

Annual Report 2005 - 2006



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2006

	RUPEES	RUPEES	PREV. YEAR RUPEES
SCHEDULE "A"			
SHARE CAPITAL:			
AUTHORISED:			
1,55,00,000 Equity Shares of Rs. 10/- each		15,50,00,000	15,50,00,000
1,45,00,000 Cum. Red. Preference Shares of Rs. 10/- each		14,50,00,000	14,50,00,000
TOTAL		<u>30,00,00,000</u>	<u>30,00,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP:			
1,31,97,395 (Prev. Year 1,07,42,850) Equity Shares of Rs. 10/- each, fully paid up		13,19,73,950	10,74,28,500
Forfeited Shares Account		58,85,100	58,85,100
TOTAL		<u>13,78,59,050</u>	<u>11,33,13,600</u>
Note: Of the above, 24,54,545 Equity Shares of Rs. 10/- each were allotted at par during the year to the shareholders of erstwhile "The Himco (India) Limited" amalgamated with the Company pursuant to the Scheme of Amalgamation approved by the Bombay High Court vide Order dated 9th December, 2005.			
SCHEDULE "B"			
RESERVES & SURPLUS:			
SHARE PREMIUM ACCOUNT			
As per last accounts		55,50,55,142	55,50,55,142
DEBENTURE REDEMPTION RESERVE:			
As per last accounts	1,00,000		5,00,000
Less: Transferred to General Reserve	-		4,00,000
		1,00,000	<u>1,00,000</u>
CAPITAL REDEMPTION RESERVE:			
As per last accounts		2,66,50,000	2,66,50,000
AMALGAMATION RESERVE:			
Set aside during the year	29,39,38,601		-
(Refer Note B (1) in Schedule "M")			
Less: Transferred to General Reserve	29,39,38,601		-
			-
GENERAL RESERVE:			
As per last accounts	4,41,74,691		4,37,74,691
Add: Transfer from Debenture Redemption Reserve	-		4,00,000
Add: Transfer from Amalgamation Reserve	29,39,38,601		-
Add: Transfer from Profit & Loss Account	78,00,000		-
		34,59,13,292	<u>4,41,74,691</u>
Surplus in Profit & Loss Account		15,98,57,464	3,44,38,400
TOTAL		<u>1,08,75,75,898</u>	<u>66,04,18,233</u>

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2006

	RUPEES	PREV. YEAR RUPEES
SCHEDULE "C"		
SECURED LOANS:		
DEBENTURES:		
1. 89,39,500 12% Secured Non-Convertible Debentures of Rs. 10/- each [Note 1]	8,93,95,000	8,93,95,000
TERM LOANS:		
FROM A FINANCIAL INSTITUTION:		
2. Tourism Financial Corporation of India (Note 2)	8,79,59,669	-
FROM BANKS:		
3. Abhyudaya Co-Operative Bank (Note 2)	11,08,04,506	-
4. EXIM Bank (Note 2)	21,70,92,500	-
5. ICICI Bank (Note 2)	7,30,95,890	-
6. Andhra Bank (Note 3)	21,73,33,709	28,35,63,967
7. Canara Bank (Note 3)	48,77,72,576	45,42,33,199
8. Oriental Bank of Commerce (Note 4)	-	2,83,01,686
9. The Saraswat Co-operative Bank (Note 5)	12,07,372	-
CASH CREDIT FACILITY FROM A BANK (Note 6)	4,14,93,494	3,51,39,019
INTEREST ACCRUED & DUE	6,39,080	22,67,121
TOTAL	<u>1,32,67,93,796</u>	<u>89,28,99,992</u>

NOTES:

