



ARUNA HOTELS LIMITED

52nd

**Annual Report
2013-2014**

ARUNA HOTELS LIMITED

ARUNA HOTELS LIMITED

(CIN-L15421TN1960PLC004255)

Corporate Information

CHAIRMAN & MANAGING DIRECTOR	M. SIVARAM
WHOLE-TIME DIRECTOR	KATHICK P SIVARAM
DIRECTOR	S.KALYANAM C.L.RAVICHANDRAN DR.MUTHIAN SENTHIL NATHAN MR.SANKARANARAYANAN SUBRAMANIAN MR.NATESA PILLAI SUBRAMANIAN MR.VENKATESA IYER VISWANATHAN DR.RAGHAVAN SIVARAM MR.KASIRAJAN RANGASWAMY MR.SHAMEER AHAMED
BANKERS	PUNJAB NATIONAL BANK
AUDITORS	U.C. Bhandari & Co Bangalore
REGISTRAR & SHARE TRANSFER AGENTS	M/s. MCS Share Transfer Agents Ltd 21/22, GR Floor, Kashiram Jamnadas blds P.D'Mello Road. Ghadiyal Godi, Masjid (East), Mumbai -400009 Ph:022-40206021, 23726255, 67439092
HOTEL DIVISION	HOTEL THE ARUNA 144, Sterling Road, Chennai-600 034.
REGISTERED OFFICE	'Aruna Centre', 145 Sterling Road, Nungambakkam, Chennai-600 034

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ARUNA HOTELS LIMITED

NOTICE TO SHAREHOLDERS

Dear Shareholder(s)

Notice is hereby given that the Fifty Second Annual General Meeting of the Shareholders of Aruna Hotels Limited will be held on Wednesday the 9th September, 2015 at Youth Hostel, 2nd Avenue, Indira Nagar, Chennai-600 020 at 9.45 A.M, to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014, Profit and Loss Account for the year ended 31st March 2014 and together with the Reports of the Board of Directors and the Auditors thereon.
- 2) To appoint a director in place of Mr. S. Kalyanam Director who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a director in place Mr. C.L Ravichandran Director who retires by rotation and being eligible offers herself for re-appointment.
- 4) To appoint M/s. U.C. Bhandari & co. Chartered Accountants, as the Auditors of the Company to hold office from the Conclusion of this Annual General Meeting upto the Conclusion on of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

- 5) Appointment of, Director of the Company

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Dr. Muthiah Senthil Nathan who was appointed on 14th November 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

- 6) Appointment of, Director of the Company

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Sankaranarayanan Subramanian who was appointed on 14th November 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

- 7) Appointment of, Director of the Company

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Natesa Pillai Subramanian who was appointed on 14th November 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the

ARUNA HOTELS LIMITED

Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

8) Appointment of, Director of the Company

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Venkatesa Iyer Viswanathan who was appointed on 14th November 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

9) Appointment of, Director of the Company

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Dr. Raghavan Sivaram who was appointed on 14th November 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

10) Appointment of, Director of the Company

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Kasirajan Rangaswamy who was appointed on 14th November 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

11) Appointment of, Director of the Company

To Consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT Mr. Shameer Ahamed who was appointed on 14th November 2013 as an Additional Director of the Company and holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company.

**By Order of the Board,
For Aruna Hotels Limited**

Place: Chennai
Date : 25/02/2015

M.Sivaram
Chairman

Notes

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under item No.5 and 11 of the Notice, is annexed hereto.
2. **A Member entitled to attend at the meeting is entitled to appoint a Proxy to attend instead of himself and the Proxy need not be a Member of the Company.** A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. Proxy Form is enclosed in the last page of this Annual Report. Proxies 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. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. During the period beginning 24 hours before the time fixed of the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of the notice in writing is given to the Company.
4. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the member at the AGM.
6. The Register of Members and Share Transfer Book will remain closed from 8th September 2015 to 9th September 2015 (both days inclusive) for the purpose of AGM.
7. Members are requested to address all correspondence, to the Registrar and Share Transfer Agents, MCS Share Transfer Agents Limited, Mumbai
8. The Securities and Exchange Board of India (SEBI) had mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding in physical form shall submit their PAN details to the Company.
9. All documents referred to in the Notice will be available for inspection at the Company Registered Office during normal business hours on working days up to the date of AGM.

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

ITEM NO: 5

Dr. Muthiah Senthil Nathan was appointed as an Additional Director of the Company with effect from 14th November 2013, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Dr. Muthiah Senthil Nathan holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Dr. Muthiah Senthil Nathan for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013 .

The Board accordingly recommends the resolution as set out in item No.5 of the Notice for approval of the members.

