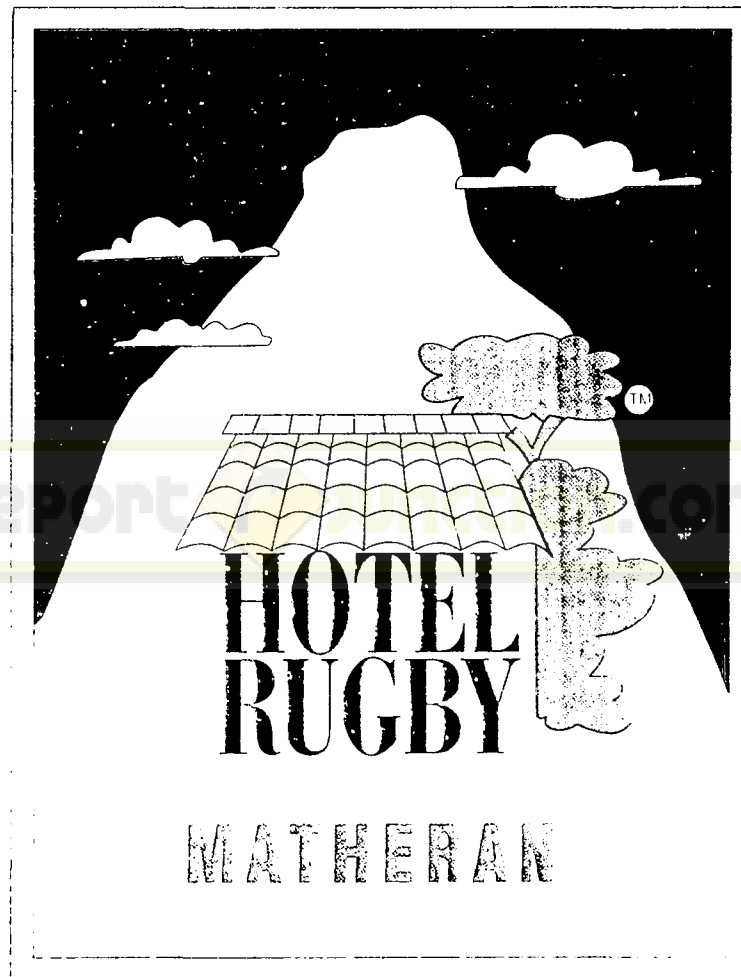


MD	/		BKC	/
CS	/		DPY	/
RO	/		DEV	/
TRA	/		AC	/
AGM	/	/	SH	/
YE	/	/		/

# HOTEL RUGBY LIMITED



*7<sup>th</sup> Annual Report  
1996-97*



# 100 YEAR OLD LEGACY OF TRADITIONAL HOSPITALITY, WARMTH AND NATURAL SPLENDOUR.

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## Notice

NOTICE IS HEREBY GIVEN THAT THE 7TH ANNUAL GENERAL MEETING OF THE MEMBERS OF HOTEL RUGBY LIMITED WILL BE HELD ON ~~BE HELD ON~~ MONDAY 18th MAY, 1998 AT 11.00 A.M. AT M.C.GHIA HALL, BHOGILAL HARGOVINDAS BUILDING, 18/20 K.DUBHASH MARG, MUMBAI 400 001 TO TRANSACT THE FOLLOWING BUSINESS :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 30th September, 1997 and Profit and Loss Account for Seventeen months period ended 30th September, 1997 and Report of Auditors and Directors thereon.
2. To appoint a Director in place of Mr.C. H. Mirani who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr.Mihir Thacker who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and authorise the Board of Directors to fix their remuneration.

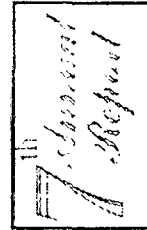
### NOTES :

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. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and Register of transfers will remain closed from 14th May, 1998 to 18th May, 1998 (both days inclusive).
3. Members are requested to intimate any change in their address to the Company's Registrar and Share Transfer Agents M/s.Consolidated Share Services Pvt.Ltd., Shanti Nagar, Cross Road 'A' Near MIDC Bus Depot, MIDC, Andheri (E), Bombay - 400 093 at the earliest quoting their Folio Numbers.
4. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the meeting so that the information required may be made available at the meeting.
5. Members are requested to bring the copy of Annual Report sent to them.
6. The Members who have not paid their allotment money are requested to pay the same alongwith the interest @ 18% p.a. till the date of payment.