- (1) The Debentures under item (1) are secured by second charge on whole of the immoveable and moveable property of Kamats Holiday Resorts (Silvassa) Private Limited, situated at Silvassa together with all plant and machinery thereat under Debenture Trust Deed dated 6th April 2005. These Debentures shall be redeemed in one instalment on the expiry of twelve years from the date of allotment with a call option to redeem the same after the end of three years from the date of allotment, i.e. 31st March 2005.
- (2) The Loans under items (2), (3) and (5), have been taken over from the erstwhile The Himco (India) Limited (HIMCO) pursuant to amalgamation of the said company with the Company during the year. These loans together with Loan under item (4) are secured by (a) equitable mortgage of land & buildings of the company being "The Lotus Suites Hotel" and hypothecation of movable assets of the Company (save and except book debts) all situated at Andheri (East), Mumbai, to rank *pari passu* amongst the lenders; (b) personal guarantee of Mr. V.V.Kamat, Executive Chairman & Managing Director of the company; and (c) Corporate Guarantee issued by Plaza Hotels Private Limited (PHPL).
- (3) The Loans under item (6) and (7) are secured by (i) hypothecation of moveable properties of the Company (save and except stocks and book debts); (ii) personal guarantee of Mr. V. V. Kamat, Executive Chairman and Managing Director of the Company; (iii) a Corporate Guarantee issued by PHPL, (iv) equitable mortgage by deposit of title deeds of immovable properties being buildings and structures constructed by the Company and the plots of land belonging to PHPL at Vile Parle (East), Mumbai and (v) further charge created on Company's immoveable properties being "The Orchid Hotel" at Vile Parle (East), Mumbai, on a *pari passu* basis amongst the lenders. Corporate Loan included in item (6) of Rs.24.00 Crores is further secured by (i) assignment of credit card receivables from American Express credit cards; and (ii) pledge of 22,50,150 equity shares of the PHPL held by promoters and their relatives. Rupee Term Loans included in item (7) aggregating to Rs. 48.33 Crores are further secured by (i) assignment of credit card receivables from Master and Visa credit cards; and (ii) pledge of 22,50,150 equity shares of the PHPL.

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SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2006

Schedules "C" Contd.....

held by promoters and their relatives. Balance Rupee Term Loan included in item (7) of Rs.7.00 Crores is further secured by hypothecation of Diners Credit Card receivables and equitable mortgage of Company's office premises at Malkani Chambers, situated at Vile Parle (East), Mumbai and pledge of certain investments held by the promoters.

- (4) The loan under item (8) was secured by hypothecation of Credit card receivables and by equitable mortgage of Company's office premises at Malkani Chambers situated at Vile Parle (East), Mumbai and certain investments held by promoters. This loan has been fully repaid during the year.
- (5) The loan under item (9) was also taken over from erstwhile HIMCO under amalgamation and secured by pledge of Company's investment in Bonds.
- (6) The Cash Credit Facility is secured by hypothecation of stocks and book debts of the company including certain Credit Card collections (Limit Rs. 3.60 Crores).
- (7) Amount payable within one year Rs. 18.56 Crores (Prev. Year Rs. 10.64 Crores).

	RUPEES	PREV. YEAR RUPEES
SCHEDULE "D"		
UNSECURED LOANS:		
1. Short Term Loans & Advances:		
From Banks (Due to issue of cheques)	17,37,114	9,82,209
2. Vehicle Loans from a Bank	59,92,305	11,60,139
3. Security Deposits	36,90,000	34,27,507
4. Advance Time-Share Membership Money Received (Taken over from erstwhile "The Himco (India) Limited" on Amalgamation)	32,19,04,348	-
5. Sales Tax Deferred	1,24,99,998	1,24,99,998
TOTAL	34,58,23,765	1,80,69,853

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2006

SCHEDULE "E"

FIXED ASSETS:

