

COX AND KINGS

TRAVEL
AND
FINANCE
LIMITED

Report



junction.com

CERTIFIED TRUE COPY

For Cox and Kings Travel and Finance Ltd,

TWELFTH ANNUAL REPORT 1998-99

CHAIRMAN'S STATEMENT

Dear Shareholder,

The last three financial years turned out to be difficult for the Indian economy and for non-banking financial companies in particular. The slow down began towards the end of 1996 and despite optimistic projections and expectations, in the face of continued political uncertainty, there are no visible signs of an upturn.

Your Company has taken a conservative approach to its Balance Sheet. After stringent internal reviews unrealisable debts were identified and written off. This has, to an extent, also adversely impacted on the figures for the financial year 1998-99, but nevertheless provides a greater degree of transparency. We believe that this measure will help the Company to make a realistic assessment of its strength while coping with its future business plans. As you will see from the audited accounts, the Company has incurred a loss and as such your Directors have decided not to recommend a dividend in order to conserve resources for future growth.

In the Directors' Report for the previous years it was mentioned that the Company gradually intends to reorient its business. Over the last two years the Company has been gradually shifting its focus to the money changing business. Your Company has set up money changing bureaux at Mumbai, Delhi, Gurgaon, Nagpur and Goa. The Company is in the process of extending its network of branches to other cities including Bangalore, Pune, Hyderabad, Chennai and Indore.

The future belongs to those who see possibilities before they become obvious. Standing on the threshold of a new millennium, we can foresee numerous opportunities which we should be in a position to harness to our advantage. Your Company proposes to venture into the business of leisure industry, a area in which some of the members of the Board and the management team has considerable experience. It has been observed that there is considerable demand for mid market/budget hotels. Such hotels require lower investments and provide quicker returns to the owners, as your Company proposes to operate and manage such hotels and provide advice and consultation in the operation and management of such hotels in

consideration for fees. In selected cases the Company will also consider equity investment proposals in such hotels where it has a operating agreement. The Company will also provide such hotels much needed marketing and sales support through a network of offices in India, for which purpose it will use the infrastructural facilities of the Company. The Company is in discussion with a number of hotel companies for operating, management, consultancy arrangements and also discussions are at a fairly advanced stage with an international hotel chain for franchising arrangement for the mid market/budget hotels in India. I am hopeful that the above measures will add significantly to shareholders' value.

Considering the Company's future business plans, the Board of Directors invited Dr. Ajit B. Kerkar to join the Board of Directors of the Company. I am indeed pleased to inform you that he has joined the Board as Additional Director with effect from June 1, 1999. I have known him for the last 3 decades as a colleague and close friend and I am sure, he needs no introduction to shareholders. Your Company will draw on Dr. Kerkar's wealth of experience in the hotel and leisure industry, his insight and deep understanding of both the Indian business environment and of global markets.

In tune with the above business plans, the Board of Directors are seeking the approval of the shareholders at the ensuing Annual General Meeting for a change of name of the Company and changes in the objects clause as set out in the Directors' Report and the Notice of the Twelfth Annual General Meeting. I am confident that as the reorientation of the Company's business gathers momentum and gains depth, your Company will progress satisfactorily.

In conclusion, I would like to thank you for your faith and support and in particular, for your understanding of the difficult times we have been passing through. I urge you to continue your support to your Board and the management of your Company, on whom I am sure you can rely to see better days ahead.

Place : Mumbai
Date : June 17, 1999

A. B. M. Good
Chairman

BOARD OF DIRECTORS

As on June 17, 1999

A. B. M. GOOD

Chairman

J. N. DIXIT

B. K. GOSWAMI

MAHENDRA LODHA

PETER A. KERKAR

A. B. KERKAR

COMPANY SECRETARY

Sanjeev D. Shenvi

BANKERS

Bank of Baroda

Vijaya Bank

AUDITORS

Ray & Ray

Chartered Accountants

REGISTERED OFFICE

Indra Palace,

H-Block,

Connaught Circus,

New Delhi - 110 001.

