



INDIAN RESORT HOTELS LIMITED 28TH ANNUAL REPORT 1999-2000 Hotels Resorts and Palaces

29440



**TWENTY-EIGHTH ANNUAL REPORT 1999-2000**

# **INDIAN RESORT HOTELS LIMITED**

**DIRECTORS**

As on 20th June, 2000

R. K. KRISHNA KUMAR (*CHAIRMAN*)

N. A. SOONAWALA

ZUBIN DUBASH

M. M. MADHVANI

R. V. PANDIT

K. D. PARAKH

I. M. KADRI

J. M. VERMA

**COMPANY SECRETARY**

P. D. PHATAK

**AUDITORS**

C. C. CHOKSHI & CO.

RSM & CO.

Chartered Accounts

**BANKERS**

STATE BANK OF INDIA

BANK OF BARODA

DRESDNER BANK A. G.

CENTURION BANK LTD.

**REGISTERED OFFICE**

MANDLIK HOUSE,  
MANDLIK ROAD,  
MUMBAI 400 001.

TWENTY-EIGHTH ANNUAL GENERAL MEETING  
ON TUESDAY, 26TH SEPTEMBER, 2000, AT 3.30 P.M. AT THE BOMBAY HOUSE AUDITORIUM  
BOMBAY HOUSE, 24, HOMI MODY STREET, MUMBAI 400 001.

**INDIAN RESORT HOTELS LIMITED****NOTICE**

THE TWENTY-EIGHTH ANNUAL GENERAL MEETING OF INDIAN RESORT HOTELS LIMITED will be held at the Bombay House Auditorium, Bombay House, 24 Homi Mody Street, Mumbai 400 001 on Tuesday, 26<sup>th</sup> September, 2000, at 3.30 p.m. to transact the following business :

**ORDINARY BUSINESS:**

1. To receive and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31st March, 2000, and the Balance Sheet as at that date.
2. To appoint a Director in place of Mr. N. A. Soonawala who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Mr. R. V. Pandit who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Mr. M. M. Madhyani who retires by rotation and is eligible for reappointment.
6. To appoint Auditors and fix their remuneration.
7. **Payment of Commission to non Whole-time Directors**

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 309 and other applicable provisions, if any, of the Companies Act, 1956, a sum not exceeding 3% per annum of the net profits of the Company, subject to a maximum of Rs. 10,00,000 (Rupees Ten Lakhs) calculated in accordance with the provisions of Sections 198, 349 and 350 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director, Deputy Managing Director and Whole-time Directors, if any) in such amounts or proportions and in such a manner as may be directed by the Board of Directors of the Company and such payments shall be made in respect of the profits of the Company for each year of the period of five years commencing 1st April, 2000."

**NOTES :**

- (a) **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. PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- (b) The Register of Members and Share Transfer Books of the Company will remain closed from 19<sup>th</sup> September, 2000 to 26<sup>th</sup> September, 2000 both days inclusive for the purpose of the Annual General Meeting.
- (c) Members/Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.

## TWENTY-EIGHTH ANNUAL REPORT 1999-2000

- (d) Members desiring any information as regards the Accounts are requested to write to the Company Secretary at an early date so as to enable the management to reply.
- (e) It may be noted that all dividends unclaimed for a period of seven years are to be transferred by the Company to the Investor Education and Protection Fund (the Fund) to be established by the Central Government, and provided for under Section 205C of the Companies Act, 1956 accordingly, all unclaimed dividends from and including the financial year ended 31st March, 1996, will be transferred by the Company to the Fund in the manner prescribed in the said Section 205C of the Act.
- (f) Members are requested to kindly bring their copies of the Annual Report to the Meeting.

Mumbai, 20<sup>th</sup> June, 2000

By Order of the Board of Directors

Regd. Office :

Mandlik House,

Mandlik Road,

Mumbai 400 001.

P. D. PHATAK

COMPANY SECRETARY

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**INDIAN RESORT HOTELS LIMITED****EXPLANATORY STATEMENT**

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all the material facts relating to the business mentioned in Item No. 7 of the accompanying Notice dated 20<sup>th</sup> June, 2000.

**ITEM NO 7**

The Members of the Company at the Annual General Meeting of the Company held on 14<sup>th</sup> August, 1996, had approved, under the provisions of Section 309 of the Companies Act, 1956, the payment of a commission to the non – Executive Directors of the Company of an amount not exceeding 3% per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 1956 subject to a maximum of Rs. 10,00,000/- for a period of five financial years of the Company commencing 1<sup>st</sup> April, 1995.

In view of the valuable services being rendered by the said Directors to the Company, it is proposed to continue to pay commission not exceeding 3% per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 1956 subject to a maximum of Rs. 10,00,000/- for a period of five financial years of the Company commencing 1<sup>st</sup> April, 2000. Such Commission will be distributed among all or some of the Directors, either wholly or in part and in such proportion and manner as the Board of Directors of the Company may from time to time determine.

The Resolution proposed is only an enabling one. No commission, however, will accrue or become payable to the Directors until the Board of Directors of the Company decides to distribute the amount of commission after taking into account all relevant circumstances as to whether to distribute the commission and the limit if any, of the commission to be paid in its totality or to any one of the Directors.

All the Directors are concerned or interested in the said Resolution mentioned in item No. 7 of the notice to the extent of the amount that may be received by them as commission.

Mumbai, 20<sup>th</sup> June, 2000  
Regd. Office :  
Mandlik House,  
Mandlik Road,  
Mumbai 400 001.

