4.	3 rd Quarter Results	On or before 31 st Jan., 2009
5.	4 th Quarter Results	On or before 30 th April, 2009
6.	AGM for the period ending 31.03.2008	On or before 30 th Sept., 2009

- c) Book Closure dates form 21.09.2008 to 15.09.2008 (both days inclusive)
- d) The Company has not declared any dividend during the year under review.
- e) At present the shares of the company are listed at Ludhiana, Delhi & Mumbai Stock Exchanges. However, the company has filed applications with stock exchanges at Ludhiana and Delhi for voluntary delisting of shares from these exchanges. The shares of the company have been traded at the Stock Exchange Mumbai. The shares of the company have been dematerialized. The ISIN allotted to the Company's shares is INE084C1012.

The company has never issued any GDRs / ADRs or warrants or any other convertible instruments.

The company has appointed share transfer agent as below:

M/s. Intime Spectrum Registry Ltd.

A-40, 2nd Floor, Near Batra Banquet Hall, Nariana Industrial Area,

Phase-II, New Delhi 110028

Tel. 011-41410592, 41410593, 41410594 Fax : 011- 41410591

- f) The stock code at Mumbai Stock Exchange is 526687.
- g) The Market Price of the share as quoted in BSE dated 14-08-08 is Rs 20/- per share and last 52 weeks high and low of the share were Rs. 36/- Rs. 12/- per share respectively.

Nominal Value	Number	%age	Total	%age
Upto 2,500	1185	62.253	21,20,210	6.240
2500 to 5000	392	21.586	14,89,940	4.385
5001 to 10000	157	8.645	11,24,000	3.308
10001 to 20000	23	1.267	3,45,970	1.018
20001 to 30000	9	0.496	2,34,430	0.690
30001 to 40000	8	0.441	2,83,470	0.834
40001 to 50000	5	0.275	2,34,300	0.690
50001 to 100000	13	0.716	9,45,030	2.781
100001 and above	24	1.322	2,71,98,650	80.053
TOTAL	1816	100.00	3,39,76,000	100.00

	No. of Shareholders	No. of Shares	% shareholding
Physical	1360	22,13,430.00	65.147
NSDL	360	11,30,011.00	33.259
CDSL	96	54,159.00	1.594
Total	1816	33,97,600.00	100.00

Hotel Location

Hotel of the company is located at Village Chowki,
Near Ghaggar Bridge, Panchkula (HR)

Address for correspondence

Plot No. 67, Industrial Area, Phase-1,
Panchkula (Haryana)
Tel. 0172-2560540, 2560205, Fax 0172-2571245

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Polo Hotels Ltd.

We have examined the compliance of conditions of corporate governance by M/s Polo Hotels Ltd. for the year ended 31st March 2008 as stipulated in the relevant clauses of the Listing Agreements of the said Company with the Stock Exchanges.

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 conditions of the corporate governance. It is neither a audit nor a expression of opinion on the financial statements of the company.

On the basis of the records and documents maintained by the company and the information and explanations given to us, in our opinion, the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreements with the Stock Exchanges.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by Shareholders and Investors Grievance Committee.

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 ASHWANI K. GUPTA & ASSOCIATES

CHARTERED ACCOUNTANTS

PLACE: PANCHKULA

DATED : 14-8-2008

(ASHWANIK. GUPTA)

PARTNER

AUDITOR'S REPORT**TO THE MEMBERS OF M/S POLO HOTELS LIMITED**

1. We have audited the attached Balance Sheet of **POLO HOTELS LIMITED** as at 31st March 2008, the Profit and Loss account and also the Cash Flow Statement of the Company 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 the financial statements, based on our audit.
2. 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 provide a reasonable basis for our opinion
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor' report) (Amendment) order 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we give in the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order to the extent applicable to the Company..
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that;
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - iii. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - iv. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report comply with the mandatory Accounting standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
 - v. On the basis of the written representation received from the directors as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2008 from being appointed as directors in terms of clause (g) of sub section (1) of Section 274 of the Companies act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes on Accounts 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.
 - a. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2008,
 - b. In the case of Profit and Loss Account of the Profit of the Company for the year ended on that date, and
 - c. In the case of the Cash Flow statement, of the cash flows of the Company for the year ended on that date.

