

BOARD OF DIRECTORS

Vinaychand Kothari

Chairman & Managing Director

Dilip V. Kothari

Joint Managing Director

Dr. Ramnik K. Baxi

Mangal S. Chheda

Manohar R. Tambat

Mehernoz C. Dangore

AUDITORS

M/s. D. C. SURANA & ASSOCIATES

Chartered Accountants

COMPANY LAW CONSULTANT

M/s. N. BAFNA & CO.

Company Secretaries

BANKERS

UNION BANK OF INDIA

HDFC BANK

REGISTRARS & TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.,

Unit – 1, Luthra Ind. Premises, Safed Pool,

Andheri – Kurla Road, Andheri (E),

Mumbai – 400 072

Tel – 2851 5606 Fax – 2851 2885

REGISTERED OFFICE :

401, Chartered House,

293/299, Dr. C. H. Street,

MUMBAI – 400 002.

Tel.: 91 22 2207 8292

Fax: 91 22 2206 1324

Email: booking@ushaascot.com

HOTEL SITE :

USHA ASCOT

M. G. Road,

Matheran, Dist. Raigad.

Tel.: 91 2148 230360

Fax: 91 2148 230213

Web site: www.ushaascot.com

-: NOTICE :-

NOTICE is hereby given that the 70th Annual General Meeting of the members of the Best Eastern Hotels Ltd. will be held on Thursday, 22nd August, 2013 at 1st Floor, Maheshwari Bhavan, J. S. S. Road, Chira Bazar, Mumbai – 400 002 at 4.30 p.m. to transact the following businesses:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date together with the Report of the Directors and Auditors thereon.
2. To confirm & take on record Interim Dividend paid on Redeemable Preference Shares and Equity Shares.
3. To appoint Director in place of Mr. Dilip V. Kothari, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Mr. Mehernoz C. Dangore, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the company and fix their remuneration.
6. To consider and if thought fit, to pass with or without modification following Resolution as an Special Resolution :

“RESOLVED AS SPECIAL RESOLUTION THAT each of the equity shares of the nominal value of Rs. 2/- each in the capital of the company be and is hereby sub-divided into 2 (Two) Equity Shares of Rs. 1/- each and Clause V in the Memorandum and Article No.3 of Articles of Association of the Company stand altered accordingly.”

RESOLVED FURTHER that pursuant to the sub-division of the Equity Shares of the Company, the 84,25,000 (Eighty Four Lacs Twenty Five Thousand) Issued, Subscribed and paid-up Equity shares of the face value of Rs. 2/- (Rupees Two) each, shall stand sub-divided into 1,68,50,000 (One Crore Sixty Eight Lacs Fifty Thousand) Equity Shares of the face value of Rs. 1/- (Rupees One) each.

RESOLVED FURTHER that the Share Certificate in relation to such of the issued Equity Shares of the Company be cancelled and fresh certificates be issued in lieu thereof with regard to the sub-divided Equity Shares in accordance with the provisions of the Companies (Issue of Share Certificate) Rules, 1960

RESOLVED FURTHER that for the purpose of giving effect to this Resolution and for removal of any doubts or difficulties, the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee or any person which the Board may nominate/ constitute to exercise its powers, including the powers conferred under this Resolution) be and is hereby authorised to do all acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, expedient, usual or proper to give effect to this Resolution and to settle any question or doubt that may arise in relation thereto or as the Board in its absolute discretion may think fit and its decision shall be final and binding on all the members.”

By order of the Board

Dilip V. Kothari
Joint Managing Director

Mumbai, 18th July, 2013.

Registered Office :

401, Chartered House,
293/299, Dr. C.H. Street,
Mumbai – 400 002.

-: NOTES :-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE THE MEMBER OF THE COMPANY.** Proxies, in order to be effective, should be duly completed, stamped and signed and must be deposited at the registered office of the company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books will remain closed from Tuesday, 20th, August 2013 to Thursday, 22nd August 2013 (Both days inclusive).
3. Members are requested to notify immediately any change in their address, if any, to Company's Registrar and Share Transfer Agents.
4. As per the provisions of the Companies Act, 1956, facility for making nominations is now available for shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company.
6. **Unclaimed Dividends:** Dividends remaining unclaimed for 7 years from the date of disbursement will be transferred as per section 205 C of the Companies Act, 1956 to the Investors Education and Protection Fund of the Central Govt. (IEPF). As no claim shall lie against either the company or the IEPF after a period of 7 years from the date of disbursement, shareholders who have not yet encashed their dividend warrants are urged to contact the Registered office of the company for revalidation and encash them before the due date for transfer to the IEPF as mentioned below.

