

# **HOTEL RUGBY LIMITED**



**23rd Annual Report  
Year Ended 31st March, 2014**



**BOARD OF DIRECTORS :**

Shri Mahendra R. Thacker	Executive Director
Smt. Darshana M. Thacker	Executive Director
Shri Ashok M. Kadakia	Non-Executive Director
Shri Dinesh L. Patel	Non-Executive Director

**AUDITORS :**

**R. Kabra & Company**  
Chartered Accountants

**SOLICITORS :**

Law Charter

**BANKERS :**

Union Bank of India  
Axis Bank Ltd.

**REGISTERD OFFICE:**

6, Stadium House  
81/83, Veer Nariman Road,  
Mumbai - 400 020.  
Tel. : 2282 1721  
Fax : 2202 1090

**C O N T E N T S**

Notice	2
Director's Report	8
Auditors Report	13
Corporate Governance	14
Balance Sheet	31
Profit & Loss Account	32
Schedules Forming Part of Account	34

**REGISTRAR & SHARE TRANSFER AGENTS :**

M/s. Link Intime India Pvt. Limited.  
C/13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (W),  
Mumbai - 400 078.  
Tel. : 2596 3838



---

---

**HOTEL RUGBY LIMITED****NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 23RD ANNUAL GENERAL MEETING OF THE MEMBERS OF HOTEL RUGBY LIMITED WILL BE HELD ON TUESDAY, 30TH SEPTEMBER, 2014 AT 10.30 A.M. AT MAHARASHTRA CHAMBERS OF COMMERCE TRUST, 6TH FLOOR, DAHANUKAR HALL, ORICON HOUSE, MAHARASHTRA CHAMBERS OF COMMERCE PATH, FORT, MUMBAI – 400 001, TO TRANSACT THE FOLLOWING BUSINESSES:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2014 and the Statement of Profit and Loss for the year ended 31st March, 2014 and Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Mrs. Darshana M. Thacker (DIN:02003242) who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint M/s. R. Kabra & Co., Chartered Accountants (Firm Reg. No.104502W), the retiring Auditors of the Company, as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of Twenty Sixth Annual General Meeting of the Company subject to ratification at every Annual General Meeting and at a remuneration to be determined by the Board of Directors of the Company.

**SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Dinesh Lalbhai Patel (DIN:06439238), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st January 2014 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing in compliance with the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years with effect from 30.09.2014.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ashok Manilal Kadakia (DIN:00317237) who was appointed as a Director



liable to retire by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing in compliance with the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years with effect from 30.09.2014."

#### 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.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percentage of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies etc., must be supported by an appropriate resolution/ authority as applicable.

- 2. The Register of Members and Register of Transfers will remain closed from 26th September, 2014 to 30th September, 2014 (both days inclusive).**
- 3. Members are requested to intimate any change in their address to the Company and Share Transfer Agents- M/s. Link Intime India Pvt. Ltd. (Formerly M/s. Intime Spectrum Registry Ltd.), C/13, Pannalal Silk Mill Compound, L. B. S. Marg, Bhandup (West), Mumbai 400078 at the earliest quoting their Folio Numbers.**
- 4. Mr. Ashok M. Kadakia and Mr. Dinesh L. Patel who are seeking appointment as Independent Directors do not hold any shares in the Company.**

The relevant details of directors seeking appointment/re-appointment under Item No. 2, 4 and 5 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are given under the Corporate Governance Report.

- 5. The Members/Proxies/Representatives are requested to bring the duly filled and signed Attendance Slip enclosed in the Annual Report for attending the Meeting.**
- 6. In view of the 'Green Initiative in Corporate Governance' introduced by the Ministry of Corporate Affairs vide its Circular No 17/2011 dated 21.04.2011, all members who are holding shares of the Company in physical mode, are requested to register their e-mail IDs, so as to enable the Company to send all notices/reports/documents/intimations and other correspondence etc. through e-mails, in the electronic mode instead of receiving physical copies of the same. For registering your email ID, kindly send your email ID details to 'rugbyhotel@rediffmail.com.' The Members holding shares in Demat mode, who have not registered their e-mail IDs with DPs, are requested to register/update their email IDs with their DPs.**
- 7. Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to all its members to enable them to cast their vote for all the resolutions/special resolutions proposed at

23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through evoting services provided by Central Depository Services Limited. The Company has appointed Mr. Sudesh V. Joshi, Chartered Accountants, Mumbai, as Scrutinizer for conducting the e-voting process in a fair and transparent manner. The instructions of e-voting are detailed hereunder:

**The instructions for members for voting electronically are as under:-**

**A. In case of members receiving e-mail:**

Open your web browser during the e-voting period. E-voting period begins from **Wednesday, 24th September, 2014 (9.00 a.m.) and ends on Friday, 26th September, 2014 (6.00 p.m.)**. During this period, shareholders holding shares either in physical form or dematerialized form, as on Friday, 22nd August, 2014, being cut-off date/entitlement date, may cast their vote electronically. The e-voting shall be disabled by CDSL for voting thereafter. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(ii) Click on "Shareholders" tab.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(i) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date in the Dividend Bank details field.</b></li> </ul>

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Wednesday, 24th September, 2014 (9.00 a.m.) and ends on Friday, 26th September, 2014 (6.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.hotelrugby.in](http://www.hotelrugby.in) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

Poll will also be conducted at the Annual General Meeting and members who has not cast his/her vote through e-voting facility may attend the Annual General Meeting and cast his/her vote.

**By Order of the Board**

**MAHENDRA R. THACKER**  
**Director**  
(DIN:01405253)

**Registered Office:**

6, Stadium House,  
81/83, Veer Nariman Road,  
Churchgate, Mumbai 400020.

**Place:** Mumbai

**Date:** 31.07.2014

---

---

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No.4**

Pursuant to the provisions of Section 161 of the Companies Act, 2013, the Board of Directors at their meeting held on 31.01.2014, has appointed Mr. Dinesh L. Patel as an Additional Director of the Company with immediate effect. He holds office upto the date of the forthcoming Annual General Meeting of the Company. The Company has received a notice in writing in compliance with the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company.

Further, as per Section 149 of the Companies Act, 2013, the Company should have at least one third of the total number of Directors as Independent Directors on the Board of the Company. An independent Director shall hold office for a term of up to five consecutive years on the Board of a Company and no independent director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the independent directors.

The Company has received a declaration from Mr. Dinesh L. Patel that he meets with the criteria of independence as prescribed both under sub subsection (6) of section 149 of the Act and under Clause 49 of the Listing Agreement.

Mr. Dinesh L. Patel does not hold any Equity Shares in the Company.

In the opinion of the Board, he fulfills the conditions of appointment as Independent Director as specified in the Act and the Rules framed thereunder. His knowledge and experience will be of immense benefit and value to the Company and he is independent of the management. The draft letter of appointment of Mr. Dinesh L. Patel shall be open for inspection at the Registered Office of the Company by any Member during normal business hours.

A brief resume of Mr. Dinesh L. Patel, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Corporate Governance Report forming part of the Annual Report.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board recommends passing of this Resolution by way of Ordinary Resolution.

Save and except for Mr. Dinesh L. Patel, none of the Promoters, Directors, Managers, Key Managerial Personnel of the Company and their relatives, either directly or indirectly is in any way concerned or interested, financially or otherwise, in the above Resolution.

**Item No.5**

As per Section 149 of the Companies Act, 2013, the Company should have at least one third of the total number of Directors as Independent Directors on the Board of the Company. An independent Director



shall hold office for a term of up to five consecutive years on the Board of a Company and no independent director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the independent directors.

The Company has received a declaration from Mr. Ashok M. Kadakia that he meets with the criteria of independence as prescribed both under sub subsection (6) of section 149 of the Act and under Clause 49 of the Listing Agreement.

Further, Mr. Ashok Kadakia is not disqualified from being appointed as Directors in terms of section 164 of the Act and has given his consent in writing to act as Director of the Company and consequent to his appointment, he shall not be liable to retire by rotation in terms of explanation to section 152(6) of the Act.