By Order of the Board of Directors

P. D. PHATAK  
COMPANY SECRETARY



**TWENTY-EIGHTH ANNUAL REPORT 1999-2000****DIRECTORS' REPORT****TO THE MEMBERS,**

The Directors hereby present the Twenty-Eighth Annual Report of the Company together with its Audited Profit and Loss Account for the year ended 31st March, 2000, and the Balance Sheet as on that date :

**FINANCIAL RESULTS**

	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
2. Total Income .....	22,06,92,066	25,18,75,902
The gross profit for the year amounted to : .....	7,11,10,209	9,14,57,356
Less : Depreciation .....	1,50,68,275	1,29,43,115
Interest .....	1,34,77,856	1,24,01,992
Profit Before Prior Period Adjustment and Taxes .....	4,25,64,078	6,61,12,249
Add Prior Period Adjustment-Depreciation .....	7,43,052	—
Profit Before Tax .....	4,33,07,130	6,61,12,249
Less : Provision For Tax .....	43,00,000	70,00,000
Profit After Tax .....	3,90,07,130	5,91,12,249
Add : Excess Provision for the Income Tax in respect of earlier years (Net) .....	—	4,23,788
Less : Amount transferred to Foreign Exchange Earnings Reserve .....	—	50,00,000
Add : Balance brought forward from Previous year .....	2,12,97,881	1,00,39,649
Amount available for appropriations .....	6,03,05,011	6,45,75,686
3. An Interim Dividend of 40% i.e. Rs. 4.00 per Equity Share on 41,84,761 Equity Shares was paid to the shareholders for the year ended 31 <sup>st</sup> March, 2000, ( previous year nil ). It may be noted that in respect of the previous year a final dividend of 50% i.e. Rs. 5.00 per Equity Share was declared and paid to the shareholders. ....	1,67,39,044	2,09,70,995
Tax on dividend .....	18,41,295	23,06,810
Amount transferred to General Reserve .....	2,00,00,000	2,00,00,000
Balance carried to Balance Sheet .....	2,17,24,672	2,12,97,881

**OPERATIONS**

- The Company's total income for the year was Rs. 2206.92 lacs as against Rs. 2518.76 lacs in the previous year. The profit after tax was Rs. 390.07 lacs for the year as against Rs. 591.12 lacs in the previous year.
- The performance of the Company's hotels needs to be measured against the backdrop of intense competition and down trend in the growth of tourism in India over the last 1½ years. Despite tough market conditions, the Company's performance has been satisfactory. There has been a marginal drop in the occupancy levels when compared with the previous year. This is however likely to be arrested in the ensuing year. Conferences, Seminars etc. organised by reputed companies at the Fort Aguada Beach Resort as the venue continued during the year under report despite competition from other new hotels in Goa.

## INDIAN RESORT HOTELS LIMITED

**DIVIDEND**

6. Taking into account the profits for the year, and the prospects for the current year, your Directors declared an Interim Dividend of 40% or Rs. 4.00 per equity share involving an outflow of Rs.167.39 Lacs. In addition, a dividend tax of Rs. 18.41 Lacs was paid by the Company. The interim dividend was paid in May, 2000. No further dividend was proposed to be paid.

**FINANCE**

7. The outstanding amount of fixed deposits placed with the Company was Rs. 490.39 Lacs (Previous Year Rs. 397.15 Lacs) including Rs. 2.31 Lacs (Previous year Rs. 1.90 Lacs) which remained unclaimed by depositors as on 31st March, 2000.
8. The Directors wish to place on record their appreciation of the assistance received by the Company from the Financial Institutions and the Company's Bankers.

**DIRECTORS**

9. Mr. S. R. Vakil, a Director of your Company, who was also the Company's Legal Adviser, passed away after a brief illness on 8<sup>th</sup> September, 1999. The Board extends its condolences to the bereaved family of the Late Mr. Vakil. The Board also wishes to place on record its appreciation of the services rendered by Mr. Vakil during his tenure as a Director and legal adviser of the Company from the inception of the Company.
10. In accordance with the provisions of the Companies Act 1956, and the Articles of Association of the Company, three of your Directors viz. Mr. N. A. Soonawala, Mr. R. V. Pandit, and Mr. M. M. Madhvani retire by rotation and are eligible for reappointment.

**AUDITORS**

11. At the Annual General Meeting, the members will be requested to appoint the Auditors for the current year and authorise the Board to determine their remuneration.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

12. 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, the information relating to foreign exchange earnings and outgo is contained in Notes on Accounts nos. 12 and 13 on Page

**OTHER INFORMATION**

13. The Company does not have any employee drawing salary in terms of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.
14. The Board is happy to place on record its appreciation of the services rendered by the employees of the Company during the year under review.

On behalf of the Board of Directors

R. K. KRISHNA KUMAR  
Chairman

Date : 20<sup>th</sup> June, 2000  
Place : Mumbai.

**TWENTY-EIGHTH ANNUAL REPORT 1999-2000****REPORT OF THE AUDITORS' TO THE SHAREHOLDERS**

We have audited the attached Balance Sheet of Indian Resort Hotels Limited as at 31st March, 2000 and also the annexed Profit and Loss Account of the Company for the year ended on that date and report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure, a statement of the matters specified in paragraphs 4 and 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 account as required by law have been kept by the Company so far as appears from our examination of the books.
  - (c) The Balance Sheet and Profit and Loss dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
  - (e) In our opinion and to the best of our information and according to the explanations give to us, the said accounts read with the accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
    - (i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2000 and
    - (ii) In the case of the Profit and Loss Account of the profit for the year ended on that date.

For C.C.CHOKSHI & CO.  
Chartered Accountants

A.SIDDHARTH  
Partner

Place : Mumbai

Dated : 20th June, 2000

For RSM & CO  
Chartered Accountants

VIJAY N. BHATT  
Partner