

57th ANNUAL REPORT 1999-2000

BEST EASTERN HOTELS LIMITED

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MATHERAN

BEST EASTERN HOTELS LIMITED

BOARD OF DIRECTORS

MR. VINAYCHAND KOTHARI

Managing Director

MR. DILIP V. KOTHARI

Jt. Managing Director

MR. MADHUSUDAN B. VAKHARIA

MR. BYRAM N. JEEJEEBHOY

DR. RAMNIK K. BAXI (w.e.f. 3/4/2000)

MRS. MEENA V. KOTHARI (up to 2/4/2000)

MRS. NEELAM D. KOTHARI (up to 2/4/2000)

AUDITORS

M/s. D. C. Surana & Associates
Chartered Accountants, Mumbai.

BANKERS

Union Bank of India

COMPANY LAW CONSULTANT

M/s. N. Bafna & Company,
Company Secretaries.

Registered Office :

401, Chartered House,
293/299, Dr. C. H. Street,
MUMBAI - 400 002
Tel. : 91 22 207 8292
Fax : 91 22 206 1324
email : booking@ushaascot.com

Hotel Site :

USHA ASCOT
M. G. Road,
Matheran, Dist. Raigad.
91 2148 30360
91 2148 30213
Web site : www.ushaascot.com

BEST EASTERN HOTELS LIMITED

NOTICE

NOTICE is hereby given that 57th Annual General Meeting of BEST EASTERN HOTELS LIMITED will be held on Saturday 30th September, 2000 at Registered Office 401, Chartered House, 293/299, Dr. Cawasji Hormasji Street, Mumbai-400 002 at 11.00 a.m. to transact following businesses:

- 1) To receive, consider and adopt the Audited statement of Accounts for the year ended 31st March 2000 together with reports of Directors and Auditors thereon.
- 2) To appoint Director in place of Mr. Byram N. Jeejeebhoy, who retires by rotation and being eligible offer himself for reappointment.
- 3) To appoint Auditors of the Company and fix their remuneration.
- 4) To consider and if thought fit, to pass with or without modification following Resolution as an ordinary Resolution. "RESOLVED THAT Dr. Ramnik K. Baxi, who was appointed as an additional Director and who holds the office till the date of Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board
For Best Eastern Hotels Ltd.

Mumbai, 28th August, 2000.

(Dilip V. Kothari)
Jt. Managing Director.

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
- 2) The explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of item no. 4 is annexed hereto.
- 3) The Register of Members and Share Transfer Register will be closed from Wednesday 27th September 2000 to Saturday 30th September 2000 (Both days inclusive).

EXPLANATORY STATEMENT :

(Pursuant to Section 173 of the Companies Act, 1956)

ITEM NO. 4 :

Dr. Ramnik K. Baxi was co-opted on the Board w.e.f. 03/04/2000 to make the Board broad based. Dr. Baxi is having wide and varied experience. The Company will be benefited of his knowledge and experience by having him on the Board. The Company have received notice from the member signifying his intention to propose Dr. R. K. Baxi for the office of the Director.

None of the Director except Dr. Baxi, is concerned or interested in this resolution.

Your Directors recommend the resolution.

By Order of the Board
For Best Eastern Hotels Ltd.

(Dilip V. Kothari)
Jt. Managing Director.

Mumbai, 28th August, 2000.

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BEST EASTERN HOTELS LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Fifty-seventh Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2000.

FINANCIAL RESULTS :

Rupees in 000's

	Year Ended 31.03.2000	Year Ended 31.03.1999
Revenue	23,274	18,243
Profit / (Loss) before Depreciation	4,543	587
Less : Depreciation	(3,394)	(3,254)
Profit / (Loss) before Tax	1,149	(2,667)
Provision for Tax	(23)	—
Prior Year Adjustment	(63)	—
Profit / (Loss) from previous year	(9,513)	(6,846)
Balance Carried over to Balance Sheet	(8,450)	(9,513)

OPERATION :

Revenue for the year under review has increase by 26.75 % compare to the previous year. For the first time, since Usha Ascot was became operational, your company has registered a Net Profit (after Depreciation and tax) of Rs. 10.63 lac against the Loss of Rs. 26.67 lac for the previous year. This was possible by the sincere efforts of the management team under the Direction of Shri Vinaychand Kothari. Since April, 2000, your Resort has made remarkable improvement in facilities and services to its Guest. During the period under reviewed new feature such as A/c. Pool Parlour, A/c. Discotheque - The Rain Forest were introduced and all balance Non A/c. Rooms have been converted into Air condition. Further, your management is trying its level best by taking important measures to improve its marketing strategies, introducing new facilities to attract corporate, groups, and other types of customer. This will definitely improve the occupancy as well as revenue in future. Management is also making the serious effort in controlling operational as well as financial cost to improve the bottom line of your Company.