In the opinion of the Board, he fulfills the conditions of appointment as Independent Director as specified in the Act and the Rules framed thereunder. He is independent of the Management. The draft letter of appointment of Mr. Dinesh L. Patel shall be open for inspection at the Registered Office of the Company by any Member during normal business hours.

A brief resume of Mr. Ashok M. Kadakia, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Corporate Governance Report forming part of the Annual Report.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board recommends passing of this Resolution by way of Ordinary Resolution.

Save and except for Mr. Ashok M. Kadakia, none of the Promoters, Directors, Managers, Key Managerial Personnel of the Company and their relatives, either directly or indirectly is in any way concerned or interested, financially or otherwise, in the above Resolution

**By Order of the Board**

**MAHENDRA R.THACKER**

**Director**

(DIN:01405253)

**Registered Office:**

6, Stadium House,  
81/83, Veer Nariman Road,  
Churchgate, Mumbai 400020.

**Place:** Mumbai

**Date:** 31.07.2014

## DIRECTORS' REPORT

Your Directors hereby present the 23rd Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March 2014.

### FINANCIAL RESULTS:

The figures of the current accounting year are summarized below:

	(Rs. in Lacs)	
	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Sales and Other Income	25.11	35.34
Profit Before Interest, Tax And Depreciation	10.27	11.48
Interest	0.01	3.79
Profit Before Exceptional Items & Tax	10.26	7.69
<b>Less :- Exceptional Item</b>		
Prior Period Expenses	0	0
<b>Add :- Exceptional Income</b>		
a) Provision for Dimulation in value of Investment earlier provided now written back	5.07	305.87
b) Amount of Margin Money Paid towards investment in NSEL Contracts written off.	(64.43)	0
Profit Before Tax	(49.10)	313.56
Less :- Provision for Taxation	0	1.86
Net Profit After Tax	(49.10)	311.70
Excess Income Tax Provision	1.80	0
Loss Brought forward	(3318.70)	(3630.40)
Profit/(Loss) Available for Appropriation	3366.00	3318.70

### DIVIDEND:

In view of the accumulated losses of the earlier years, your Directors express their inability to declare any dividend for the year under review.

**OPERATIONS:**

The Company has not carried out any Business activity during the year. Your Directors are considering various avenues & options for the activities to be undertaken. The Company has earned the income by way of Interest & Dividend.

**PUBLIC DEPOSITS:**

The Company has neither invited nor accepted any Public Deposit within the meaning of the Section 58A of the Companies Act, 1956 and rules made thereunder, during the year under review.

**OBSERVATIONS IN THE AUDITORS' REPORT:**

The Board's reply regarding the sub point (e) of point 2 to the Auditors' Report that disqualification of directors was on account of non filing of annual accounts and annual returns for three consecutive years in its subsidiary companies namely Jai Thackers Land Development Limited and Polar Finance Limited. Subsequently, they ceased to be the subsidiary companies of the Company and converted themselves into a Private Company. Moreover, the period of five years of disqualification of directors started from the date on which the subsidiary Companies failed to file annual accounts and annual returns i.e. 29.11.2008 and ended on 29.11.2013. In view of the aforesaid facts, at present no Directors of the Company are disqualified from being appointed and/or re-appointed as a Director.

The observations made by the Auditors in their Report read with relevant notes given in the Notes on Accounts are self explanatory and therefore, do not require any comments from your Directors pursuant to Section 217(3) of the Companies Act, 1956.

**AUDITORS:**

M/s R. Kabra & Co., Chartered Accountants (FRN:104502W), Mumbai, retire at the forthcoming Annual General Meeting and being eligible to hold the office for a term of 3 more years, subject to ratification by the Members at every AGM, offer themselves for re-appointment. The Auditors retiring have furnished a certificate of their eligibility for re-appointment under Section 139 of the Companies Act, 2013 and rules made thereunder and have indicated their willingness to continue. The Members are requested to consider their re-appointment and authorise the Board of Directors to fix their remuneration.

**SUBSIDIARY COMPANIES:**

M/s. Polar Finance Limited ceased to be subsidiary during the year under reference. As a result of which there are no other subsidiaries in the Company.

In view of the above, a statement pursuant to Section 212 of the Companies Act, 1956 in respect of the subsidiary to be appended to the Balance Sheet and other relevant disclosures are not applicable to the Company.

**PARTICULARS OF EMPLOYEES:**

During the year under review, as there were no employees on the payroll of the Company, drawing salary/remuneration of Rs.60,00,000 p.a. or more, information pertaining to Section 217 (2A) of the Companies Act, 1956 is not applicable.

**DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Darshana M. Thacker (DIN:02003242) retires by rotation and being eligible offers herself for re-appointment.

During the year under review, Mr. Dinesh L. Patel (DIN:06439238) was appointed by the Board at their meeting held on 31.01.2014 as an Additional Director (Independent Director) of the Company. The Company has received a Notice in writing from a Member along with requisite deposit under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director. Your Directors recommend his appointment.

As per provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, the Board recommends the reappointment of Mr. Ashok M. Kadakia as the Independent Director of the Company for a period of five years upto 31st March 2019. The Company has received a Notice in writing from a Member along with requisite deposit proposing his candidature for the office of Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under the applicable provisions of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board states

- (a) That in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there are no material departures.
- (b) That 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 on 31st March, 2014 and of the Profit/Loss of the Company for the year under review;
- (c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and preventing and detecting fraud and other irregularities;
- (d) That the Directors had prepared the annual accounts on a going concern basis.

**CORPORATE GOVERNANCE:**

A separate report on Corporate Governance has been incorporated as a part of this report along-with a certificate from Auditors of the Company, which is annexed thereto.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

The company's assessment performance for the period ended 31.03.2014 and the outlook for the current year are based on the current environment and business situation. However, unforeseen circumstances and those arising from external factors could affect the performance and the results.

**(i) Industry Structure and Business Overview:**

The Company sold/transferred its assets & investments & paid all Banks through OTS their dues & now looking for new avenues of business.

**(ii) Opportunities and Threats:**

The Company is having liquid funds to invest in good business avenues. However, there is no time limit to get such good business avenues.

**(iii) Risk Management:**

In the absence of any Foreign Transactions, the monitoring and corrective actions carried out by the Company are in accordance with the size of the business.

**(iv) Segment-wise Performance:**

Since the last three years, there is no business segment except Company earning other income

**(v) Financial & Operational Performance**

The Board is considering various options for revival of business, either for Joint Venture or strategic partnership with suitable partner in the business of the Company. Meanwhile, the Company has invested its surplus funds in various Mutual Funds.

**(vi) Internal Control Systems :**

The Standard Operating Policy, Procedures and Guidelines are issued from time to time to achieve best Practices for adequate control in regard to operations of the Company.

Comprehensive internal audit is also carried out by an independent internal auditor to ensure Compliance and identify weaknesses in the system.

**(viii) Human Resources & Industrial Relations:**

The industrial relations continued to be harmonious and cordial providing an atmosphere conducive to sustenance of growth and enhancement of value for shareholders. In view of the sale of Hotel, there are no employees in the Company.

**(ix) Health and Safety:**

Adequate safety measures have been taken at all the Places of Businesses.

**(x) Conclusion:**

The Company is hopeful to break through into new business and is looking various avenues for the same.

**(xi) Cautionary Statement:**

Some of the statements contained within this report may be forward looking in nature and may involve risks and uncertainties. Actual Result and Outcomes in future may vary materially from

those discussed herein. Factors that may cause such variances include, but are not limited to management of growth, market acceptance of Company's product and services, risk associated with new product version, dependence on third party relationship and the activities of competitors.

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

### **(A) CONSERVATION OF ENERGY:**

Energy Conservation remained an area of priority for the Company. Selective replacement of obsolete equipments has enabled the Company to achieve reduction in energy consumption.

**Since your Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.**

### **(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:**

	<b>31.03.2014</b>	<b>31.03.2013</b>
Foreign Exchange Earnings	Rs. NIL	Rs. NIL
Foreign Exchange Outgo	Rs. NIL	Rs. NIL

## **APPRECIATION:**

Your Directors wish to place on record their appreciation for the wholehearted co-operation received from Shareholders and Bankers of the Company.