For ASHWANI K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: PANCHKULA

Dated : 14-8-2008

(ASHWANI K. GUPTA)
PARTNER

ANNEXURE TO THE AUDIT REPORT

(Referred to in paragraph 3 of our report of even date on the accounts of **POLO HOTELS LIMITED**, for the year ended on 31st March, 2008)

- i. In respect of its fixed assets;
 - a. The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As informed to us, fixed assets of the company have been physically verified by the management in a phased periodical manner during the year, and no serious discrepancies have been noticed on such verification.
 - c. No substantial (or major) part of the fixed assets has been disposed off during the year and the going concern status of the company is not affected.
- ii. As there are no inventories during the year therefore reporting under clause ii of paragraph 4 of the order does not arise
- iii.
 - a. As informed to us, the Company has granted unsecured loans to one company covered in the register maintained u/s 301 of the Companies Act 1956. The maximum amount involved and year end balance was Rs 4.00 lacs.
 - b. The terms and conditions of loans are prima facie not prejudicial to the interest of the company.
 - c. The loan is repayable on demand.
 - d. As the loan is repayable on demand, there is no overdue amount more than Rs 1.00 lacs.
 - e. The company has taken unsecured loan from one company covered in the register maintained u/s 301 of the Companies Act 1956. The maximum amount involved and year end balance was Rs 153.08 lacs.
 - f. The terms and conditions of loans are prima facie not prejudicial to the interest of the company.
 - g. The loan is repayable on demand.
- iv. In our opinion and according to the information explanations given to us there are adequate internal control systems commensurate with the size of the company and nature of its business for the purchase of fixed assets. Further on the basis of our examination of the books and record of the Company and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weakness in the internal control system of the Company..
- v. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956;
 - a. To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
 - b. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in to the register in pursuance of section 301 of the Act exceeding the value of Rupees Five Lacs in respect of any party during the year.
- vi. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from public attracting the provisions of sections 58A, 58AA of the Companies Act 1956 and the rules framed thereunder or any other relevant provisions of the Act. As per the information and explanations given to us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or any other Tribunal against the Company.
- vii. In our opinion, the internal audit system of the company is commensurate with its size and nature of its business.

- viii. The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- ix. Statutory and other dues:
- a. According to the information and explanations given to us and based on the records examined by us, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Service Tax, Cess and any other statutory dues as applicable with the appropriate authorities during the year.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Service Tax, Sales Tax and Cess were in arrears as at 31.03.2008 for a period of more than six months from the date they became payable.
- x. The Company has accumulated losses amounting Rs. 139.79 lacs as at the end of the financial year. The Company has not incurred cash losses during the current and the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank..
- xii. In our opinion and according to the Information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, considering the nature of activities carried on by the company during the year, the provisions of any special stature applicable to chit fund/nidhi/mutual benefit fund/socities are not applicable to it.
- xiv. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi. As per information and explanations given to us, Term Loan obtained from bank have been utilized for the purposes, in compliance with the terms of sanction.
- xvii. According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall basis, fund raised on short term basis have, prima facie, not being used during the year for long term investment (fixed assets etc.), other than temporary deployment pending application.
- xviii. According to the information and explanation given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 to the Companies Act, 1956
- xix. According to the information and explanations given to us, the Company has not issued any debentures during the year.
- xx. The Company has not raised any money by way of public issues during the year.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For ASHWANI K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE : PANCHKULA
Dated : 14-8-2008

(ASHWANI K. GUPTA)
PARTNER

**M/S POLO HOTELS LTD.
BALANCE SHEET AS ON 31.03.2008**

Particulars	Sch no.		31.03.2008		31.03.2007
<u>SOURCES OF FUNDS:</u>					
<u>SHAREHOLDER'S FUND</u>					
Capital	"A"		33,976,000		33,976,000
<u>LOAN FUNDS</u>					
Secured Loans	"B"		28,235,609		30,632,816
Unsecured Loans	"C"		21,456,786		15,971,986
	TOTAL		83,668,395		80,580,802
<u>APPLICATION OF FUNDS:</u>					
<u>FIXED ASSETS:</u>					
Gross Block	"D"	56,019,574		56,019,574	
Less: Depreciation		22,279,421	33,740,153	19,906,452	361,131,22
Capital work in progress			30,915,838		258,815,62
Investments	"E"		81,579		81,579
Deffered Tax Assets			1,036,162		10,36,162
Current Assets Loans & Advances	"F"	33,47,523		2,705,586	
Current Liabilities & Provisions	"G"	28,10,742		2,63,0782	
NET CURRENT ASSETS			536,781		74,804
Miscellaneous Expenditure (To the extent not written off or adjusted)	"H"		3,378,751		34,09092
Profit & Loss Account			13,979,131		139,844,81
Notes on Accounts	"L"				
	TOTAL		83,668,395		80,580,802