PARTICULARS	GROSS BLOCK (AT COST)					DEPRECIATION					NET BLOCK	
	AS AT 01.04.2005	TRANSFERRED ON AMALGAMA- TION (NOTE 1)	ADDITIONS NOTE 4)	DEDU- CTIONS	AS AT 31.03.2006	UPTO 01.04.2005	TRANSFERRED ON AMALGAM- ATION (NOTE 1)	FOR THE YEAR	DEDU- CTIONS	TODATE	AS AT 31.03.2006	AS AT 31.03.2005
Deposits for Hotel Properties: (Note 2)	60,10,00,000	-	14,40,000	-	60,24,40,000	-	-	-	-	-	60,24,40,000	60,10,00,000
Land: (Freehold)	24,59,008	25,61,08,000	-	-	25,85,67,008	-	-	-	-	-	25,85,67,008	245,9,008
Buildings (Note 3)	82,99,96,521	58,25,34,405	11,13,32,876	38,943	1,52,38,24,859	11,20,81,745	2,45,22,917	2,95,67,319	-	16,61,71,981	1,35,76,52,878	71,79,14,776
Plant & Machinery	24,41,48,763	12,49,70,448	2,29,79,328	1,02,585	39,19,95,954	7,35,63,399	1,20,76,605	1,84,58,887	28,063	10,40,70,828	28,79,25,126	17,05,85,364
Furniture and Fixture & Office Equipments:	12,58,27,809	4,04,25,283	1,21,74,608	3,71,813	17,80,55,887	6,97,93,155	67,11,995	1,64,43,897	1,40,926	9,28,08,121	8,52,47,766	5,60,34,654
Vehicles:	86,61,603	15,65,434	68,58,682	16,01,723	1,54,83,996	40,21,091	5,36,916	11,11,558	7,97,781	48,71,784	1,06,12,212	46,40,512
Crockery, Cutlery, Linen, Uniforms etc. (Operating Supplies Capitalised)	13,49,840	-	2,02,202	-	15,52,042	-	-	-	-	-	15,52,042	13,49,840
Total	1,81,34,43,544	1,00,56,03,570	15,49,87,696	21,15,064	2,97,19,19,746	25,94,59,390	4,38,48,433	6,55,81,661	9,66,770	36,79,22,714	2,60,39,97,032	1,55,39,84,154
Previous Year Total	1,77,72,56,220	-	3,76,55,347	14,68,023	1,81,34,43,544	21,55,14,008	-	4,44,81,154	5,35,772	25,94,59,390	1,55,39,84,154	-
Capital Work-in-Progress (Note 5)	7,63,53,809	10,12,93,631	19,90,09,107	11,60,36,635	26,06,19,912	-	-	-	-	-	26,06,19,912	7,635,3,809

NOTES:

1. Taken over on Amalgamation consequent to Scheme of amalgamation of "The Himco (India)Limited" with the Company. Refer Note B(1) of Schedule 'M'.
2. Include deposit of Rs. 60.00 Crores (Prev. year Rs. 60.00 Crores) paid to Plaza Hotels Private Limited (PHPL), (a Company wherein some directors of the Company are Directors) under agreement dated 01.04.1994 for hotel for an initial period of 30 years .
3. Buildings include (i) cost of residential flats of Rs. 54.34 lakhs (Prev. year Rs. 54.34 lakhs) and (ii) cost of shares of Rs.1,500/- (Prev. Year Rs.1,500/-) in Co-operative Housing Society and Owners Condominium representing ownership right.
4. Include Rs. 0.39 lakhs (Prev. Year Rs.9.96 lakhs) for adjustment on account of fluctuation difference in rates of Foreign Currency Loan taken for acquiring Fixed Assets.
5. Capital work-in-progress includes:
 - (i) Advances/deposit for fixed assets Rs. 537.47 lakhs (Prev. Year Rs.505.76 lakhs)
 - (ii) Incidental expenses (including borrowing costs) pending allocation Rs.207.78 lakhs (Prev. Year Rs.207.78 lakhs)
 - (iii) Rs. 9.66 Crores (Prev. Year Rs.50.00 Lakhs) paid to PHPL towards proposed extension of existing hotel.
 - (iv) Capital Work-In-Progress pending allocation includes: Staff Cost Rs.22,769/-(Prev.Year Rs. Nil); Travelling Expenses by Directors Rs. 61,729/- (Prev. Year Rs. Nil); by Others Rs. 1,83,824/- (Prev. Year Rs. Nil); Interest on Fixed Loans Rs. 4,33,970/- (Prev. year Rs. Nil); General Expenses Rs.3,53,258/- (Prev. Year Rs.Nil); Rent, Rates & Taxes Rs. 12,146/- (Prev. Year Rs. Nil); Bank Guarantee Commission Rs. 3,50,380/- (Prev. Year Rs.Nil); Legal & Professional Charges Rs.61,182/- (Prev. Year Rs.Nil); Postage & Telephone Charges Rs.950/- (Prev. Year Rs.Nil); Finance Charges Rs. 10,71,008/- (Prev. Year Rs. Nil); Printing & Stationery Rs. 23,042/- (Prev. Year Rs. Nil); Insurance Charges Rs 24,162/- (Prev. Year Rs.Nil); Advertisement ChargesRs. 2,00,000/- (Prev. Year Rs. Nil); Consultancy Fees Rs. 21,10,767/- (Prev. Year Rs. Nil); Building Under Construction Rs.7,46,47,318/- (Prev. Year Rs.Nil); Furniture & Fixtures Rs. 19,71,144/- (Prev. Year Rs. Nil); Plant & Machinery Rs. 79,66,607/- (Prev. Year Rs. Nil).