**For and On behalf Of the Board**

**Date :** 31.07.2014

**Place :** Mumbai

**Mr. Mahendra Thacker**

Director

(DIN:01405253)

### **Regd. Office:**

6, Stadium House  
81/83 Veer Nariman Road  
Mumbai - 400 020.



---

---

**REPORT OF THE AUDITORS ON CORPORATE GOVERNANCE**

To the Members,  
HOTEL RUGBY LIMITED,

We have examined the compliance of conditions of Corporate Governance by HOTEL RUGBY LIMITED for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances are pending for a period of one month against the Company as per the records maintained by the Shareholders/ Investors' Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place:** Mumbai

**Date:** 31.07.2014

**For R. KABRA & Co.,**  
Chartered Accountants

**(Deepa Rathi)**  
Partner  
M. NO. 104808  
Firm Reg. No.104502W

## Corporate Governance

Pursuant to Clause 49 of the listing agreement a Report on Corporate Governance is given below:

### 1. Company's Philosophy on Corporate Governance:

The Company is committed to maintain highest level of Corporate Governance with transparency and corporate accountability in its actions and operations and to become a good corporate citizen.

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the activities of the organization keeping in mind the interests of shareholders and the society.

### 2. Board of Directors:

(a) As on 31.03.2014, Board consisted of Two Executive Directors and Two Non-Executive Independent Directors. Thus, the Board comprises of majority of Non Executive Independent Directors.

Name of Directors	Category	No. of outside Directorship and Committee Membership in domestic public companies. #			
		Other Directorships		Committee Memberships	
		As a Member	As a Chairman	As a Member	As a Chairman
Mr. Mahendra R. Thacker	Executive	2	2	Nil	Nil
Mrs. Darshana M. Thacker	Executive	Nil	Nil	Nil	Nil
Mr. Ashok M. Kadakia	Non-Executive Independent	6	1	1	Nil
Mr. Dinesh L. Patel	Non-Executive Independent	Nil	Nil	Nil	Nil

### NOTES:

#### (a) Attendance of Directors at Board Meetings and last Annual General Meeting

The Board of the Company met four times during the year on the following dates viz. 23/05/2013, 31/07/2013, 28/10/2013 and 31/01/2014.

The Company placed before the Board the annual operating plans, various other information, including those specified under Annexure 1 of the Listing Agreement, from time to time.



The attendance at the Board Meetings and the Last Annual General Meeting (30.09.2013) were as under:

Name of the Director	Business relationship with the Company	Attendance	
		Board Meeting	AGM
Mr. Mahendra R. Thacker	Promoter	4	Yes
Mrs. Darshana M. Thacker	Promoter's Family	4	Yes
Mr. Ashok M. Kadakia	None	4	Yes
Mr. Dinesh L Patel	None	Nil	No

**(b) Remuneration of Directors:**

Details of remuneration paid to Directors for the year ended 31st March, 2014 are as follows:

Name of the Director	Loans & Advances from the Company	Sitting Fees	Salary & perquisites	Commission	Total
Mr. Mahendra R. Thacker	Nil	Nil	Nil	Nil	Nil
Mrs. Darshana M. Thacker	Nil	Nil	Nil	Nil	Nil
Mr. Ashok M. Kadakia	Nil	Nil	Nil	Nil	Nil
Mr. Dinesh L. Patel	Nil	Nil	Nil	Nil	Nil

In view of carried forward losses, none of the Directors charged any fees during the year.

**(c) Code of Conduct:**

The Board has formulated a Code of Conduct for the Board Members and Senior Management of the Company and posted on the website of the Company. All the Members of the Board have affirmed the Compliance with the Code on annual basis.

**II. Audit Committee:**

The Audit Committee comprised of 3 Directors viz. Mr. Ashok Kadakia as Chairman, Mr. Mahendra R. Thacker and Mr. Dinesh L. Patel as Members.

On account of appointment of Mr. Dinesh L. Patel as an Independent Director on the Board of the Company, the audit committee was reconstituted in January 2014

1. The Audit Committee is consisting of following Directors:

Name	Designation	Non-executive / Independent
Mr. Ashok M. Kadakia	Chairman	Independent
Mr. Mahendra Thacker	Member	Executive
Mr. Dinesh L. Patel	Member	Independent
Mrs. Darshana Thacker	Member	Executive (Till 31.01.2014)

2. During the year under review 4 meetings were held on 23/05/2013, 31/07/2013, 28/10/2013 and 31/01/2014 respectively.

### **Role of Audit Committee:**

The Role of Audit Committee shall include the following:

1. Oversight of the company's Financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board. The appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditor for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statement before submission to the board for approval. With particular reference to :
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in term of Clause (2AA) of section 217 of the Companies Act, 1956
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statement arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party audit report.
  - g) Qualification in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing. With the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function. if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in repayment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 12A. To approve the appointment of CFO (i.e. the whole time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Explanation (i) : The term “related party transaction “ shall have the same meaning as contained in the Accounting Standard 18, Related Party Transaction. Issued by The Institute of Chartered Accountants of India.
- Explanation (ii) : If the company has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

#### **Review of Information by Audit Committee**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and result of operations.
2. Statement of significant related party transaction (as defined by the audit committee), Submitted by management;
3. Management letters/letters of internal control weakness issued by the statutory auditors;
4. Internal audit reports relating to internal control weakness; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

#### **4. Remuneration Committee:**

The Remuneration Committee comprised of 3 Directors viz. Mr. Ashok M. Kadakia as Chairman, Mr. Mahendra R. Thacker and Mr. Dinesh L. Patel as Members.

The Remuneration Committee is consisting of following Directors:

<b>Name of Director</b>	<b>Designation</b>	<b>Non-executive/ Independent</b>
Mr. Ashok M. Kadakia	Chairman	Independent
Mr. Mahendra Thacker	Member	Executive
Mr. Dinesh L. Patel	Member	Independent
Mrs. Darshana Thacker	Member	Executive (Till 31.01.2014)

None of the Directors was paid any fees or remuneration during the year. There were two Executive Directors, without any remuneration, commission and perquisites.

On account of appointment of Mr. Dinesh L. Patel as Independent Director, the Remuneration Committee was reconstituted in the month of January, 2014.

**5. Share Transfer and Investors Grievances Committee:**

The Share Transfer and Investors' Grievance Committee comprised of 3 Directors viz. Mr. Ashok M. Kadakia as Chairman, Mr. Mahendra R. Thacker and Mrs. Darshana M. Thacker as Members. The Committee reviews the status of Investor Grievances and recommends measure to improve the Investor Services.

During the Year under review, the Share Transfer Committee and Investor Grievance Committee met twice during the year on 23.05.2013 and 28.10.2013 to address the Investors Grievances & expedite the Share Transfer process.

To expedite the transfer process in the physical segment, authority has been delegated to the Share Transfer Committee, which comprises of Mr. Mahendra R. Thacker, Executive Director and Mrs. Darshana M. Thacker, Executive Director.

- (1) Mr. Mahendra R. Thacker, Director of the Company is the Compliance Officer.
- (2) No. of Shareholders complaints received – 1
- (3) No. of Complaints solved to the satisfaction of shareholders – 1
- (4) No. of Complaints not solved to the satisfaction of shareholders – NIL
- (5) No. of pending Complaints – NIL

**6. General Body Meeting :**

Annual General Meeting (AGM)	Date	Time	Venue	Special Resolution passed
20th AGM	28th September, 2011	3.00 p.m.	Maharashtra Chambers of Commerce Trust, 6th Floor, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001.	NIL
21st AGM	10th September 2012	11.00 a.m.	Maharashtra Chambers of Commerce Trust, 6th Floor, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001.	NIL
22nd AGM	30th September 2013	11.00 a.m.	Maharashtra Chambers of Commerce Trust, 6th Floor, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001.	NIL

No Special Resolution was required to be put through Postal Ballot Last year. No Special Resolutions on the matters requiring Postal Ballot are placed for Shareholders' approval at this Meeting.

**7. Disclosures:**

No transaction of material nature has been entered into by the Company with Directors or Management and their relatives, etc. that may have a potential conflict with interest of the Company. The Register of Contracts containing transactions in which Directors are interested is placed before the Board regularly.