None of the Directors of the company other than Dr. Muthiah Senthil Nathan is interested or concerned in this resolution.

ITEM NO: 6

Mr. Sankaranarayanan Subramanian was appointed as an Additional Director of the Company with effect from 14th November 2013, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Sankaranarayanan Subramanian holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Sankaranarayanan Subramanian for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013.

The Board accordingly recommends the resolution as set out in item No.6 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Sankaranarayanan Subramanian is interested or concerned in this resolution.

ITEM NO: 7

Mr. Natesa Pillai Subramanian was appointed as an Additional Director of the Company with effect from 14th November 2013, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Natesa Pillai Subramanian holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Natesa Pillai Subramanian for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013.

The Board accordingly recommends the resolution as set out in item No.7 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Natesa Pillai Subramanian is interested or concerned in this resolution.

ITEM NO: 8

Mr. Venkatesa Iyer Viswanathan was appointed as an Additional Director of the Company with effect from 14th November 2013, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Venkatesa Iyer Viswanathan holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Venkatesa Iyer Viswanathan for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013.

The Board accordingly recommends the resolution as set out in item No.8 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Venkatesa Iyer Viswanathan is interested or concerned in this resolution.

ITEM NO: 9

Dr. Raghavan Sivaram was appointed as an Additional Director of the Company with effect from 14th November 2013, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Dr. Raghavan Sivaram holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Dr. Raghavan Sivaram for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013 .

The Board accordingly recommends the resolution as set out in item No.9 of the Notice for approval of the members.

Dr. Raghavan Sivaram is related to Mr. M. Sivaram, Managing Director and Karthick P Sivaram , Whole-time Director of the Company. Except Mr. Sivaram and Mr. Karthick P Sivaram none of the Directors or Key Managerial Personnel(KMP) of the Company is concerned or interested, financial or otherwise for his appointment.

ITEM NO: 10

Mr. Kasirajan Rangaswamy was appointed as an Additional Director of the Company with effect from 14th November 2013, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Kasirajan Rangaswamy holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Kasirajan Rangaswamy for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013 .

The Board accordingly recommends the resolution as set out in item No.10 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Kasirajan Rangaswamy is interested or concerned in this resolution.

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ITEM NO: 11

Mr. Shameer Ahamed was appointed as an Additional Director of the Company with effect from 14th November 2013, pursuant to Section 161 of the Companies Act, 2013, read with Articles of Association of the Company Mr. Shameer Ahamed holds office of the Director up to the date of this Annual General Meeting. The Company has received notice in writing from a member along with a deposit of requisite fee proposing the candidature of Mr. Shameer Ahamed for the Office of the Director under the provisions of Section 160 of the Companies Act, 2013.

The Board accordingly recommends the resolution as set out in item No.11 of the Notice for approval of the members.

None of the Directors of the company other than Mr. Shameer Ahamed is interested or concerned in this resolution.

**By Order of the Board,
For Aruna Hotels Limited**

Place: Chennai
Date : 25/02/2015

M.Sivaram
Chairman

DIRECTORS REPORT

Your Directors have pleasure in presenting their Fifty Second Annual Report, together with the Audited Accounts of the Company for the financial year 2013-14 consisting of 12 months from 01-04-2013 to 31-03-2014.

FINANCIAL RESULTS

During this financial year, your Company made a turnover of Rs. 926.72 lakhs including other income. There have been arrears of interest on certain loans availed by the Company, arrears of salary & wages, arrears of remuneration to the directors and statutory dues, etc., which could not be provided in the past due to the financial condition of the Company. Your board of directors decided to make provisions for such overdue arrears, ahead of the implementation of the new business plans. After making provision for such overdue arrears and other expenses, and after providing for depreciation, there was a net loss of Rs.3364.41 lakhs.

	2013/14	2012/13
Gross Sales	784.66	971.97
Other Income	142.06	436.11
Total Income	926.72	1408.08
Less:		
- Cost of materials consumed	186.02	189.64
- Employee Benefit Expenses	373.01	412.4
- Financial Charges	1917.63	296.34
- Depreciation & Amortisation Expenses	186.43	149.41
- Other Expenses	1628.04	813.83
- Total Expenditure	4291.13	1861.63
Loss before exceptional & extraordinary items & tax	-3364.41	-453.55
Exceptional items	0	0
Profit before extraordinary items	-3364.41	-453.55
Less: Provision for tax	0	0
Net Profit / Loss (-)	-3364.41	-453.55

DIVIDEND

Considering the financial results of the Company for the year under review, the Board of Directors could not consider payment of any dividend to the shareholders.