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	RUPEES	RUPEES	PREV. YEAR RUPEES
SCHEDULE "F"			
INVESTMENTS:			
LONG TERM - TRADE (AT COST)			
EQUITY SHARES (QUOTED)			
1 Centurion Bank of Punjab Limited (Note 3) 58,725 Equity Shares of Re. 1/- each, fully paid up (Prev. Year 26,100 Equity Shares of Rs. 10/- each)	2,61,000		2,61,000
2 Fortune Financial Services Limited 39,700 Equity Shares of Rs. 10/- each, fully paid up.	11,91,000		11,91,000
3 Indusind Bank Limited 1,600 Equity Shares of Rs. 10/- each, fully paid up.	72,000		72,000
4 Punjab National Bank Limited 100 Equity Shares of Rs. 10/- each, fully paid up.	3,100		3,100
5 Suvarna Apparel & Fashion Exports Limited 10,000 Equity Shares of Rs. 10/- each, fully paid up.	1,00,000		1,00,000
6 Asian Hotels Limited (Note 4) 1 Equity Share of Rs. 10/- each, fully paid up.	71		-
7 Bharat Hotels Limited (Note 4) 1 Equity Share of Rs. 10/- each, fully paid up.	22		-
8 EIH Limited (Note 4) 1 Equity Share of Rs. 10/- each, fully paid up.	211		-
9 Hotel Leela Venture Limited (Note 4) 1 Equity Share of Rs. 10/- each, fully paid up.	21		-
10 Indian Hotels Company Limited (Note 4) 1 Equity Share of Rs. 10/- each, fully paid up.	179		-
11 Oriental Hotels Limited (Note 4) 1 Equity Share of Rs. 10/- each, fully paid up.	68		-
		16,27,672	16,27,100
EQUITY SHARES (UNQUOTED)			
1 Abhyudaya Co-Operative Bank Limited (Note 4) 5,000 Equity Shares of Rs. 10/- each, fully paid up.	50,000		-
2 The Saraswat Co-Operative Bank Limited (Note 4) 2,500 Equity Shares of Rs. 10/- each, fully paid up.	25,000		-
3 The Satara Sahakari Bank Limited (Note 4) 2,000 Equity Shares of Rs. 50/- each, fully paid up.	1,00,000	1,75,000	-
CUMULATIVE REDEEMABLE PREFERENCE SHARES:			
Vishal Amusements Limited (Note 4) 3,50,000 1% Cumulative Redeemable Preference Shares of Rs. 100/- each. (Redeemable on the expiry of ten years from the date of allotment)		3,50,00,000	-
IN GOVERNMENT SECURITIES:			
6 Years National Savings Certificates (Deposited with Government Departments to the extent of Rs. 19,000/-) (Prev. year Rs. 12,000/-) (Rs. 7,000/- acquired on Amalgamation)		19,000	12,000
INVESTMENT - OTHERS:			
ICICI Tax Saving Bonds (Maturing on 16th November 2,017) (200 Bonds of Rs. 5000/- each) (Note 4) (Pledged with a Bank)	10,00,000		-
IDBI Tax Saving Bonds (Maturing on 11th September 2,014) (400 Bonds of Rs. 5000/- each) (Note 4) (Pledged with a Bank)	20,00,000	30,00,000	-
TOTAL		3,98,21,672	16,39,100