Auditors Report :

As per our separate report of even date attached

**For Ashwani K Gupta & Associates.
Chartered Accountants**

(Ashwani K. Gupta)
Partner

For & on behalf of Board of Directors

(A.R.Dahiya)
Director

(Amardeep Dahiya)
Managing Director

Place: Panchkula
Dated :14-8-2008

**M/S POLO HOTELS LTD.
PROFIT & LOSS A/C FOR THE PERIOD ENDED 31.03.2008**

Particulars	Sch No.	31.03.2008	31.03.2007
<u>INCOME:</u>			
Lease & other Income	"I"	6,230,708	6,230,178
Total		6,230,708	6,230,178
<u>EXPENDITURE:</u>			
Administrative Expenses	"J"	2,58,709	4,73,203
Financial Expenses	"K"	3,579,976	3,359,954
Total		3,838,685	3,833,157
Profit before Depreciation & Tax		2,392,023	2,397,021
Depreciation for the year		2,372,968	2,372,968
Profit /(Loss) before Taxation		19,054	24,053
Defferred Tax			164024
Provision for Fringe Banefit Tax		5,602	20,195
Provision for Tax (MAT)		1,960	2,700
Net Profit (Loss) after Tax		11,492	(162,866)
Previous Year's Taxes		6,142	
Previous Year's Loss brought forward		(13,984,481)	(13,821,615)
Loss Carried to Balance Sheet		(13,979,131)	(13,984,481)
Notes on Accounts	"L"		
Earnings per share-Basic and Diluted (in Rs)		0.003	(0.048)
{Refer Note no. 11 of Schedule "L"}			

Auditors Report :
As per our separate report of even date attached

**For Ashwani K Gupta & Associates.
Chartered Accountants**

(Ashwani K. Gupta)
Partner

For & on behalf of Board of Directors

(A.R.Dahiya)
Director

(Amardeep Dahiya)
Managing Director

Place: Panchkula
Dated : 14-8-2008

M/S POLO HOTELS LTD.

SCHEDULE "A" SHARE CAPITAL

Authorised:-

150,00,000 Equity shares of Rs. 10/- each

	31.03.2008	31.03.2007
	150,000,000	40,000,000

Issued, Subscribed & Paid Up:

33,97,600 Equity shares of Rs10/- each.

	33,976,000	33,976,000
Total	33,976,000	33,976,000

SCHEDULE "B" SECURED LOAN

Term Loan from SBI

(For nature of security refer note no. 7 in Notes to Accounts)

	28,235,609	30,632,816
Total	28,235,609	30,632,816

SCHEDULE "C" UNSECURED LOAN

Loans from Directors

Inter corporate loans

	61,48,786	56,63,986
	15,308,000	10,308,000
Total	21,456,786	15,971,986

SCHEDULE "E" INVESTMENT

Long Term (Un-quoted) Investment

4500 Equity shares of Rs. 10/- each of
M/s Trans Asia Tube Ind. Ltd. (at cost)

	81,579	81,579
Total	81,579	81,579

SCHEDULE "F" CURRENT ASSETS, LOANS & ADVANCES

A. CURRENT ASSETS:

Cash and Bank Balances

Cash in hand

5,55,123 1,34,884

Balance with scheduled bank:-

In Current Accounts

8,46,853 6,02,572

Total	14,019,76	7,37,456
--------------	------------------	-----------------

B. LOANS & ADVANCES

UNSECURED-CONSIDERED GOOD UNLESS SPECIFIED OTHERWISE

Staff Loans

10,900 1,600

Advances recoverable in cash or in kind or for value to be received

1,051,707 1066636

Security Deposits

156,940 156,940

Intercompany Deposits

4,00,000 4,00,000

Taxes paid in advance and deducted at source

3,26,000 3,42,954

Total	1,945,547	1,968,130
Grand Total	3,347,523	2,705,586

SCHEDULE "G" CURRENT LIABILITIES

Sundry Creditors for Capital goods, Materials, and Expenses

Micro, Small and Medium Enterprises

Other

Statutory Liabilities

Other Liabilities

Provisions

Provision for MAT

Provision for Fringe Banefit Tax

	31.03.2008	31.03.2007
	-	-
	1159315	1014984
	147890	96928
	1495975	1495975
	1960	2700
	5602	20195
Total	2810742	2630782

SCHEDULE "H" MISCELLANEOUS

EXPENDITURE

Defferred Revenue Expenditure

(Lease Registration Exp.)