CORPORATE OFFICE

1st Floor, Cecil Court,

Lansdowne Road, Colaba,

Mumbai - 400 039.

SHARE TRANSFER AGENT

Intime Spectrum Registry Pvt. Ltd.,

260-A, Shanti Industrial Estate,

Sarojini Naidu Road, Mulund (West),

Mumbai - 400 080.

NOTICE TO THE MEMBERS

Notice is hereby given that the Twelfth Annual General Meeting of the Members of **Cox And Kings Travel And Finance Limited** will be held at Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi 110 016 on Wednesday, September 15, 1999 at 3.30 p.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Profit and Loss Account for the year ended March 31, 1999 and the Balance Sheet as at that date.
2. To appoint a Director in place of Mr. J. N. Dixit who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Peter A. Kerkar who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

5. Appointment of Dr. A. B. Kerkar

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

"RESOLVED THAT Dr. A. B. Kerkar, who was appointed as an Additional Director of the Company by the Board of Directors, with effect from June 01, 1999 and who by virtue of Section 260 of the Companies Act, 1956 holds office upto the date of the Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received notices in writing under Section 257 of the Companies Act, 1956, from certain Members proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."

6. Amendments to the Objects Clause of the Memorandum of Association

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 17 and other applicable provisions of the Companies Act, 1956, the Object Clause III of the Memorandum of Association of the Company, be and is hereby altered in the following manner :

Insert sub-clause 9 to Clause III (A) under the head "The Main Objects of the Company to be Pursued by the Company on its Incorporation" after sub-clause 8 to Clause III (A) :

To own, purchase, construct, acquire, equip, operate, manage, conduct or in any other manner and in all its aspects deal in hotels, motels, resorts, inns, guest houses, apartments, food courts, shopping plazas, commercial complexes, casinos, entertainment parks, water parks, amusement centers, gaming centers, bowling alleys, wild life parks, restaurants, cafes, refreshment rooms, lodging houses of every kind and sort including all the conveniences, amenities and facilities adjunct thereto, in India or in any other part of the world and to act as consultants, advisors, experts, technical collaborators, valuers, surveyors, inventory analysts in all matters pertaining to setting up of hotels, resorts, all form of lodging, touristic and leisure projects and to carry out any or all of the above activities either on its own or in partnership with others".

7. Approval for change in name of the Company

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution :

"RESOLVED THAT subject to the approval of the Central Government pursuant to Section 21 of the Companies Act, 1956, the name of the Company be and is hereby changed from Cox And Kings Travel And Finance Limited to Tulip Star Hotels Limited.

RESOLVED FURTHER THAT the name of the Company Cox And Kings Travel And Finance Limited wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the new name Tulip Star Hotels Limited.

RESOLVED LASTLY THAT the Directors of the Company, jointly and severally be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

By Order of the Board

Place : Mumbai
Date : June 17, 1999

Sanjeev D. Shenvi
Company Secretary

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of items 5 to 7 above, is annexed hereto.
3. The Share Transfer Books and the Register of Members of the Company will remain closed from Monday, September 06, 1999 to Wednesday, September 15, 1999 (both days inclusive).
4. Members attending the meeting are requested to bring with them the Attendance Slip and hand over the same at the entrance of the meeting hall, failing which admission to the meeting may be refused.
5. Members are advised to address all correspondence quoting their Ledger Folio Number and to immediately notify their change of address, if any, to the Company's **Share Transfer Agents, Intime Spectrum Registry Pvt. Ltd., 260-A, Shanti Industrial Estate, Sarojini Naidu Road, Mulund (West), Mumbai - 400 080.**
6. As a measure of economy, the Company does not distribute the copies of the Annual Report at the venue of the meeting. Members, therefore are requested to bring their copies with them.
7. Members desirous of obtaining any information concerning the accounts of the Company are requested to send their queries to the Company's Corporate Office at 1st Floor, Cecil Court, Lansdowne Road, Colaba, Mumbai - 400 039 atleast 10 days before the date of the meeting, so that the information required by the members may be made available at the meeting.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statements set out all material facts relating to the business under item nos. 5 to 7 of the accompanying Notice dated June 17, 1999.

