

**14th
ANNUAL
REPORT
1998-99**

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Gujarat JHM Hotels Limited



Gujarat JHM Hotels Ltd.

BOARD OF DIRECTORS

Shri Ashok Narayan, IAS
 Shri D. P. Rama
 Shri U. M. Patel
 Shri D. C. Gami
 Shri D. J. Patel
 Shri H. P. Rama
 Shri K. S. Gandhi
 Shri M. S. Parekh

Chairman
Managing Director

Alternate to Shri H.P. Rama
Nominee, The Surat People's
Co-Op. Bank Ltd. w.e.f. 30-5-1998

AUDITORS

Rajendra & Co.,
Chartered Accountants
 1311, Dalamal Towers,
 Free Press Journal Road,
 Nariman Point,
 MUMBAI - 400 021.

BANKERS

State Bank of Saurashtra
 Bank of India
 State Bank of India
 The Surat People's Co.op Bank Ltd.

FOURTEENTH ANNUAL GENERAL MEETING

On Thursday, the 2nd September, 1999
 "Maharaja Agrasen Bhavan"
 City Light Area, Parle Point,
 Behind Shringar Society, Surat,
 at 11.00 a.m.

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Shareholders are requested to bring their copy of the Annual Report
 along with them at the Annual General Meeting, as copies of the report
 will not be distributed at the meeting.



Gujarat JHM Hotels Ltd.

NOTICE

NOTICE is hereby given that the 14th Annual General Meeting of the Members of GUJARAT JHM HOTELS LIMITED will be held at Maharaja Agrasen Bhavan, City Light Area, Parle Point, Behind Shrungar Society, SURAT on Thursday, the 2nd September, 1999 at 11.00 a.m. to transact the following business.

ORDINARY BUSINESS :

01. To review, consider and adopt the Balance Sheet as at 31st March, 1999 and Profit & Loss Account for the year ended on that date and the Reports of Auditors and Directors thereon.
02. To appoint Director in place of Shri H. P. Rama who retires by rotation but being eligible offers himself for reappointment.
03. To appoint Director in place of Shri D. J. Patel who retires by rotation but being eligible offers himself for reappointment.
04. To appoint auditors to hold office from the conclusion of the 14th Annual General Meeting upto the conclusion of next Annual General Meeting and to fix their remuneration and in connection therewith to pass the following resolution as an ordinary with or without modifications.

"RESOLVED THAT the retiring Auditors M/s. Rajendra & Co., Chartered Accountants be and are hereby reappointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the company on such remuneration as may be determined by the Board of Directors of the Company."

NOTES :

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF THE MEMBER. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
02. Members/Proxies should bring the attendance slip duly filled in for attending the meeting and members may please bring their copies of the annual report to the meeting as no copies will be distributed again in the meeting.
03. Company is having In-house share transfer department. So Members are requested to do all future correspondence at the Registered office of the Company.
04. Members desiring any additional information concerning accounts are requested to write to Mr. Nayan Banker, Financial Controller, seven days in advance of the meeting.
05. The Register of Members and Share Transfer Books of the company will remain closed from the Monday 16th August, 1999, till Tuesday the 31st August, 1999 (both days inclusive).

By Order of the Board
for GUJARAT JHM HOTELS LIMITED

Registered Office :
THE HOLIDAY INN-Surat
Near Bharti Park
Ambica Niketan
SURAT - 395 007

Place : Surat
Date : 29th May, 1999

ASHOK NARAYAN
Chairman



Gujarat JHM Hotels Ltd.

DIRECTORS' REPORT

To
THE MEMBERS
Gujarat JHM Hotels Limited

Your Directors present their report to the members of the company on this 14th Annual General Meeting of the Company.

FINANCIAL RESULTS :

	(Rs. in lakhs)	
	<u>Current Year</u>	<u>Previous Year</u>
Turn over	696.72	975.46
Operating Expenses	557.92	614.28
Operating Profits	138.80	361.18
Interest & financial Charges	159.96	159.93
Profit / (Loss) before depreciation	(21.16)	201.25
Depreciation	85.32	178.72
Net Profit / (Loss) after depreciation	(106.48)	22.53
Net Loss carried to the Balance Sheet.	336.65	230.17

In view of the losses suffered by the company and the accumulated losses of Rs. 336.65 lakhs on the books of your company, your directors do not propose any dividend for the year under review.

OPERATIONS & MARKETING :

Due to overall down trend in the business and industrial activities, your company could achieve a gross sales of Rs. 696.72 lakhs which is almost 27.58% less as compared to the sales of the previous year at Rs. 975.46 lakhs. The fall in the operating revenues has led to a net loss of Rs. 106.48 lakhs as compared to the profit of Rs. 22.53 lakhs in the previous year.

To economize on the cost of operations, detailed cost control measures are being put into effect. New sales strategies are being made to give impetus to the room revenue, the major source of income for the company. The creation of the new banquet hall shall give boost to the food and other banquet sales.

PARTICULARS OF EMPLOYEES :

The particulars of the Employees drawing remuneration equal to or more than the remuneration prescribed under Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder, are appended as Annexure "A" to this report.

DIRECTORS :

Upon withdrawal of nomination by GIC/Government of Gujarat, Shri G. S. Shukla retired as a director of the company from the conclusion of the last Annual General Meeting.

Shri H. P. Rama and Shri D. J. Patel would retire by rotation at the Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS :

Rajendra & Company, Auditors of the company retire at the forthcoming Annual General Meeting and being eligible for re-appointment, your directors recommend their re-appointment.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO :

In terms of Section 217(1)(e) of the Companies Act, 1956 (as amended) and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, your Directors furnish here under the additional information as required.

A. Conservation of Energy

Your company closely monitored the power consumption on the daily basis to reduce wastage. The Company has also installed Solar System for Hot Water which has reduced diesel consumption. Installation of 160 TR Vapour Absorption Plant for Air-conditioning has helped in reducing the Energy bills. The company has also used Natural Gas through pipe lines instead of LPG Cylinders in the production and other areas. Since provision of Form A under Rule 2 of the said Rules are not applicable the details under same are not given.