Public Issue Expenses

	273065	303406
	3105686	3105686
Total	3378751	3409092

SCHEDULE "I" INCOME

Lease Rentals

Other Income

	6,210,000	6,210,000
	20,708	20,178
Total	6230708	6230178

SCHEDULE "J" ADMINISTRATIVE EXPENSES

Bank Charges

Printing & Stationery

Postage & Telegram & Telephone Exp.

Misc Exp

Fee & Legal Fees

Insurance Charges

Salary to Director

Advertisement

Auditor's Remuneration

Deferred Revenue expenditure written off

	2203	10740
	19566	7038
	3969	12186
	29367	43335
	103036	62428
	49239	61471
	0	220000
	4134	8882
	16854	16836
	30341	30341
Total	258709	473203

SCHEDULE "K" FINANCIAL EXPENSES

Interest

	3,579,976	3,359,954
Total	3,579,976	3,359,954

SCHEDULE 'D' FIXED ASSETS AS ON 31.03.08 OF M/S POLO HOTELS LTD.

Particulars	Original Cost	Addition	Total	DEPRECIATION			WRITTEN DOWN VALUE	
				Upto 31-Mar-07	For the Period	Upto 31-Mar-08	As on 31-Mar-08	As on 31-Mar-07
Land & Site Development	2,544,523	-	2,544,523	-	-	-	2,544,523	2,544,523
Building	32,737,519	-	32,737,519	9,543,498	1,093,433	10,636,931	22,100,588	23,194,021
Plant & Machinery	14,537,484	-	14,537,484	5,848,714	690,530	6,539,244	7,998,240	8,688,771
Furniture & Fixtures	6,200,048	-	6,200,048	4,514,241	589,005	5,103,246	1,096,802	1,685,807
Total	56,019,574		56,019,574	19,906,453	2,372,968	22,279,421	33,740,153	36,113,122
Previous Year	56,008,802	10,772	56,019,574	17,533,485	2,372,968	19,906,453	36,113,122	38,475,318

M/S POLO HOTELS LTD.**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008**

S.No.	Particulars	31.03.2008	31.03.2007
A	<u>Cash generated from operations</u>		
	Net Profit/ (Loss) before Tax & Extra ordinary items	19,054	24053
	Adjustement for:		
	Depreciation	2372968	2372968
	Interest Expenses	3579976	3359954
	Misc. Expenditure Written off	30341	30341
	Operating profit before working capital changes	6002340	5787316
	Adjustement for		
	Trade & Other receiveable	2577	6574
	Trade Payable	195293	(516074)
	Cash generated from operations	6200210	(5277816)
	Income Tax	(9031)	(223,436)
	Net cash from operating activities	6191179	5054380
B	<u>Cash flow generated from investing activity</u>		
	Purchase of Fixed Assets		(10772)
	Increase in Capital Work in Progress	(5034276)	(15870695)
	Net Cash Outflow from Investing Activities	(5034276)	(15881467)
C	<u>Cash flow from financing Activities:</u>		
	Proceeds from issue of share capital		
	Proceeds from borrowing	3087593	11919740
	Interest Paid	(3579976)	(3359954)
	Cash Outflow from Financing Activities	(492383)	8559786
	Net increase/decrease in cash & cash equivalent	664520	(2267301)
	Opening balance of cash & cash equivalent	737456	3004757
	Closing balance of cash & cash equivalent	1401976	737456

(This is a Cash Flow Statement referred to in our Report of even date.)