During the year, there has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, during the year the question of penalties or strictures being imposed by SEBI or The Stock Exchanges does not arise. However, BSE had suspended the trading of share of company for non payment of yearly fees which has since been paid. And in order to revoke the suspension of trading in equity shares on BSE, the Company paid Reinstatement Fees as specified in the in-principle approval letter issued by BSE. The Company has complied from time to time the minor queries raised by SEBI/ Stock Exchanges during the year.

**8. Means of Communication**

- |   |   |  |
|---|---|--|
| 1. Whether half yearly report sent to Share holders                 | : | No. As the quarterly results of the Company are published in Newspapers.     |
| Newspapers in which Quarterly Results are Published                 | : | 1. The Free Press Journal (English)<br>2. Navshakti (Marathi)                |
| Website if any at which results are published                       | : | <a href="http://www.hotelrugby.in">www.hotelrugby.in</a>                     |
| The presentation made to Institutional investors or to the Analysts | : | No presentation has been made to institutional investors or to the analysts. |

**9. General Shareholder Information:**

- |   |   |   |
|---|---|---|
| a) Annual General Meeting Date and Time | : | 30th September 2014 at 10.30 a.m.   |
| Venue                                   | : | Maharashtra Chambers of Commerce Trust, 6th Floor, Dahanukar Hall, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001. |
| b) Financial Year                       | : | 1st April to 31st March   |
| c) Book Closure Date                    | : | 26.09.2014 to 30.09.2014 (both days inclusive)  |
| d) Dividend Payment Date                | : | Not Applicable  |
| e) Listing on Stock Exchange            | : | National Stock Exchange of India Ltd<br>BSE Ltd – in the process of revocation of suspension  |



- f) Stock Code : National Stock Exchange – HOTELRUGBY  
BSE Ltd – 526683
- g) Payment of Listing Fees : BSE – Paid upto Financial Year 2014-15  
NSE - Paid upto Financial Year 2014-15
- h) ISIN : INE275F01019
- i) Market Price Data : High, Low during each month in last financial year  
(As per NSE)

Months (2013-14)	High	Low
April 2013	8.15	7.95
May 2013	5.15	4.75
June 2013	5.30	4.90
July 2013	5.70	5.35
August 2013	--	--
September 2013	--	--
October 2013	--	--
November 2013	--	--
December 2013	--	--
January 2014	--	--
February 2014	--	--
March 2014	--	--

( -- Data not available)

- j) Registrar & Transfer agents: M/s. Link Intime India Pvt. Ltd.  
C/13, Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup (West)  
Mumbai – 400 078  
Tel No. : 2596 3838

k) Share Transfer System: Share transfer in physical form can be lodged with M/s. Link Intime India Pvt. Ltd., at the above-mentioned address.

## I) Distribution of Shareholding as on 31st March, 2014

Slab of Shareholding No of Equity Shares	No of Shareholders Shareholders	% to Total No. of Shareholders	No of Shares Held	% to Total Shares held
1 - 500	7372	85.46	11366797	9.54
501 - 1000	563	6.53	482666	3.37
1001 - 2000	282	3.27	438687	3.06
2001 - 3000	99	1.15	250215	1.75
3001 - 4000	46	0.53	170289	1.19
4001 - 5000	35	0.41	162719	1.14
5001 - 10000	84	0.97	615782	4.30
10001 onwards	145	1.68	10835645	75.65
<b>Total</b>	<b>8626</b>	<b>100.00</b>	<b>14322800</b>	<b>100.00</b>

According to Categories of Shareholders as on 31st March, 2014.

Categories	Number of Shares	Amount (In Rs.)	%
Promoters, Directors, Relatives of Directors & Associated Companies	3927952	39279520	27.4245
Clearing Member	574734	5747340	4.0127
Other Bodies Corporate	663112	6631120	4.6298
Nationalised Banks	700	7000	0.0049
Foreign Holdings	247157	2471570	1.7256
Public	8909145	89091450	62.2025
<b>Total</b>	<b>14322800</b>	<b>143228000</b>	<b>100</b>

## m) Dematerialisation of Shares and Liquidity:

The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Security (India) Limited (CDSL) and Equity Shares of the Company are available for dematerialisation with effect from 26th March, 2002. As on 31st March, 2014, 92.33% of the Company's Share Capital is dematerialized.

## n) Outstanding GDRs/ADRs/Warrants: There are no outstanding convertible warrants or instruments or any convertible instruments

## o) Plant locations (Resort) : NIL

p) Address for Correspondence : Registered Office:  
6, Stadium House, 81/83, Veer Nariman Road,  
Churchgate, Mumbai 400020.

**RTA's Address:**

M/s. Link Intime India Pvt. Ltd.  
 (Formerly M/s. Intime Spectrum Registry Ltd.)  
 C/13, Pannalal Silk Mills Compound  
 L.B.S. Marg, Bhandup (West)  
 Mumbai – 400 078.  
 Tel : 2596 3838

**q) Particulars of Directors seeking appointment/ re-appointment:**

- 1) Mrs. Darshana M. Thacker (DIN:02003242) is a Graduate having good exposure in the field Hotel business. She was actively involved in and looking after day to day management of hotel business of the Company. She is the Director of the following Companies:

Name of the Company	Designation / Membership of Board / Committee
Jai Thackers Land Development Private Limited	Director
Polar Finance Private Limited	Director
Crystal Hospitality Services Private Limited	Director

As per Corporate Governance code defined under Clause 49 of the Listing Agreement are furnished below:

Name	Mrs. Darshana Mahendra Thacker
Age	69 Years
Date of Appointment	16/09/1991
Experience	Good exposure in the field of Hotel business.
Qualification	Arts Graduate
Membership/Chairman of Committees of the other Companies	Nil

- 2) Mr. Ashok M. Kadakia (DIN: 00317237) is a Commerce Graduate having good exposure in the field of business and industry. He is the Director of the following Companies:

Name of the Company	Designation / Membership of Board / Committee
Emmessar Biotech And Nutrition Ltd.	Chairman
Ashok Cellulose Ltd	Director
Ashapura Minechem Ltd	Director
Ashok Pharmaceuticals Pvt. Ltd	Director
Ashapura International Ltd.	Director
Aqua-Alco Bio-tech Pvt. Ltd.	Director
Kadakia Alkalies & Chemicals Ltd	Director
Bombay Minerals Ltd.	Director





As per Corporate Governance code defined under Clause 49 of the Listing Agreement are furnished below:

Name	Mr. Ashok	M. Kadakia
Age		64 Years
Date of Appointment		15/11/1993
Experience		Wide exposure in the field of business and industry.
Qualification		Commerce Graduate
Membership/Chairman of Committees of the other Companies		1 (One)

- 3) Mr. Dinesh L. Patel (DIN:06439238) was appointed by the Board w.e.f.31.01.2014 as an Additional director of the Company. The brief resume, experience, functional expertise and membership on various Boards and Committees of the Directors proposed to be appointed as mentioned in Item No. 4 of the Notice as per Corporate Governance code defined under Clause 49 of the Listing Agreement are furnished below.

Name	Mr. Dinesh Lalbhai Patel
Age	42 Years
Date of Appointment	31.01.2014
Experience	Wide experience in the field of industries.
Qualification	Commerce Graduate
List of Directorships	Samudra Real Estate Private Limited – Director Foodline Catering & Retail Private Limited – Director Space Square Developers Private Limited – Director
Membership/Chairman of Committees of the other Companies	Nil

#### **CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) OF THE COMPANY**

The CEO and CFO Certification of the Financial Statements and Cash Flow Statement for the year are obtained.

#### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:**

#### **DECLARATION**

I, Mahendra R. Thacker, Director of Hotel Rugby Limited, hereby declare that all the members of the Board of Directors and the Senior Managerial personnel have affirmed Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchange, for the year ended 31.03.2014.