NOTES:

- Aggregate of quoted investments:
At Cost 16,27,672 16,27,100
At Market Value 30,05,397 17,58,715
- Aggregate of unquoted investments:
At Cost 3,81,94,000 12,000
- 58,725 Equity Shares of Re. 1/- each in Centurion Bank of Punjab Limited were allotted in lieu of 26,100 Equity Shares of Rs. 10/- each in Bank of Punjab Limited on amalgamation.
- Acquired on Amalgamation during the year.

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SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2006

	RUPEES	RUPEES	PREV. YEAR RUPEES
SCHEDULE "G"			
CURRENT ASSETS, LOANS & ADVANCES:			
CURRENT ASSETS:			
INVENTORIES:			
(Valued and Certified by the Management)			
Food & Beverages (At Cost/Weighted Average Cost)	29,96,284		39,55,855
Stores & Operating Supplies (At lower of Cost/weighted average cost and net realisable value)	2,43,38,786		1,76,65,773
		2,73,35,070	2,16,21,628
Sundry Debtors: (Unsecured, considered good, unless otherwise stated)			
Over six months (Incl. Rs.4,61,562/- considered doubtful) (Prev. Year Rs. 10,15,611/-)	56,50,421		1,00,06,893
Others	4,78,88,174		3,25,57,509
	5,35,38,595		4,25,64,402
Less: Provision for Doubtful Debts	4,61,562		10,15,611
		5,30,77,033	4,15,48,791
Cash & Bank Balances:			
On Hand (Including Cheques on hand Rs.1,32,62,092/-) (Prev. Year Rs. 54,69,730/-)	2,19,26,174		1,47,57,542
With Scheduled Banks:			
Current Account	2,56,30,960		2,54,52,589
Deposit Account	1,17,97,513		49,74,212
Dividend Account	8,37,881		1,13,32,900
With Other Bank (See Note 17 on Accounts)			
Current Account	84,667		-
Deposit Account	5,00,000		42,00,000
		6,07,77,195	6,07,17,243
LOANS & ADVANCES:			
(Unsecured, considered good, unless otherwise stated)			
Inter-Corporate Deposits - Considered doubtful [Refer Note 15 (a) on Accounts]	2,00,00,000		2,00,00,000
Less: Provision	2,00,00,000		-
			2,00,00,000
Advances Recoverable in cash or kind or for value to be received	1,10,07,831		35,43,136
Interest receivable	28,85,397		2,21,81,037
Deposits	4,46,06,498		3,73,08,750
Prepaid Expenses	80,86,113		47,24,768
Staff Advances	13,76,536		14,53,177
Payment of Taxes	4,14,77,325		2,52,56,188
		10,94,39,700	11,44,67,056
TOTAL		23,06,28,998	23,83,54,718

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SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2006