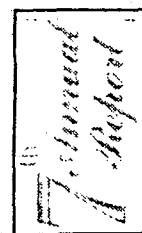
By Order of the Board  
For **HOTEL RUGBY LIMITED**

**MAHENDRA THACKER**  
Managing Director

Mumbai, 21st February, 1998.



Report  junction.com

**BOARD OF DIRECTORS :**

<b>Shri Chandrasinh H. Mirani</b>	<i>Chairman</i>
<b>Shri Mahendra R. Thacker</b>	<i>Managing Director</i>
<b>Smt. Darshana M. Thacker</b>	<i>Executive Director</i>
<b>Shri Ashok M. Kadakia</b>	<i>Director</i>
<b>Shri Dilip J. Thakkar</b>	<i>Director</i>
<b>Shri Dharmasinh M. Popat</b>	<i>Director</i>
<b>Ms. Thangam Philip</b>	<i>Director</i>
<b>Mr. Mihir Thacker</b>	<i>Director</i>

**AUDITORS :**

**R. Kabra and Company**  
*Chartered Accountants*

**SOLICITORS :**

**Law Charter**

**BANKERS :**

**Union Bank of India**  
**Dena Bank**  
**The Pen Co-operative Urban Bank Limited**  
**Raghuvanshi Co-operative Bank Limited**

**REGISTERED OFFICE :**

6, Stadium House  
81/83, Veer Nariman Road,  
Churchgate  
Mumbai - 400 020.  
Tel. Nos. : 204 1678, 283 5745, 282 1721  
Fax No. : 202 1090

**LOCATION OF RESORT :**

Vithalrao Kotwal Road  
Matheran - 410 102.  
Tel Nos. : (02148) 30291/30292

**REGISTRAR & SHARE  
TRANSFER AGENTS :**

**Consolidated Share Services Private Limited**  
Shanti Nagar, Cross Road 'A'  
Near M.I.D.C. Bus Depot, M.I.D.C.,  
Andheri (East), Mumbai - 400 093.  
Tel. Nos. : 835 5635, 837 6800  
Fax No. : 838 1384



HOTEL  
RUGBY

## Directors' Report

Your Directors have pleasure in presenting this 7th Annual Report together with the Audited Accounts of the Company for the period ended 30th September, 1997.

### FINANCIAL RESULTS :

The figures of the current financial results are summarised below. The figures for the previous year ended 30th April, 1996 are of 12 months as compared to the current period's figures of 17 months and therefore not directly comparable.

	For the Period Ended 30.9.97 (Rs. in Lacs)	For the Year Ended 30.4.96 (Rs. in Lacs)
Sales and Other Income	854.98	1,053.27
Gross Profit Before Interest,		
Depreciation and Tax	210.86	587.02
Interest	12.61	21.71
Depreciation	21.11	10.97
Profit Before Tax	177.14	554.34
Provision For Taxation	25.00	40.00
Net Profit After Tax	152.14	514.34
Tax Provision For Earlier Years	NIL	5.85
Profit Brought Forward	496.65	104.15
Profit Available For Appropriation	648.79	192.70

### APPROPRIATIONS :

Transfer To General Reserve	55.00	10.00
Proposed Dividend	NIL	105.99
Balance Carried To Balance Sheet	593.79	496.65
	648.79	612.64

### DIVIDEND :

In view of the inadequate profits during the period under review and with a view to conserve the resources to strengthen financial position of your company for meeting expenditure on its expansion projects, your directors are constrained not to recommend any dividend for the period under review.

### OPERATIONS :

During the period under review your company achieved turnover of Rs.854.98 Lacs. Since the accounts of the current period are made up for seventeen months, direct comparison between the data relating to the period under review and the previous year is not possible.

### PROJECT IMPLEMENTATION :

#### Renovation of Existing Hotel :

The Company has renovated and upgraded the existing Hotel at Matheran by adding various facilities. First phase of renovation is already over. Renovation of Conference Hall having capacity of around 70 people is already over and started commercial operations. Construction of Swimming Pool, Garden Restaurant, Icecream parlour, Jogging Track and Horse Track is already completed and started operations. The Company

has also installed Biotech sewerage treatment plant and EPBAX Telephone System.