**For Hotel Rugby Limited**

**Place:** Mumbai  
**Date:** 31.07.2014

**Mahendra R. Thacker**  
**Director**  
**(DIN:01405253)**



---

---

## AUDITOR'S REPORT

### Independent Auditor's Report To the Members of Hotel Rugby Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Hotel Rugby Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended 31<sup>st</sup> March, 2014, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required ***subject to Note 1 for share capital regarding equity share issued for consideration other than cash, note 5 for investment***

*including non- Verification and Note 21 accounts are prepared on going concern concept*, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, 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 purpose 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 those books
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act ;
- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, **three Directors of the company are disqualified from being appointed as a Director of the company under section 274 (1) (g) of the Companies Act, 1956 as at 31<sup>st</sup> March, 2014 (since two of the subsidiaries ( Public Companies) where they are directors have earlier not filed the annual accounts and annual return for continuous previous three financial years which were filed delayed subsequent to the due date and the disqualification continues for a period of five years since the year ended 31<sup>st</sup> March 2009)**

**For R. Kabra & Co.**

Chartered Accountants  
(Registration No.104502W)

Sd/-

**(Deepa Rathi)**

Partner

M. Ship No.104808

FRN : 104502W

**Place:** Mumbai

**Date:** 06/05/2014



---

---

**Hotel Rugby Limited****Annexure referred to in Paragraph 3 of our report of even date of M/s. Hotel Rugby Limited for the year ended 31<sup>st</sup> March 2014.**

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:

- i) (a) There are no fixed assets of the company and therefore the question of maintaining proper records showing full particulars, including quantitative details and situation of fixed assets does not arise.
- (b) Since there are no fixed assets, the question of its physical verification and discrepancies with book records does not arise.
- (c) Fixed Assets have been disposed off fully during the earlier years, **thus the going concern concept of the company is effected**
- ii) In our opinion and according to the information and explanation given to us the company do not have any inventories during the current year and thus clause ii(a) pertaining to physical verification, clause ii(b) pertaining to procedure of physical verification and clause ii(c) regarding maintenance of proper record of inventories are not applicable.
- iii) (a) In our opinion and according to the information and explanation given to us the company has granted unsecured loans, to companies, firms or other parties covered in the register maintained under section 301 of the Act, The number of party is one. The Maximum Balance during the current year is Rs.5,86,600/- and the closing balance as on year end is Nil.
- (b) We have been explained that above loan is in the nature of **business advance / deposit and are interest free. Except this**, it is not prejudicial to the interest of the company and other terms & conditions of the loans are as per the prevailing norms.
- (c) As explained to us, receipt of the principal amount and interest if any are on demand basis & question of regularity cannot be ascertained therefore.
- (d) As explained to us, the amount is receivable on demand basis, so the question of overdue amount does not arise.
- (e) Clause no iii (e), iii (f) and iii (g) is not applicable since the company has not taken unsecured loans, from companies, firms or other parties covered in the register maintained under section 301 of the Act during the current year
- iv) In our opinion and according to the information and explanation given to us by the management, the internal control systems are adequate with the size of the company and the nature of its business and there are no purchase of inventory and fixed assets and sale of goods and services during the year except other Income.
- v) (a) As explained to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered **however updation is required ;and**

- (b) There are no transactions relating to purchase therefore clause v (b) is not applicable.
- vi) There are no public deposit and therefore the directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under are not applicable.
- vii) According to the information and explanation given to us, **the company has an Internal audit system, through internal controls which is** commensurate with the size of the company and nature of its business.
- viii) To the best of our knowledge and as explained to us, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Act.
- ix) (a) There are no arrears for outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the company examined by us, there are no arrears as on 31.03.2014 of the disputes taxes except that various assessments under Service Tax are pending finalization. The amount of interest & penalty levied by the department from the period Oct, 2004 to July, 2006 is Rs. 7,07,394/- and Rs. 16,41,776 respectively.
- x) There are accumulated losses at the end of the financial year and is more than fifty percent of the net worth. The company has incurred cash loss in the current financial year but not in the immediately preceding financial year after appropriation items.
- xi) Clause xi is not applicable since there are no secured loans during the current year.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the company.
- xiv) The company is not dealing or trading in shares, securities, debentures and other Investments and as explained by the company and relied upon by us, the shares and other investments have been held by the company, in its own name unless otherwise stated.
- xv) On the basis of the information and explanation given to us and records produced before us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The company has not taken any term loan in current year; therefore the question of applicability for the purpose for which the loan is taken does not arise.
- xvii) According to the information and explanation given to us and on an overall examination of the Balance Sheet and Cash Flow of the company, we report that the company has not utilized the funds raised on short term basis for long term purpose.
- xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.



- xix) The security or charge has not been created in respect of any debenture since no Debentures were issued.
- xx) During the current year, the company has not raised money through public issue.
- xxi) During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company, noticed or reported during the current year, nor we have been informed of such case by the management.

**For R KABRA & CO.  
Chartered Accountants  
Firm Reg.No.104502W**

**Place : Mumbai  
Date : 06/05/2014**

**Deepa Rathi  
Partner  
M. No. 104808  
FRN : 104502W**

**Significant Accounting Policies forming part of the accounts for the year ended 31st March, 2014****1) System of Accounting**

The Company generally adopts the mercantile system of accounting.

**2) Fixed Assets**

(i) The fixed assets acquired, if any, during the current year are stated at cost plus incidental expenses relating to the same.

(ii) The Major part of the fixed assets has been transferred/sold/disposed off during the year 2007 itself and the balance fixed assets are also sold during the previous years. Since all the fixed assets have been sold therefore the going concern concepts of the business has been affected.

**3) Depreciation**

(i) Depreciation is provided under the Straight Line Method at the rate specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions is provided prorata on monthly basis.

(ii) The Gross Block & Corresponding depreciation is shown as deduction wherever assets are sold/ disposed off during the year with Profit/ Loss adjusted to Profit & Loss A/c.

**4) Investments**

(i) The investments in unquoted and quoted shares (except in subsidiaries) are stated at cost. The subsidiaries investments were shown at token value of Rs. 1/- by writing off the investment in earlier years. During the current year the company has sold its stake in subsidiary namely Polar Finance Limited therefore to the extent of sale value the company has written back the investments which has been written off in earlier year.

(ii) Any depreciation or fall in investment value unless otherwise held for long term is provided in the books.

(iii) Any other investment in share & mutual fund held if any are for long term period and diminution, if any, is temporary in nature and hence not provided.

**5) Retirement Benefits**

Since the last few years there are no major operations in the company and also there are no employees in the company and therefore other than any old liabilities if any which is not known, the provisions of The Payment of Gratuity Act, 1972, Leave Salary & The Employees Provident Fund & Miscellaneous Provision Act, 1952 are not applicable.

**6) Sales & Business Segments**

The company has no sales from business of food or catering or hotel and no other new activity during the current year ended 31st March 2014 is commenced and therefore segment reporting is not applicable for the current year. The only income is pertaining to other income during the current year.

**7) Inventories**

During the current year, there are no Purchases & Sales and therefore no inventories are held.

**8) Revenue Recognition**

The revenue is recognised as and when it is accrued.

**9) Borrowing Costs**

Borrowing costs attributable to construction of asset are capitalized as a part of the cost of such asset upto date when such asset is ready for its intended use. Other borrowing costs are charged to Profit and Loss Account.

**10) Accounting for Taxes on Income**

i) Provision for the current tax is made on the assessable income at the relevant assessment year.  
ii) Deferred Tax is recognised, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods. iii) Deferred Tax assets are recognised if there is reasonable certainty that there will be sufficient future profits available to realise such assets.

**11) Provisions, Contingent Liabilities & Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**12) Earning per Share**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes ) by the weighted average number of equity shares outstanding during the year, for the purpose of calculating diluted earning per shares, the net profit or loss for the year attributable to equity per shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**13) Cash Flow Statement**

Cash flow Statement is prepared under the Indirect Method.

**14) Initial Margin for Commodity Instruments Contract**

Purchase and sale of commodity transaction is recorded at the price which is fixed between the buyer and the seller at the future date including the contracts open at the balance sheet date. The income is recognised when the contract term expires. The income is classified as other income from commodity gains.