Item Number 5 of the Notice

Dr. Ajit B. Kerkar was appointed by the Board as an Additional Director of the Company with effect from June 01, 1999. Pursuant to Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, Dr. Ajit B. Kerkar holds office up to the date of the **Twelfth Annual General Meeting**.

The Company has received notices in writing under Section 257 of the Companies Act, 1956, from certain Members proposing his candidature for the office of Director of the Company.

Dr. Ajit B. Kerkar was the former Chairman and Managing Director of The Indian Hotels Company Limited (Taj Group of Hotels). Dr. Ajit B. Kerkar has also served on the board of Air India Limited, Indian Airlines Limited and Tourism Finance Corporation of India Limited. Dr. Ajit B. Kerkar has been appointed as the Tourism Advisor by the Government of Maharashtra and the Government of Goa. Your Directors commend the passing of resolution in item no. 5 of the Notice.

None of the Directors, except **Dr. Ajit B. Kerkar** and his son **Mr. Peter A. Kerkar**, are concerned or interested in the proposed resolution.

Item Number 6 of the Notice

The Company intends to diversify into new business lines such as setting up of a centralized hotel reservation system and owning and management/operation of hotel properties and providing consultancy services relating thereto. The existing clause 11 under Other Objects permits the Company to carry on the activities of hotel reservation services. The said clause 11 was invoked by the shareholders at the Extraordinary General Meeting held on July 25, 1994 by passing a Special Resolution under Section 149 (2A) of the Companies Act, 1956.

In view of the intention of the Company to pursue the business relating to owning and management/operation of hotel properties, restaurants and provision of consultancy services relating to hotel properties it is necessary to insert an additional sub-clause 9 to Clause III A under the heading "The Main Objects of the Company to be Pursued by the Company on its Incorporation". The proposed amendment is in compliance with Section 17 (1) (d) of the Companies Act, 1956.

The Resolution is commended for your approval.

None of the Directors are interested or concerned in the Resolution at item no. 6 of the accompanying Notice.

A copy of the Memorandum and Articles of Association together with the proposed change is available for inspection at the registered office of the Company on any working day (except Saturday) between 11.00 a.m. to 1.00 p.m.

Item Number 7 of the Notice

The Company proposes to engage inter alia in the business of operations of hotels, providing consultancy in connection with setting up and operations of hotels, motels, resorts etc. and providing of hotel reservation systems. With a view to reflect the proposed business activities of the Company, it is proposed that the name of the Company be changed from Cox And Kings Travel And Finance Limited to Tulip Star Hotels Limited. The Registrar of Companies, NCT of Delhi and Haryana, vide their letter dated April 06, 1999, has conveyed the availability of the name Tulip Star Hotels Ltd., subject to the condition that the Company with the approval of the shareholders amends the main objects clause of the Memorandum of Association to include hotel operating activity as its main business.

If the change of name is approved, certificates of shares already issued will be called for at the appropriate time in consultation with the Stock Exchanges. Until such time the certificates are recalled the existing certificates will continue to be accepted for all purposes, as indicating and entitlement to shares of the Company.

The resolution is commended for your approval.

None of the Directors of the Company are interested in resolution at item no. 7 of the accompanying Notice, except to the extent of their shareholding in the Company or the shareholding of the Companies in which they are Directors.

The copy of the letter dated April 06, 1999 issued by the Registrar of Companies, NCT of Delhi and Haryana, conveying the consent for the availability of the name 'Tulip Star Hotels Limited' is available for inspection at the registered office of the Company on any working day (except Saturday) between 11.00 a.m. to 1.00 p.m.

By Order of the Board

Place : Mumbai
Date : June 17, 1999

Sanjeev D. Shenvi
Company Secretary