Construction work in respect of Health club, New Front Office and Outdoor Games Complex having Tennis Court is expected to be completed and facilities be commissioned by October 1998.

### EXPANSION SCHEME :

#### Construction of New Hotel at Matheran :

The Company has already commenced construction of a Time Share Resort at Matheran adjacent to the existing hotel. All rooms of the resort will have RCI goldcrown standard.

The Company has affiliated this Resort with RCI (Resort Condominium International) to allow the timeshare buyers to avail of exchange facilities in over 3000 resorts worldwide.

Though there is delay in completion of project, construction work is expected to be completed and commercial operation is expected to be started by March 1999.

#### Lonavala Hotel :

Your Company proposes to construct a 3 star hotel at Lonavala which consists of 160 rooms. Out of this 100 rooms will be on time share basis and have RCI gold crown standard. Your Company has already acquired the land for the hotel. Construction work is delayed and will commence from October, 1998.

### PUBLIC DEPOSITS :

During the year your company has started accepting deposits from public and amount of deposits as at 30th September, 1997 was Rs.18,11,197/-. There were no unclaimed deposits as well as overdue interest and deposits as on that date.

### OBSERVATIONS IN THE AUDITORS REPORT :

The observations made by the Auditors in their Audit Report are self explanatory or have been fully explained in the notes attached to the accounts and as such do not need any further clarification.

### APPOINTMENT OF AUDITORS :

You are requested to appoint the Statutory Auditors for the current year and authorise the Board to fix up their remuneration.

The retiring Auditors M/s. R. Kabra & Co., Chartered Accountants, Mumbai being eligible offer themselves for re-appointment.

The Board recommends their appointment.

### SUBSIDIARY COMPANIES :

The Audited Accounts together with the Reports of the Directors and the Auditors of the Company's subsidiaries, namely, Rugby Food and Beverages Limited, Polar Finance Limited, Jai Thackers Land Development Limited and





## Directors' Report (Contd...)

Thackers Holdings Limited are attached along with the statement under Section 212 of the Companies Act, 1956.

### PERSONNEL :

Your Company's human resources have been playing a vital role in achieving organisational objectives.

Your Company's growth and progress is the result of hard work and devotion of all the employees.

### PARTICULARS OF EMPLOYEES :

Information in accordance with the provisions of Sections 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended regarding employees has been given as per annexure.

### DIRECTORS :

Mr. C. H. Mirani and Mr. Mihir Thacker retire by rotation and being eligible offer themselves for re-appointment.

### STATEMENT UNDER CLAUSE 43 OF THE LISTING AGREEMENT :

As required by clause 43 of the Listing Agreement, the performance of the Company for the period of 17 months ended 30th September, 1997 as compared to the projections made in the Prospectus dated 26th September, 1994 are as under :

	(Rs. in Lacs)	
	Actual	Projections
Total Income	854.98	1,965.87
Profit Before Tax	177.14	834.30
Profit After Tax	152.14	750.57
Dividend	-	20%
EPS (Rs.)	0.71 *	4.98

\* Annualised basis

**Note :** Due to delay in implementation of project, the performance could not be achieved as per the projections made in Prospectus dated 26th September, 1994.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

#### (A) Conservation of Energy :

Energy Conservation has remained an area of high priority for the Company. Selective replacement of obsolete equipment and awareness of the employees through training has enabled the Company to achieve reduction in energy consumption. Close monitoring of power consumption helped in minimising wastages and resulted in optimum utilisation of energy.

#### (B) Technology Absorption :

The activities of the Company do not involve any Technology absorption or expenditure on Research and Development.

#### (C) Foreign Exchange Earnings and Outgo :

	1996-97	1995-96
	Rs.	Rs.
Foreign Exchange Earnings :	NIL	NIL
Foreign Exchange Outgo	14,672	12,104

### APPRECIATION :

Your Directors wish to place on record their appreciation of whole hearted co-operation received from Shareholders, Bankers, Financial Institutions, Suppliers and Valued Customers of the Company.

Your Company is very grateful to the various departments of the Central and State Governments, Local Authorities for extending co-operation in procedural matters.

Your Directors also wish to thank all the employees of the Company for their continued support and co-operation.