For Ashwani K Gupta & Associates.
Chartered Accountants

(Ashwani K. Gupta)
Partner

For & on behalf of Board of Directors

(A.R.Dahiya)
Director

(Amardeep Dahiya)
Managing Director

Place: Panchkula
Dated : 14-8-2008

M/S POLO HOTELS LIMITED**SCHEDULE "L" ACCOUNTINGS POLICIES & NOTES TO THE ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES**

1. The accounts of the company are prepared under the historical cost convention and materially comply with mandatory accounting standards issued by the institute of Chartered Accountants of India. The significant accounting policies followed by the Company are stated below;
2. **Use of Estimates**

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based on the management evaluations of the relevant facts and the circumstances as on the date of the financial statements. Actual results could differ from these estimates.
3. **Fixed Assets:**

Fixed assets have been carried at historical cost, inclusive of incidental expenses, less accumulated depreciation.
4. **Impairment of Assets**

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to recoverable amount and the impairment loss is charged to Profit and Loss Account. If, at Balance Sheet date, there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.
5. **Depreciation:**

Depreciation has been provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
6. **Inventories:**

Inventories are Nil as the Company's only venture Hotel North Park has been given on lease and operations are being managed by Lessee.
7. **Revenue Recognition**

Revenue from Lease Rent is recognized as per the terms of Lease agreement.
8. **Investments:**

Long term investments are stated at cost.
9. **Miscellaneous Expenditure :**

Deferred Revenue Expenditure is being written off in the ratio of 1/15th every year i.e. over the total lease period.
10. **Borrowing Costs :**

Borrowing costs that are directly attributable to qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.
11. **Accounting for Taxes on Income:**

Income Tax : Current Taxation-

Provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions.

Deferred Taxation-

Deferred income tax is provided on all timing differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantially enacted at the balance sheet date.

Fringe Benefit Tax

Fringe Benefit Tax is determined at the current rates on expenses falling within the ambit of 'Fringe Benefit' as defined under the income tax act 1961.

12 Provisions and Contingent Liabilities:

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of resources embodying economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefits is remote.

(B) NOTES ON ACCOUNTS

Estimated account of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances) is Rs. 42-62 lacs.

1. Additional information pursuant to Part II of Schedule IV to the Companies Act, 1956.

	2007-08	2006-07
(i) Payment to directors:	600000.00	Nil
(ii) Payment to Auditors:		
Statutory Audit Fees	10000.00	10000.00
Tax Audit Fee	5000.00	5000.00
Service Tax	1836.00	1530.00
(iii) (a) Sales (Exports)	Nil	Nil
(b) Expenditure in Foreign Currency	Nil	Nil
- Traveling Expenses.	Nil	Nil
- Other Expenses	Nil	Nil
(iv) Other information are either NIL or Not Applicable	Nil	Nil

2. Balances of Debtors, Loans & Advances, Sundry Creditors are subject to confirmation & reconciliation and consequential adjustments, if any will be made on the receipt of confirmations
3. In the Opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances have a value on realization at least equal to the amount stated in the Balance Sheet.
4. The Company is governed by the provisions of section 115 JB of the Income Tax 1961. Since there is no taxable Income under the normal computation . Accordingly provision for Income Tax has been made under the provision of Minimum Alternate Tax (MAT) considering the Profit for year ended 31-3-08
5. As a measure of Prudence in keeping into the Accounting Standard (AS-22) issued by the Institute of Chartered Accountants of India, the deferred tax adjustments have not been recognised in the accounts.
6. Retirement benefits in the form of Provident Fund are charged to the Profit & Loss account/Capital work in progress of the year in the contributions to the respective Funds are due. None of the employees has been entitled for Gratuity under the provisions of Gratuity Act 1972, hence no provision is made for the same.
7. Term Loan of Rs. 282.36 lacs from State Bank of India is secured as under:-
 - (i) Assignment of rent receivables
 - (ii) First Charge on the hotel property along with equitable mortgage of land in the name of the company and the building constructed thereupon.
 - (iii) Personal guarantee of managing director and two whole time directors of the company.

8. Segment Reporting

The Gross Turnover of the Company is from Lease Rent as the only venture of the Company, Hotel North Park has been given on lease. Therefore, there are no reporting requirements as per AS-17 issued by the ICAI.

9. Related Party Disclosure

Related Party disclosure as required by AS18 is given below;

a. Associates

- i. A.R.D. Polypacks Pvt. Ltd.
- ii. Auto Brakes Pvt. Ltd.
- iii. Sumeru & Sehri
- iv. Sarva Educational Institution Pvt Ltd..
- v. ARD Realty Pvt. Ltd.
- vi Sarva Promoters & Developers Pvt. Ltd.

b. Key Management Personnel.