DIVIDEND :

Though your Company had made Profit during the year under review, considering the carried forward loss after adjusting the current year profit, your Directors regret their inability to recommend any dividend.

FINANCE :

Your Company had made the settlement during March, 2000 with IFCI & TFCI to repay the entire Loan by March, 2001, out of which entire outstanding interest and major part of loan was paid till June, 2000. For which the new management had introduced fresh fund in form of Preference Share and Unsecured Loan, and balance through an internal accrual. Your management is confident to achieve the target of repayment.

FIXED DEPOSIT :

During the year under review, your company has neither invited nor accepted any fixed deposits from the public.

DIRECTORS :

Mr. Byram N. Jeejeebhoy, Director retires by rotation and being eligible offer him self for re-appointment. Dr. Ramnik K. Baxi was co-opted on the board w.e.f. 3rd April, 2000 and who holds the office till the date of Annual General Meeting. Company has received notice from the members signifying his intention to propose Dr. Baxi for the office of Director. Your Directors recommends the appointments.

Mrs. Meena V. Kothari and Mrs. Neelam D. Kothari have resigned from the board w.e.f. 3rd April, 2000. The Board place on record their appreciation for the valuable guidance given by them during the tenure of their Directorship.

AUDITORS':

The retiring Auditors' M/s. D. C. Surana & Associates, Chartered Accountants, being eligible offer themselves for reappointment.

AUDITORS REPORT

The comments made in auditors report read with notes on accounts are self explanatory, and therefore, in the opinion of the Directors, do not call for any further explanation.

INFORMATION TECHNOLOGY -YEAR 2000 COMPLIANCE (Y2K)

The Company has had a smooth transition for Y2K and all systems/ equipments are functioning normally. Looking ahead, the directors see no material/financial impact arising from Y2K issues.

LISTING

The Equity Shares of the Company are listed on the Stock Exchanges at Mumbai, Chennai and Bangalore. It may be noted that there are no payment outstanding to any of the said Exchange by way of listing fees etc.

PARTICULARS OF EMPLOYEES

The provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended are not applicable to your company since none of the employee employed on a remuneration of Rs. 50,000/- p. m. or Rs. 6,00,000/- p. a.

Additional information required under the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 :

- a) Conservation of Energy: The company has always given high priority to energy conservation. Constant efforts have been made to reduce energy consumption on continuous basis. Employee awareness and effective monitoring of uses of energy are being pursued. The Company is also examining the use of alternative source of energy. It had already implemented Solar Hot Water System at the hotel site and converting normal lighting to PL/CFL lighting to save fuel and electricity consumption to the considerable extent.
- b) Technology Absorption: The company being in the hospitality industry, its activities do not as such involve any technology absorption or expenditure on research and development. Nonetheless, the Company's endeavours would be to achieve what is best possible in its business.
- c) Foreign Exchange Earnings & Out go: During the year Company has earned foreign exchange amounting to Rs. 2.35 Lac, whereas there is no outgoing of foreign exchange. The Company is thus the net contributor of foreign exchange.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the co-operation the Company had received from the Bankers, Financial Institutions, Government Department, Government of Maharashtra, Local Authorities and all other authorities.

Your Directors thank its customers, shareholders, contractors and suppliers for their patronage and confidence reposed in the Company.

Your company continues to focus on human resource development in recognition of its philosophy that people are its most valuable assets. Your Directors' wish to record their sincere appreciation for the dedicated and committed efforts and support rendered by employees at all levels.

For and on behalf of the board

Vinaychand Kothari
Managing Director.

Mumbai, 28th August, 2000