## Balance Sheet as at 31st March, 2014

Particulars	Note No	As at 31st March 2014	As at 31st March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	143,228,000	143,228,000
(b) Reserves and Surplus	2	(51,039,831)	(46,309,309)
<b>(2) Current Liabilities</b>			
(a) Other current liabilities	3	165,347	373,062
(b) Short-term provisions	4	256,000	436,000
<b>Total</b>		<b>92,609,516</b>	<b>97,727,753</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Non-current investments	5	400,000	400,001
(b) Long term loans and advances	6	75,356,650	75,230,319
<b>(2) Current assets</b>			
(a) Current investments	7	10,000,000	-
(b) Cash and cash equivalents	8	499,298	597,790
(c) Short-term loans and advances	9	-	586,600
(d) Other current assets	10	6,353,568	20,913,043
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	1 to 28		
<b>Total</b>		<b>92,609,516</b>	<b>97,727,753</b>
Contingent Liabilities	11	2,349,170	2,349,170

As per our report of even date

**For R Kabra & Co.**  
Chartered Accountants

**Deepa Rathi**  
Partner  
M No. 104808  
Firm Regn No. 104502W

**Place : Mumbai**  
**Date : 06/05/2014**

**For on behalf of the Board****Director****Director**

## Profit and Loss statement for the year ended 31st March, 2014

Particulars	Note No.	For year ended 31st march, 2014	For year ended 31st march, 2013
I. Revenue from operations		-	-
II. Other Income	11	2,511,301	3,534,144
<b>III. Total Revenue (I + II)</b>		<b>2,511,301</b>	<b>3,534,144</b>
<i>IV. Expenses:</i>			
Financial costs	12	518	380,564
Other expenses	13	1,484,927	2,384,231
<b>Total Expenses(III+IV)</b>		<b>1,485,445</b>	<b>2,764,795</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	1,025,856	769,349
<i>VI. Exceptional Items</i>		-	-
a) Provision for Dimulation in value of Investment earlier provided now written back		506,622	30,586,598
b) Amount of Margin Money Paid towards investment in NSEL Contracts written off.		(6,443,000)	-
VII. Profit before tax (VII - VII)		<b>(4,910,522)</b>	<b>31,355,947</b>
VIII. Tax expense:			
(1) Current tax			(186,000)
(2) Deferred tax		-	-
IX. Profit/(Loss) for the period (VII-IX)		<b>(4,910,522)</b>	<b>31,169,947</b>
X. Earning per equity share:			
(1) Basic		(0.34)	2.18
(2) Diluted		(0.34)	2.18
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	1 to 28		

As per our report of even date

**For R Kabra & Co.**

Chartered Accountants

**Deepa Rathi**

Partner

M No. 104808

Firm Regn No. 104502W

**For on behalf of the Board****Director****Director****Place : Mumbai****Date : 06/05/2014**

## Cash Flow Statement for the Year Ended 31st March 2014

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(4,910,522)	31,355,947
Adjustments for:		
Finance costs	518	380,564
Interest income	(2,355,433)	(2,621,142)
Provision of Dimunation in Investment now Written back	(506,622)	(30,586,598)
Amount of Margin money paid to NSEL written off	6,443,000	-
Net (gain) / loss on sale of investments	(134,300)	(897,877)
<b>Operating profit / (loss) before working capital changes</b>	<b>(1,463,359)</b>	<b>(2,369,106)</b>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Short-term loans and advances	586,600	(586,600)
LongShort-term loans and advances	73,669	-
Other current assets	8,116,475	4,138,260
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities	(207,715)	139,730
<b>Cash generated from operations</b>	<b>7,105,671</b>	<b>1,322,284</b>
Net income tax (paid) / refunds	-	(35,000)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>7,105,671</b>	<b>1,287,284</b>
<b>B. Cash flow from investing activities</b>		
Consideration Received from Sale of Investments	640,923	36,684,479
Purchase of Investments	(10,000,000)	-
Inter Corporate Deposits Given	(200,000)	(66,550,000)
Loans Given Repaid	-	-
Interest received from Fixed Deposits	694	1,429,312
Interest received from ICD's	1,406,740	218,082
Interest received from Commodities	947,999	973,748
Dividend received	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(7,203,644)</b>	<b>(27,244,379)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from other short-term borrowings	-	(17,870,095)
Finance cost	(518)	(380,564)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(518)</b>	<b>(18,250,659)</b>
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(98,491)	(44,207,754)
Cash and cash equivalents at the beginning of the year	597,790	44,805,545
<b>Cash and cash equivalents at the end of the year</b>	<b>499,298</b>	<b>597,790</b>

As per our report of even date

For R Kabra &amp; Co.

Chartered Accountants

Deepa Rathi

Partner

M No. 104808

Firm Regn No. 104502W

Place : Mumbai

Date : 06/05/2014

For on behalf of the Board

Director

Director

**Note 1: SHARE CAPITAL**

Particulars	As at 31 March 2014		As at 31 March 2013	
	No. of Shares	Amt	No. of Shares	Amt
<b>Authorised</b> Equity Shares of 10/- each	16,100,000	161,000,000	16,100,000	161,000,000
	16,100,000	161,000,000	16,100,000	161,000,000
<b>Issued</b> Equity Shares of Rs. 10/- each	14,322,800	143,228,000	14,322,800	143,228,000
<b>Subscribed &amp; Paid up</b> Equity Shares of Rs. 10/- each	14,322,800	143,228,000	14,322,800	143,228,000
<b>Total</b>	<b>14,322,800</b>	<b>143,228,000</b>	<b>14,322,800</b>	<b>143,228,000</b>

Of the above (a) 99,800 Equity Shares of the face Value of Rs.10/- each were issued as fully-paid shares for consideration other than cash vide Memorandum of Understanding executed on 16-09-91 with M/s. Rugby Hotel, the erstwhile firm which was taken over by the company. (b) 2,940,000 Equity Shares were issued, as fully paid Bonus Shares on 29-9-93 by capitalising revaluation reserve of Rs. 19,621,140/- and Capital reserve of Rs. 9,778,860/-.)

**b) Reconciliation for No. of shares outstanding during the year**

Particulars	Equity Shares	
	No. of Shares	Amt
Shares outstanding at the beginning of the year	14,322,800	143,228,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	14,322,800	143,228,000

**c) Details of Shareholders holding more than 5% of the Equity Shares:**

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
DARSHANA MAHENDRA THACKER	3,351,760	23.40%	3,351,760	23.40%

**Note 2 : RESERVES AND SURPLUS**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>a. Capital Reserves</b>		
Opening Balance	100,000,466	100,000,466
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>100,000,466</b>	<b>100,000,466</b>
<b>b. Securities Premium Account</b>		
Opening Balance	177,058,200	177,058,200
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Closing Balance	<b>177,058,200</b>	<b>177,058,200</b>
<b>c. General Reserve</b>		
Opening Balance	8,501,839	8,501,839
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<b>8,501,839</b>	<b>8,501,839</b>
<b>d. Surplus</b>		
Opening balance	(331,869,814)	(363,039,761)
(+) Net Profit/(Net Loss) For the current year	(4,910,522)	31,169,947
(+) Excess Income Tax Provision for AY 2010-2011	180,000	-
Closing Balance	<b>(336,600,336)</b>	<b>(331,869,814)</b>
<b>Total</b>	<b>(51,039,831)</b>	<b>(46,309,309)</b>

**Note 3 : OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2014	As at 31 March 2013
<u>(a) Other payables</u>		
Creditors Towards Expenses (Refer note 3.1 below)	150,324	350,982
TDS on Professional Fees	15,023	22,080
<b>Total</b>	<b>165,347</b>	<b>373,062</b>

**Note 3.1 Micro and medium scale business entities.**

In the absence of information received by the company about supplied pertaining to the micro small & medium enterprises, as defined in the micro, small and medium enterprises development Act 2006 to whom the company owes on account of principal amount together with interest including interest on delayed payments and accordingly no additional disclosure have been made.

In the opinion of the management, the above information regarding micro, Small & Medium Enterprises has through been determined, however no such parties could be identified on the basis of information available with the company. This has been relied upon by the auditors.