Sr. No.	Dividend for F.Y.	Disbursed on	Due Date for Transfer to IEPF
1	2005-2006	08/09/2006	07/09/2013
2	2006-2007	20/03/2007	19/03/2014
3	2007-2008	18/03/2008	17/03/2015
4	2008-2009	16/03/2009	15/03/2016
5	2009-2010	15/03/2010	14/03/2017
6	2010-2011	16/03/2011	15/03/2018
7	2011-2012	16/03/2012	15/03/2019
8	2012-2013	16/03/2013	15/03/2020

Your Directors recommends all the resolutions.

By order of the Board

Dilip V. Kothari

Joint Managing Director

Mumbai, 18th July, 2013.

Regd. Office :

401,Chartered House,293,

Dr. C.H. Street, Mumbai 400 002.

EXPLANATORY STATEMENT**(Pursuant to section 173 of the Companies Act, 1956)****ITEM No. 6**

The existing Authorised Share Capital of the Company is Rs. 6,00,00,000 (Rupees Six Crores) divided into 2,40,00,000 (Two Crores Forty Lacs) Equity Shares of Rs. 2/- (Rupee Two) each and 12,00,000 (Twelve Lacs) Preference Shares of Rs. 10/- (Rupees Ten) each. The present Issued, Subscribed and paid-up Share Capital of the Company is Rs. 2,88,50,000 (Rupees Two Crores Eighty Eight Lacs Fifty Thousand only) divided into 84,25,000 (Eighty Four Lacs Twenty Five thousand) Equity Shares of Rs.2/- (Rupees Two) each and 12,00,000 (Twelve Lacs) preference Shares of Rs. 10/- (Rupees Ten) each.

It is proposed to reorganize the Authorised Share Capital as well as Issued, Subscribed and paid-up Share Capital of the Company by sub-dividing the One Equity Shares of the face value of Rs.2/- (Rupees Two) each into Two Equity Shares of the face value of Rs.1/- (Rupee One) each.

Accordingly, the Equity Shares comprised in the Authorised Share Capital of the Company will be divided into 4,80,00,000 (Four Crores Eighty Lacs) Equity Shares of Rs. 1/- (Rupee One) each. The Issued, Subscribed and Called-up Equity Shares of the Company will also be sub-divided into 1,68,50,000 (One Crore Sixty Eight Lacs Fifty Thousand) Equity Shares of face value of Rs.1/- (Rupee One) each.

The proposed sub-division of the equity Shares of smaller denomination, as aforesaid, would facilitate easy accessibility to the Company's Equity Shares by Investors and enhance the Liquidity of the company's Shares.

Consequent to the sub-division of Shares, it is necessary to alter the Capital Clause in the Memorandum and Articles of Association of the Company. Accordingly, Resolution also provides for amendment in Clause V of the Memorandum of Association. The Special Resolution at Item No.6 seeks to make corresponding amendment in Article 3 of the Articles of Association, to give effect to the above Resolution.

Consequent on Sub-division of shares, new shares will be credited in the Dematerialised Account and in case of physical share certificates, new share certificates will be issued as on the Record Date as may be fixed by the Board of Directors in this regard. On issue of new share certificates the old share certificates will be stand cancelled automatically without any further action.

A copy of the Memorandum and Articles of Association of the company showing proposed alterations is available for inspection by the members of the Company at the Registered Office between 2.00 p.m. and 4.00 p.m. on any working day of the company.

The Directors of the Company may be deemed to be interested in the Resolution at Item No. 6 of the Notice to the extent of their respective shareholdings, if any, in the company.

By order of the Board**Dilip V. Kothari**
Joint Managing Director**Mumbai, 18th July, 2013.****Regd. Office :**
401,Chartered House,293,
Dr. C.H. Street, Mumbai 400 002.