	RUPEES	RUPEES	PREV. YEAR RUPEES
SCHEDULE "H"			
CURRENT LIABILITIES & PROVISIONS:			
CURRENT LIABILITIES:			
Sundry Creditors (Include due to Directors Rs. 3,70,964/-) (Prev. Year Rs. 81,902/-)		11,89,95,661	6,27,72,002
Interest Accrued But Not Due		52,22,301	4,16,129
Unclaimed Debentures		1,20,513	1,31,223
Unclaimed Dividend		8,37,496	5,89,461
Interim Dividend		-	1,07,42,850
		<u>12,51,75,971</u>	<u>7,46,51,665</u>
PROVISIONS:			
Provision for Taxation:			
As per last accounts	1,66,94,500		95,67,300
Add: Transferred during the year	<u>1,63,76,700</u>		<u>71,27,200</u>
	3,30,71,200		1,66,94,500
Less : Deductions during the year	<u>57,300</u>		-
		3,30,13,900	1,66,94,500
Provision for Gratuity:			
As per last accounts	45,80,886		41,27,836
Add: Transferred during the year	<u>18,89,460</u>		<u>12,35,966</u>
	64,70,346		53,63,802
Less: Contribution to LIC of India Gratuity Fund	<u>30,02,434</u>		<u>7,82,916</u>
		34,67,912	45,80,886
Provision for Earned Leave:			
As per last accounts	45,64,114		45,03,184
Add: Transferred during the year	<u>27,28,433</u>		<u>60,930</u>
		72,92,547	45,64,114
Provision for Contingencies:			
As per last accounts	75,00,000		-
Add: Transferred during the year	-		<u>75,00,000</u>
	<u>75,00,000</u>		75,00,000
Less: Transferred to Provision for Doubtful Loans & Advances	<u>75,00,000</u>		-
		-	75,00,000
Proposed Dividend		1,97,96,093	-
Tax on Proposed Dividend		27,76,402	-
TOTAL		<u><u>19,15,22,825</u></u>	<u><u>10,79,91,165</u></u>
SCHEDULE "I"			
MISCELLANEOUS EXPENDITURE:			
(To the extent not written off)			
Deferred Revenue Expenses		6,01,992	16,34,421
TOTAL		<u><u>6,01,992</u></u>	<u><u>16,34,421</u></u>

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SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2006

	RUPEES	RUPEES	PREV. YEAR RUPEES
SCHEDULE "J"			
ROOMS, RESTAURANTS, BAR, BANQUETS, TIME SHARE AND OTHER INCOME:			
1. a) Rooms, Restaurants, Banquets, and Other Services [Include sale of food, beverages, etc. Rs. 18,29,42,815/- (Prev. Year 11,27,28,879/-)] (Tax deducted at source Rs.82,16,662/-) (Prev. Year Rs. 42,89,464/-)	74,33,56,834		48,04,99,644
b) Wines and Liquors	4,11,11,776		3,56,47,822
c) Communication Services	1,39,35,485		1,31,96,101
d) Management Fees (Tax Deducted at source Rs. 1,41,433/-) (Prev. Year Rs. 1,42,290/-)	16,35,450		25,02,383
e) Income from Time-Share Business	1,22,03,701		-
f) Income from Institute of Hotel Management	23,81,470		35,37,854
		81,46,24,716	53,53,83,804
2) Other Income:			
a) Dividend (Gross) (Tax Deducted at source Rs. Nil) (Prev. Year Rs. Nil)	21,509		17,100
b) Interest (Gross) (Tax Deducted at source Rs. 1,31,517/-) (Prev. Year Rs. 1,87,654/-)	8,85,916		10,67,029
c) Excess Provisions/Credits Written Back (Including Liabilities not payable, written back)	24,15,994		46,792
d) Shop Licence Fees (Tax Deducted at source Rs. 2,99,456/-) (Prev. Year Rs. 2,12,906/-)	14,98,804		10,18,192
e) Miscellaneous Income	39,60,823		27,88,627
		87,83,046	49,37,740
TOTAL		82,34,07,762	54,03,21,544

SCHEDULE "K"

OPERATING AND GENERAL EXPENSES:

1. OPERATING EXPENSES:

(a) CONSUMPTION OF PROVISIONS, WINES & SMOKES:

i) Provisions, Beverages (excluding Wines and Liquor) and Smokes

Opening Stock	20,57,561		11,43,980
Purchases	4,90,51,313		3,54,75,124
	5,11,08,874		3,66,19,104
Less: Closing Stock	13,29,200		20,57,561
		4,97,79,674	3,45,61,543

ii) Wines and Liquor

Opening Stock	18,98,293		16,09,467
Purchases	84,91,488		80,42,870
	1,03,89,781		96,52,337
Less: Closing Stock	16,67,084		18,98,293
		87,22,697	77,54,044

Carried Forward

5,85,02,371 4,23,15,587

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SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2006