- i. A.R. Dahiya
- ii. Pankaj Dahiya
- iii. Amardeep Dahiya

C. Related Party Disclosure for the year 2007-2008

Sr. No.	Particulars	Associate (In Lacs)	Key Management Personnel (In Lacs)
1.	Salary to Managing Director	6.00
2.	Outstanding Guarantee taken favour of SBI Bank securing Term Loan	282.36
3.	Inter corporate loans	153.08	----
4.	Inter corporate deposits	4.00	----
5.	Loans from Directors	61.49
6.	Rent paid	1.20	----

10. Project Development Expenditure :

- (i) Capital Work-in-progress is carried at cost. The advances given for acquiring fixed assets are shown under capital work in progress.
- (ii) Expenditure (including financing costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on the project under implementation are being treated as pre-operative expenses pending allocation to the fixed assets and are shown as "Capital Work-in-progress"

11. Basic Earning Per Share :

For the purpose of calculation of Basic Earning Per Share the Following amounts are considered:

Particulars	For the Year Ended 31st March 2008	For the Year Ended 31st March 2007
a) Amounts used as the numerators Net Profit after Tax available for Equity Shareholders	11492	(162866)
b) Weighted average number of equity Shares (Nos.)	3397600	3397600
c) Basic and Diluted Earning Per Share (Rs.)	(0.003)	(0.048)

12. The Company has not received information from Vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given.
13. Previous year figures have been regrouped/recast, wherever deemed necessary to correspond to current year figures.
14. Schedule A to L form an integral part of Balance Sheet /Profit & Loss Account.

Auditor's Report

As per our separate report of even date attached.

**For Ashwani K Gupta & Associates.
Chartered Accountants**

(Ashwani K. Gupta)
Partner

For & on behalf of Board of Directors

Sd/-
(A.R.Dahiya)
Director

Sd/-
(Amardeep Dahiya)
Managing Director

Place : Panchkula
Dated : 14-8-2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1.	Registration Details			
	State code	05	Registration No.	0032355
	Balance sheet date	Date	Month	Year
		31	03	2008
2.	Capital raised during the year (Amount in Rs. Thousand)			
	Public issue	000000000	Right issue	000000000
		000000000	Private issue	000000000
3.	Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)			
	Total Liabilities	000083668	Total Assets	000083668
	Sources of Funds			
	Paid-up capital	000033976	Share Application Money	000000000
	Reserve & Surplus	000	Secured Loans	000028236
	Unsecured Loans	000021457		
	Application of Funds			
	Net Fixed Assets	000033740	Investments	000000082
	Net Current Assets	000000537	Misc. Expenditure	000003378
	Accumulated losses	000013979		
4.	Performance of Company (Amount in Rs. Thousand)			
	Turnover including other income	000006231	Total Exp.	000006212
	Profit/Loss before tax	000000019	Loss after tax	000000606
	Earning per share in Rs.	000000000	Dividend Rate %	00
	Generic Names the Principal Services of Company			
	Item Code No.	N.A.		
	Service Description	HOTELIERS		

POLO HOTELS LIMITED

Registered office : Hotel North Park, Village : Chowki, Panchkula (Haryana)

Please fill in this slip and hand it over at the entrance of the Meeting Hall.

Name & Address of the share holder.....

No of share held.....

I hereby record my presence at the 24th Annual General Meeting of the Company held on Monday, 15th September 2008 at 9.00 A.M. at the Registered Office of the Company, Hotel North Park, Village Chowki, Panchkula, Haryana.

Signature of the Share Holder/Proxy

.....Tear here.....

POLO HOTELS LIMITED

Registered office : Hotel North Park, Village : Chowki, Panchkula (Haryana)

Folio no.

No of Shares

I/We.....of.....being a member of Polo Hotels Ltd. hereby appoint.....of.....or failing him.....of.....as my/our proxy to vote for me us behalf at the 24th Annual General Meeting to be held on Monday, 15th September 2008 at 9.00 A.M. or at any adjournment thereof.

Signature this.....day of.....2008

Affix
Rs. 1
Revenue
Stamp

Note : The proxy must be returned so as to reach the Registered Office of the company not less than 48 hours before the time for holding aforesaid meeting. The proxy need to be member of the company.



**BOOK
POST
U.P.C**

If undelivered, please return to :

Polo Hotels Limited

Regd. Office : Hotel North Park,
Village Chowki, P.O. Devi Nagar,
Panchkula-134 109 Haryana