DIRECTORS' REPORT

To the Members,

Your Directors hereby present the Seventieth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS :

Particulars	Rupees in 000's	
	Year Ended 31.03.2013	Year Ended 31.03.2012
Revenue	46,144	44,150
Profit before Taxation	7,306	7,309
Less : Provision for Tax		
Current Tax	2,175	2,425
Deferred Tax	(94)	(98)
Excess/(Short) Provision for Tax Earlier Years	(112)	(56)
Profit after Tax for the year	5,337	5,038
Add : Brought forward profit	9,357	9,430
Profit available for appropriation	14,694	14,468
Transfer To General Reserve	500	500
Dividend : On Preference Shares	1,440	1,440
On Equity Shares	2,528	2,528
Dividend Tax on dividend	644	643
Balance carried over to Balance Sheet	9,582	9,357

Operating Results:

The total revenue of the Company for the year ended 31st March, 2013 was stood at Rs. 461.44 lacs (previous year Rs. 441.50 lacs) and the profit before tax is Rs. 73.06 lacs (previous year Rs. 73.09 lacs). The profit after tax is stood at Rs. 53.37 lacs (previous year Rs. 50.38 lacs).

Dividend on Equity and Preference Shares:

Your Directors had paid an interim dividend of Rs. 0.30/- (15%) per equity share of Rs. 2/- each & Rs. 1.20/- (12%) on Preference Shares of Rs. 10/- each for the year ended 31st March, 2013 and considering the working of the company during the year, your Directors do not recommend any final dividend. The same is to be treated as final dividend and to be taken on record at the ensuing Annual General Meeting. The total amount of dividend outgo was Rs. 46.11 Lacs including dividend tax (previous year dividend outgo Rs. 46.11 lacs including dividend tax).

Fixed Deposit:

The Company has neither invited nor accepted any deposits from Public within the meaning of Section 58A & 58AA of the Companies Act, 1956.

Directors:

Mr. Dilip V. Kothari & Mr. Mehernoz C. Dangore retires by rotation and being eligible offer themselves for re-appointment.

Directors Responsibility Statement:

Pursuant to sub-section (2AA) of section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for that period.
- iii. The Directors had taken proper and sufficient care 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 preventing and detecting fraud and other irregularities.
- iv. The Directors had prepared the annual accounts on a going concern basis.

Social Responsibility Statement:

As a social responsible Corporate Citizen, the company continues to support a wide spectrum of community initiative through N.G.O.s / Charitable Institutes as well as programs for health, education and environment. Also your company do carry Medical Camps for the locals of Matheran & around on Regular Basis, including vaccination for school children.

Auditors:

M/s. D. C. Surana & Associates, Chartered Accountants, have shown their unwillingness for re-appointment.

Your Directors recommend the appointment of M/s. Amar Bafna & Associates, Chartered Accountants as the auditors of the company from the conclusion of ensuing Annual General Meeting up to the conclusion of the next Annual General Meeting.

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.

Listing:

The Equity Shares of the Company are listed on Bombay Stock Exchange Ltd., Mumbai. It may be noted that there are no payment outstanding to the said Exchange by way of listing fees etc.

Secretarial Compliance Report:

A Secretarial Compliance Report Pursuant to the proviso to sub section (1) of Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001 as amended are annexed hereto forming part of the Directors' Report.

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. 5,00,000/- p.m. or Rs. 60,00,000/- p. a.

Energy Conservation, Technology Transfer and Foreign Exchange Earnings and Outgo:

The information as required under Section 217 (1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 is furnished hereunder:

- 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 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 endeavors would be to achieve what is best possible in its business.
- c) **Foreign Exchange Earnings & Outgo:** Rs. 1.63 Lacs being realization under credit cards (Previous year Rs. 3.13 Lacs). Outgo Rs. Nil (Previous year Rs. Nil).

Corporate Governance:

Provision of Clause 49 of Listing Agreement in respect of Corporate Governance is not applicable to your Company since the paid up capital of the company is less than Rs. 3 crore.

Acknowledgements:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, Central & State Government, Local Authorities and all other authorities during the year under review. Your Directors also like to thank its customers, contractors and suppliers for their continuous support and confidence in its management.

Your Directors would like to appreciate the efforts of the Company's employees for their continued support extended to the company.

For and on behalf of the board,
Vinaychand Kothari

Mumbai, 18th July, 2013.

Chairman