**Note 4: SHORT TERM PROVISIONS**

Particulars	As at 31 March 2014	As at 31 March 2013
<u>(a) Others</u>		
Provision for Tax A.Y.2013-14	186,000	186,000
Provision for Tax A.Y.2010-11	-	180,000
Provision for Tax A.Y.2012-13	70,000	70,000
<b>Total</b>	<b>256,000</b>	<b>436,000</b>

**Note 6: LONG TERM LOANS & ADVANCES**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>a. Security Deposits</b>		
Secured, considered good	-	73,669
Advance for Revocation of Suspension (BSE)	606,650	606,650
	606,650	680,319
<b>b. Other loans and advances</b>		
<u>Unsecured, considered good</u>		
Inter Corporate Deposits & Other Advances	74,750,000	74,550,000
	74,750,000	74,550,000
<b>Total</b>	<b>75,356,650</b>	<b>75,230,319</b>

**Note 8 : CASH AND CASH EQUIVALENTS**

Particulars	As at 31 March 2014	As at 31 March 2013
<u>a. Balances with banks</u>		
Balance with Scheduled Banks	456,483	571,151
Fixed Deposit (For Guarantee given to MPCB)	10,000	10,000
<u>b. Cash on hand</u>	32,815	16,639
<b>Total</b>	<b>499,298</b>	<b>597,790</b>

**Note 5 : NON CURRENT INVESTMENTS**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Investments</b>		
(a) Investment in Equity instruments	400,000	400,001
(b) Investments in preference shares	-	-
<b>Total</b>	<b>400,000</b>	<b>400,001</b>
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>400,000</b>	<b>400,001</b>

**Note : The investments in equity instruments are not verified as it has been certified by the management.**

Particulars	2014	2013
Aggregate amount of unquoted investments	400,000	400,001

Details of Other Investments (Not verified) (As certified by the management)												
Sr. No.	Name of the Body Corporate	Subsidiary/ Associate / JV/ Controlled Entity / Others	No. of Shares/Units		Quoted/ Unquoted	Partly Paid / Fully paid	Extent of Holding(%)		Amount		Whether stated at Cost Yes/No	Remarks
			2014	2013			2014	2013	2014	2013		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
(a)	Investement in Equity Instruments											
	Dombivli Nagari Sahakari Bank Ltd.	Others	1,000	1,000	Unquoted	Fully Paid	0.01	0.01	50,000	50,000	Yes	
	Malad Sahakari Bank Ltd.	Others	5,000	5,000	Unquoted	Fully Paid	0.12	0.12	50,000	50,000	Yes	
	The Kalyan Janta Sahakari Bank	Others	4,000	4,000	Unquoted	Fully Paid	0.04	0.04	100,000	100,000	Yes	
	Janakalyan Sahakari Bank Ltd.	Others	10,000	10,000	Unquoted	Fully Paid	0.02	0.02	100,000	100,000	Yes	
	Bharat Sahakari Bank Ltd.	Others	4,000	4,000	Unquoted	Fully Paid	0.05	0.05	100,000	100,000	Yes	
	Polar Finance Ltd.	Subsidiary	-	5,066,330	Unquoted	Fully Paid	-	99.81		1	Yes	Diminution in Value
	Total								400,000	400,001		

**Note:** The Equity shares of M/s. Polar Finance Ltd which was a subsidiary of Hotel Rugby Limited has been sold during the year and accordingly treatment in balance sheet and profit & loss a/c is given.

**Note 7: CURRENT INVESTMENTS**

Particulars	As at 31 March 2014	As at 31 March 2013
Investments in Mutual Funds	10,000,000	-
Total	10,000,000	-
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>10,000,000</b>	

Particulars	As at 31 March 2014	As at 31 March 2013
Aggregate amount of quoted investments	10,000,000	-
Aggregate market value of quoted investments	10,518,877	-

Details of Current Investments									
Sr. No.	Name of the Body Corporate	Subsidiary / Associate/ JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount		Basis of Valuation
			2014	2013			2014	2013	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(a)	<b>Investments in Mutual Funds</b>								
	Reliance Liquid Fund	Others	1,723.063	-	Quoted	Fully Paid	5,000,000	-	Cost
	Reliance Money Manager Fund	Others	2,909.93	-	Quoted	Fully Paid	5,000,000	-	Cost
	<b>Total</b>						<b>10,000,000</b>	<b>-</b>	
	<b>Total</b>						<b>10,000,000</b>	<b>-</b>	



**Note 9 SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>a. Loan to Related Parties</b>		
Unsecured, considered good		
Darshana Thacker (Director)	-	586,600
	-	586,600

**Note 10: OTHER CURRENT ASSETS**

Particulars	As at 31 March 2014	As at 31 March 2013
<b>Initial Margin A/c Commodities (Refer Note 11.1)</b>		
Anand Rathi Commodities Ltd	8,431,256	19,560,104
Motilal Oswal Commodities Broker Pvt. Ltd	1,935,411	-
	10,366,667	19,560,104
Less: Doubtful Advances Written Off	6,443,000	-
<b>Total</b>	<b>3,923,667</b>	<b>19,560,104</b>
<b>Note : Due to the financial crises at National Spot Exchange Ltd. (NSE) in July 2013, there is a remote possibility that the investors would recover their money invested in the commodity exchange. A provision was made in the books of account in the quarter ended 30 September 2013 to the extent of 60% of the total amount outstanding of Rs. 1,07,38,685 as on 30 September 2013. The company has therefore written off the amount for which provision was made. The company in the subsequent period has recovered an amount Rs. 3,72,018 towards the outstanding dues.</b>		
<b>Others</b>		
Anand Rathi Commodities Ltd (Deposit a/c)	-	149,778
Tax Deducted At Source & Advance Tax	567,674	883,845
Refund receivable for AY 2010-11	336,171	-
Accrued Interest on Inter Corporate Deposit	1,526,056	319,316
<b>Total</b>	<b>6,353,568</b>	<b>20,913,043</b>

**10.1 List of the commodities contract held at the year end**

Name of Commodities	No. Of Units (Kgs)		No. Of Contracts (Lots)		Total amount carried at year end	
	2014	2013	2014	2013	2,014	2,013
<b>a. Anand Rathi Commodities Ltd</b>	-	-	-	-	-	-
<b>Paddy Basmati</b>	-	375000	-	25	-	13914885
<b>Cotton Seed Wash oil</b>	-	60000	-	12	-	3865968
<b>Raw Woll</b>	-	2500	-	5	-	1779251
<b>Total</b>			-	-	-	19560104

**Note 11 Contingent liability**

a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL (previous year Rs. NIL).

b) With regards to the service Tax, the demand from the department with regards to the period Oct, 2004 to July 2006 regarding interest & penalty is Rs7,07,394/- & Rs. 16,41,776/- respectively. The matter is with CIT appeals.

**Note 12: OTHER INCOME**

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest Income from Fixed Deposits	694	1,429,312
Interest on Income Tax Refund	-	15,125
Interest Income on Inter Corporate Loans	1,406,740	218,082
Income From Commodities Plan	947,999	973,748
Profit on sale of Mutual Fund	134,300	897,877
Sundry Credit Balances Written Off	21,568	
<b>Total</b>	<b>2,511,301</b>	<b>3,534,144</b>

**Note 13 FINANCE COST**

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest Expense on Overdraft A/c	-	378,827
Bank Charges	518	1,737
<b>Total</b>	<b>518</b>	<b>380,564</b>

**Note 14 OTHER EXPENSES**

Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Payment to Auditor as:		
a. auditor	56,180	56,180
b. tax matters	56,180	56,180
c. for other services	28,090	28,090
Service Tax	-	713,827
Legal & Professional fees	410,981	425,654
Advertisement	116,999	116,256
Miscellaneous Expenses	16,501	29,318
Excess interest w/off for prematured FD	-	168,591
Postage, Telephone and Telegram	319,856	327,320
Printing and Stationery	242,548	240,904
Annual Listing Fees	176,967	221,911
Revocation Charges Paid to BSE	28,090	-
NSEL Forum Recovery Charges	21,501	-
NSEL Members Contribution Charges	11,034	-
<b>Total</b>	<b>1,484,927</b>	<b>2,384,231</b>

**Note 15** The Sundry Balance of Creditors, Loans and Advances (either debit or credit) and Other Liabilities are subject to confirmation.