For and on behalf of the Board

**CHANDRASINH H. MIRANI**  
Chairman

Mumbai, 21st February, 1998

## Annexure to the Report of the Board of Directors

Information required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the Period ended 30th September, 1997.

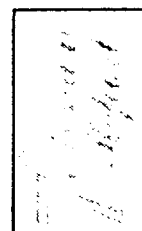
Name	Age	Designation	Remuneration	Qualifications	Experience	Date of Employment	Last Employment held
Mr. Mahendra R. Thacker	55 Years	Managing Director	Rs. 262,500/-	B.com. and Diploma in Hotel Management	22 Years	Since incorporation	Businessman
Mrs. Darshana M. Thacker	50 Years	Executive Director	Rs. 262,500/-	B.A.	22 Years	25th October, 1993	Businesswoman

**Note :** Appointment of Managing Director and Executive Director is for the period of five years from 25th October, 1993.

For and on behalf of the Board

**CHANDRASINH H. MIRANI**  
Chairman

Mumbai, 21st February, 1998



HOTEL  
RUGBY

## Auditors' Report

TO THE MEMBERS  
OF HOTEL RUGBY LIMITED

We have audited the attached Balance Sheet of **HOTEL RUGBY LIMITED** as at 30.09.1997 and the Profit & Loss A/c. for the period ended on that date annexure thereto and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956 we annex a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph (1) above, we report that :-
  - a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit ;
  - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books of account ;
  - c) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of accounts ;
  - d) In our opinion and to the best of our information and according to the

explanations given to us, the said accounts subject to note no.1- (f) regarding non provision of gratuity liability and Note 4 regarding non-provision for erosion in investment value of shares of subsidiary and other companies and diminution in value of balance due from subsidiary and note under schedule 1 for share capital, schedule 5 for fixed assets and schedule 6 for investment give the information required by the Companies Act, 1956 in the manner as required and give a true and fair view :-

- a) In the case of Balance Sheet, of the State of affairs of the Company as at 30th September, 1997.
- b) In the case of the Profit & Loss Account, of the Profit of the company for the period ended on that date.

For **R. KABRA & CO.**  
Chartered Accountants

**R. L. KABRA**  
Partner

Mumbai, 21st February, 1998

### ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE OF HOTEL RUGBY LIMITED FOR THE PERIOD ENDED 30TH SEPTEMBER, 1997.

On the basis of such checks of the books and records as we considered appropriate and the information and explanations given to us during the course of the audit, we state as under:-

1. The Company has maintained proper records to show full particulars including quantitative details and situation of all fixed assets. These assets have been physically verified by the management during the year. Discrepancies noted on such verifications were not significant and the same have been properly dealt with in the books of account.
2. None of the fixed assets have been revalued during the year.
3. The management has conducted physical verification of stores, operating supplies, food and beverages at reasonable intervals. In our opinion the frequency of verification is reasonable.
4. According to the information and explanations given to us, in our opinion, the procedures of physical verification of stocks followed by the

management are reasonable and adequate in relation to the size of the company and the nature of its business.

5. The discrepancies noticed on verification between the physical stocks and the book records were not material, having regard to the size of operations of the company. However, the same have been properly dealt with in the books of account.
6. In our opinion, on the basis of our examination of stock records, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has taken unsecured loans from the companies, firms or other parties listed in the register maintained under Section 301 and/or from companies within the purview of Section 370(IB) of the Companies Act, 1956, which is prima facie not prejudicial to interest of the company.





**ANNEXURE REFERRED TO IN PARAGRAPH 4 OF OUR REPORT OF EVEN DATE OF HOTEL RUGBY LIMITED FOR THE PERIOD ENDED 30TH SEPTEMBER, 1997. (CONTD...)**