	RUPEES	RUPEES	PREV. YEAR RUPEES
<i>Brought Forward</i>		5,85,02,371	4,23,15,587
SCHEDULE "K" (Contd...)			
(b) PAYMENTS TO AND PROVISIONS FOR EMPLOYEES:			
Salaries and Wages	9,15,64,075		6,11,04,670
Contribution to Provident and Employees State Insurance Fund	68,28,338		47,65,576
Provision for Leave Encashment	29,65,561		60,930
Retirement Gratuity	13,75,428		11,00,599
Remuneration to Personnel deputed to the Company	1,13,06,595		1,08,02,286
Workmen and Staff Welfare Expenses	<u>1,06,60,269</u>		<u>74,62,117</u>
		12,47,00,266	8,52,96,178
(c) OTHER OPERATING EXPENSES:			
Heat, Light & Power	4,52,11,039		2,86,73,458
Licences, Rates & Taxes	2,46,84,540		2,05,46,650
Repairs to Building	38,79,922		33,11,045
Repairs to Plant & Machinery	89,53,706		69,08,017
Repairs to Others	67,18,889		49,82,826
Replacements	38,71,973		38,57,702
Expenses on Apartment and Board	2,92,82,840		1,96,22,842
Washing and Laundry (Net)	70,02,715		46,71,195
Water Charges	<u>30,20,027</u>		<u>22,76,990</u>
		13,26,25,651	9,48,50,725
2. GENERAL EXPENSES:			
Printing & Stationery	41,83,944		25,65,820
Expenses on Communication Services	94,23,322		60,38,094
Travelling & Conveyance	58,01,161		62,54,449
Insurance	39,38,547		26,57,020
Advertisement, Publicity & Sales Promotion	2,63,53,846		2,56,01,155
Royalty & Fees on Sales	83,35,893		65,21,651
Commission & Discount	1,93,85,560		1,18,42,412
Music Expenses	1,03,69,918		70,43,348
Legal & Professional Fees	91,55,697		64,29,879
Financial Consultancy Charges	23,42,576		-
Sitting Fees	6,80,000		2,60,000
Sales-tax / Luxury Tax etc. assessment dues	-		36,212
Donations	84,555		1,34,503
Bad Debts & Irrecoverable amounts written off (net) (Including Provision for Doubtful Debts of Rs.2,02,232/-) (Previous Year Rs. Nil)	2,34,04,980		44,25,500
Amortisation of Expenses	-		4,81,666
Loss on sale of Fixed Assets (Net)	6,27,151		6,60,751
Premium paid for Sales Tax Deferral Benefit	-		16,66,666
Provision for Doubtful Loans & Advances/ Contingencies	1,25,00,000		75,00,000
Expenses on Amalgamation	24,23,079		-
RCI Time Share Membership Expenses	18,27,950		-
General Expenses	<u>62,78,194</u>		<u>45,77,448</u>
		14,71,16,373	9,46,96,574
TOTAL		46,29,44,661	31,71,59,064
SCHEDULE "L"			
INTEREST AND FINANCIAL CHARGES :			
On Fixed Loans (Including Prepayment Premium)		9,02,47,257	7,95,16,073
On Other Loans		2,84,60,051	1,48,71,153
Financial Charges		40,80,873	21,18,727
TOTAL		12,27,88,181	9,65,05,953

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2006.

SCHEDULE "M"

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Accounting:

The financial statements are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act, 1956.

2. Sales & Services:

Sales are stated exclusive of taxes.

3. Fixed Assets:

- (a) Fixed Assets are stated at cost of acquisition including related expenses less depreciation.
- (b) Operating Supplies i.e. Crockery, Cutlery, Linen, Uniforms etc. purchased in the initial year at Company's various Units (other than the hotel units "The Orchid" at Vile Parle and "The Lotus Suites" at Andheri) are capitalised without providing for depreciation and purchases in the subsequent years are being charged to Profit & Loss Account as replacement thereof.
- (c) In respect of deposit amounts paid for acquiring management and other rights of enduring nature in the hotel and other properties owned by other parties, the same are shown under fixed assets until the same are refunded by the parties.
- (d) Preoperative Expenses being indirect expenses during construction, including interest and finance charges upto the date of commencement of commercial operations are capitalised prorata over the items of fixed assets.
- (e) Original cost of the Fixed Assets acquired through foreign currency loans is adjusted (a) by exchange differences arising out of repayment of such loans during the year, and (b) at the end of each financial year by any change in liability arising out of expressing the outstanding foreign loan at the rate of exchange prevailing at the date of the Balance Sheet.