**Note 16** Since all the fixed assets have been sold until and there are no other assets as per the management which are doubtful or value will be diminished and therefore there is no requirement of impairment of assets in accordance with AS-28 on Impairment of Assets issued by the ICAI. Also the going concern concept has been affected.

**Note 17** In the opinion of the board, the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all the known liabilities have been made, subject to and read with the notes, at the reasonable amounts.

**Note 18** **Deferred Tax Asset & Provision for Taxation**

There are no other timing differences and therefore no deferred tax.

**Note 19** The accounting year of the company i.e 31st March year ending will be same as tax financial year. There is a Nil tax liability during the year.

**Note 20** The Company is making efforts to comply with the provision of section 383 A of the companies Act, 1956 regarding appointment of whole time Company Secretary, however it has not been able to appoint so till now.

**Note 21** The accounts for the year ended 31st March, 2014 have been prepared on the basis of "going concern" concept and the accumulated losses are more than fifty percent of the net worth of the company.

**Note 22 Value of imports calculated on C.I.F basis by the company during the financial year in respect of –**

Particulars	Rs.
i. Raw materials;	Nil
ii. Components and spare parts;	Nil
iii. Capital goods;	Nil
<b>Total</b>	<b>Nil</b>

**Note 23 Expenditure in foreign currency during the financial year:**

Particulars	Rs.
i) Professional & Consultation fees	Nil
ii) Others	Nil
<b>Total</b>	<b>Nil</b>

**Note 24 Related Party Disclosures for the year ended 31st March, 2014**

**(A) Related Party and their relationship**

Companies Owned by Key Managerial Personal		Key Management
Jai Thacker's Land Development Pvt. Ltd	Crystal Hospitality Services Pvt. Ltd	Mahendra R. Thacker (Director)
Polar Finance Pvt. Limited	K. R. Thacker & Others	Darshana M. Thacker (Director)

**(B) Transaction with the related parties**

**Loans and Advances Given**

Sr.No.	Nature of Transactions	Balance as on 1/04/2013	Received during the year	Given during the year	Balance as on 31/03/2014
<b>i</b>	<b>Key Managerial Personnel</b>				
	Darshana M. Thacker	586,600	586,600	-	-
	<b>Total</b>	<b>586,600</b>	<b>586,600</b>	<b>-</b>	<b>-</b>

**Note 25 Calculation of Earnings Per Share :-**

Particulars	31.03.2014	31.03.2013
Earning attributable to Equity Shareholders (Numerator)	(4,910,522)	31,169,947
Weighted Average Number of Equity Shares Outstanding during the year (denominator)	14,322,800	14,322,800
Basic Earning Per Share	-0.34	2.18

**Note 26** During the year the company has appointed Mr. Dinesh Patel as a Independent director to comply with clause 49 of the listing agreement regarding executive director & non executive director

**Note 27** Previous years figures have been regrouped, re-classified and re-arranged wherever necessary.

**Note 28** During the year the company has sold shares of its subsidiary M/s Polar Finance Limited and therefore there are no other subsidiaries in the company.

**For R Kabra & Co.**  
Chartered Accountants

**For on behalf of the Board**

**Deepa Rathi**  
Partner  
M No. 104808  
Firm Regn No. 104502W

**Director**

**Director**

**Place : Mumbai**  
**Date : 06/05/2014**

**HOTEL RUGBY LIMITED**

CIN: L55101MH1991PLC063265

**Regd. Office:**

6, Stadium House, 81/83, Veer Nariman Road,  
Churchgate, Mumbai 400020.

Tel No.: 022-22827121, Fax No.: 022-22021090

E-mail ID:- rugbyhotel@rediffmail.com.

Website – www.hotelrugby.in

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 23rd Annual General Meeting of Hotel Rugby Limited held on 30th day of September, 2014 at 10.30 a.m. at Maharashtra Chambers Of Commerce Trust, 6th Floor, Dahanukar Hall, Oricon House, Maharashtra Chambers Of Commerce Path, Fort, Mumbai – 400 001.

Name of the Shareholder :

Registered Address of the Shareholder :

Ledger Folio No./CL ID/DP ID No. :

No. of Shares Held :

Name of the Proxy/Representative, if any :

Signature of the Member (s) or Proxy :

Signature of the Representative :

**NOTE: Please complete and sign this attendance slip and handover at the entrance of the meeting hall. Only member(s) or his/her/their proxy with this attendance slip will be allowed entry to the meeting.**

**HOTEL RUGBY LIMITED**

CIN: L55101MH1991PLC063265

**Regd. Office:**

6, Stadium House, 81/83, Veer Nariman Road, Churchgate, Mumbai 400020.

Tel No.: 022-22827121, Fax No.: 022-22021090

E-mail ID:- rugbyhotel@rediffmail.com. Website – www.hotelrugby.in

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

Name of the Member (s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Folio No./ Client ID: \_\_\_\_\_ DP ID: \_\_\_\_\_

I/We, being the member (s) of \_\_\_\_\_ shares of the above named  
Company, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on the 30th day of September, 2014 at 10.30 a.m. at Maharashtra Chambers Of Commerce Trust, 6th Floor, Dahanukar Hall, Oricon House, Maharashtra Chambers Of Commerce Path, Fort, Mumbai – 400 001 (Place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business:</b>	
1.	Adoption of Financial Statements for the year ended 31st March, 2014.
2.	Re-appointment of Mrs. Darshana Thacker as Director, who retires by rotation.
3.	Appointment of M/s. R. Kabra & Co., Chartered Accountants, Mumbai (FRN: 104502W) as Statutory Auditors.
<b>Special Business:</b>	
4.	Appointment of Mr. Dinesh L. Patel, as an Independent Director for a term of five consecutive years.
5.	Appointment of Mr. Ashok M. Kadakia as an Independent Director for a term of five consecutive years.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of Proxy holders(s) : \_\_\_\_\_

Affix  
Revenue  
Stamp

Signature of Shareholder

#### Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**BOOK - POST**



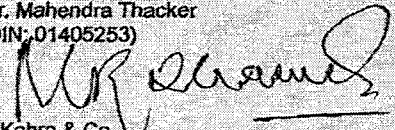
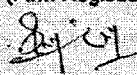
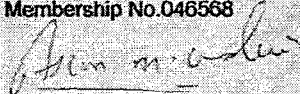
**HOTEL & RESORTS**

**HOTEL RUGBY LIMITED**

***Registered Office :***

81/83, Veer Nariman Road,  
Churchgate, Mumbai - 400 020.

**Encl.: as above. FORM B**  
**(Pursuant to Clause 31 of the Listing Agreement)**

1	Name of the company	Hotel Rugby Limited
2	Annual financial statements for the year ended	31 <sup>st</sup> March 2014
3	Type of Audit observation	Qualified
4	Frequency of observation	Repetitive (Since last year)
		<b>Matter of Emphasis</b>  With regard to auditors' observation at point No.2 (e) to Audit Report, we state that disqualification of directors was on account of non filing of annual accounts and annual returns for three consecutive years in its subsidiary companies namely Jai Thackers Land Development Limited and Polar Finance Limited. Subsequently, they ceased to be the subsidiary companies of the Company and converted themselves into a Private Company. Moreover, the period of five years of disqualification of directors started from the date on which the subsidiary Companies failed to file annual accounts and annual returns i.e. 29.11.2008 and ended on 29.11.2013. In view of the aforesaid facts, at present no Directors of the Company are disqualified from being appointed and/or re-appointed as a Director.  Point No. V a) of Annexure referred to in Paragraph 3 of Audit Report, we state that minor updation in relation to Register of Contract maintained under section 301, which was remaining, has been carried out.
5	To be signed by- <ul style="list-style-type: none"> <li>• Director</li> <li>• Auditor of the company</li> <li><input type="checkbox"/> Audit Committee Chairman</li> </ul>	Mr. Mahendra Thacker (DIN: 01405253)  R. Kabra & Co., Chartered Accountants (Firm Registration No. 104502W)  Sanjay Surana (Partner) Membership No. 046568  Mr. Ashok Kadakia (DIN: 00317237)