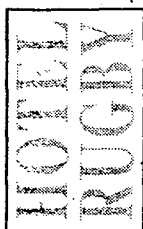
8. There is an interest free amount due on current account from wholly owned subsidiary company which is in the nature of unsecured loan, and there are certain interest free deposits given as per commercial prudence pursuant to agreements. Except this the company has not given any loans secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 and/or to companies within the meaning of section 370(1B) of the Companies Act, 1956.
9. The company has given interest free loans and advances to its employees and other parties who are generally repaying the same as stipulated.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials, plant and Machinery, equipment and other assets and for the income from sale of goods and services etc.
11. During the year the Company has not purchased/sold stores, raw materials and components exceeding Rs.50,000/- for each type thereof from subsidiaries, firms and Companies or other parties in which the Directors are interested.
12. According to the information and explanations given to us, the company has a system for determining unserviceable and damaged stores and operating supplies and necessary write-off action in the accounts has been affected to cover unserviceable items determined in the normal course of business.
13. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 58 A of the Companies Act, 1956 and the rules framed thereunder for deposits accepted from the public.
14. The Company has maintained reasonable records for the sale and disposal of realisable scraps and waste and there were no by-products.
15. According to the information and explanations given to us, the company has an internal audit system, the scope of which, in our opinion, requires to be extended so as to be commensurate with the size of the company and the nature of its business.
16. To the best of our knowledge, and as explained to us, maintenance of cost records have not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, in respect of any of the activities of the Company.
17. As per explanations given to us, the Provident fund dues have generally been regularly deposited by the Company with appropriate authorities.
18. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty were outstanding as at 30th September, 1997, for a period of more than six months from the date they became payable.
19. According to the information and explanations given to us and the records of the company examined by us, no personal expenses have been carried to revenue account other than those paid either under company's contractual obligations or in accordance with generally accepted business practice.
20. The company is not a sick industrial Company within the meaning of clause (O) of Sub-section (1) of Section 3 of the Sick Industrial Companies (special provisions) Act 1985.
21. The company has a reasonable system regarding receipts, issues and consumption of material and stores, commensurate with the size and nature of its business.
22. There is a reasonable system of authorisation at proper levels with necessary control on the issue of stores and the allocation of the same to the operating departments. The system of Internal control is, in our opinion commensurate with the size of the company and the nature of its business.

For **R. KABRA & CO.**  
Chartered Accountants

**R. L. KABRA**  
Partner

Mumbai, 21st February, 1998





## Balance Sheet as at 30th September, 1997

	SCHEDULE NO.	AS AT 30-09-1997 Rs.	AS AT 30-04-1996 Rs.
<b>I. SOURCES OF FUNDS</b>			
<b>Shareholders' Funds :</b>			
Share capital	1	147,790,000	147,782,400
Reserves & surplus	2	278,444,857	266,252,907
<b>Loan Funds :</b>			
Secured Loans	3	5,902,926	4,863,094
Unsecured Loans	4	24,340,197	11,481,250
<b>Others :</b>			
Advance Subscription Towards			
Time Share Sale		126,500	NIL
Deposits From Time Shareholders		345,000	NIL
		<u>456,949,480</u>	<u>430,379,651</u>
<b>II. APPLICATION OF FUNDS</b>			
<b>Fixed Assets :</b>			
Gross Block	5	107,440,008	94,504,940
Less : Depreciation		22,166,855	17,177,420
Net Block		85,273,153	77,327,520
Capital Work-in-Progress		62,004,916	37,767,863
		<u>147,278,069</u>	<u>115,095,383</u>
Investments	6	161,599,370	167,551,020
<b>Current Assets, Loans and Advances :</b>			
Inventories	7	1,255,947	1,398,160
Sundry Debtors	8	12,254,900	14,046,746
Cash and Bank Balances	9	8,535,990	17,182,105
Loans and Advances	10	143,828,676	134,572,597
		<u>165,875,513</u>	<u>167,199,608</u>
<b>Less : Current Liabilities and Provisions :</b>			
Current Liabilities	11	17,808,003	8,251,558
Provisions	12	NIL	11,221,472
		<u>17,808,003</u>	<u>19,473,030</u>
<b>Net Current Assets</b>		<b>148,067,510</b>	<b>147,726,578</b>
<b>Miscellaneous Expenditure</b>	13	<b>4,531</b>	<b>6,670</b>
(To the extent not w/off or adjusted)			
		<u>456,949,480</u>	<u>430,379,651</u>
<b>Notes on Accounts</b>	18		

Per our report attached

For and on behalf of the Board

For **R. KABRA & CO.**  
Chartered Accountants

Mr. C. H. Mirani	Chairman
Mr. M. R. Thacker	Managing Director
Mrs. D. M. Thacker	Executive Director
Mr. A. M. Kadakia	} Directors
Mr. M. M. Thacker	

**R. L. KABRA**  
Partner

Mumbai, 21st February, 1998