4. Depreciation:

Depreciation is provided in the accounts on Straight Line Method (SLM) at the rates prescribed under Schedule XIV to the Companies Act, 1956.

5. Inventories:

- (a) Items of inventory at "The Orchid" and "The Lotus Suites" hotel units are valued as under:
 - (i) Food & Beverages – at weighted average cost; and
 - (ii) Stores & Operating Supplies – at lower of weighted average cost and net realisable value after providing for reduction in value due to wear and tear, wherever necessary.
- (b) Items of inventories of food provisions, beverages and stores at other units are valued at cost.

6. Retirement Benefits for Employees:

Gratuity payable in accordance with the provisions of the Payment of Gratuity Act, 1972 and Leave Encashment benefit are provided for in the accounts on the basis of actuarial valuation. Gratuity Liability to the eligible employees is covered by a Group Gratuity Scheme of the Life Insurance Corporation of India. Premium paid towards past liability is adjusted to Gratuity Provision and premium paid for the year is charged to the Profit & Loss Account. Company's contribution payable during the year to Provident Fund is charged to the Profit & Loss Account.

7. Investments:

Long Term Investments are stated at cost. Provision is made for any permanent diminution in the value of long-term investments.

8. Revenue Recognition:

- (a) Income from hotel includes income from room rentals, food and beverages; revenue from provision of other hospitality services including swimming pool, health club, etc. and is recognized when services are rendered.
- (b) The Company's business interalia is to sell Time Share and provide holiday facilities to members for a specified period each year, over a number of years, for which membership fees is collected either in full upfront, or on a deferred payment basis. Out of the total membership fee, relevant portion reasonably attributable towards cost required to market Time Share, which is assessed and revised periodically, is recognized as Time Share income in the year in which the purchaser of Time Share becomes a member and the balance representing 'Advance towards members' facilities is being recognized as Time Share income equally over a period for which holiday facilities are provided commencing from the year in which the member is entitled to benefits of membership under the scheme.
- (c) Annual subscription fee dues from timeshare members is recognized as income on an accrual basis.
- (d) Interest on instalment sales is recognized as income on an accrual basis.

9. Foreign Currencies:

- (a) All exchange differences other than those relating to the acquisition of fixed assets are dealt with in the Profit & Loss Account. The rest is adjusted to the cost of the assets.
- (b) All the other foreign currency transactions are converted at the rate prevailing on the date of the transaction. Foreign currency in hand is translated at the year-end exchange rate. Gains and losses out of fluctuations in exchange rates are accounted for on realisation.

10. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. However, Capitalisation of such costs is suspended during extended periods in which active development of qualifying assets is interrupted. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

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11. Prior Period and Extra-Ordinary Items:

Income and expenditure pertaining to prior period as well as extra-ordinary items, where material, are disclosed separately.

12. Amortisation of Expenses:

The Pre-operative Expenses are amortised over a period of five years.

13. Intangible Assets:

- (a) Intangible assets are amortised over their estimated economic useful life as estimated by the Company except that in respect of Computer Software, depreciation is provided @ 16.21% on SLM basis.
- (b) Expenditure incurred from 1st April 2003 onwards in the nature of intangible items, which do not qualify as intangible assets are charged to the Profit & Loss Account in the year in which they are incurred.
- (c) Expenditure incurred under the head "Deferred Revenue Expenditure" upto 31st March 2003 are continued to be written off over the estimated period over which benefit is expected to accrue.

14. Segment Accounting:

Reportable Segments are identified having regard to the dominant source of revenue and nature of risks and returns.

15. Taxes on Income:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

16. Provisions and Contingencies:

A provision is recognized when the Company a legal and constructive obligation as result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made out of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.

B. NOTES ON ACCOUNTS:

1. Amalgamation of The Himco (India) Limited (Himco) with the Company:

- (a) Pursuant to the Scheme of Amalgamation of the erstwhile Himco with the Company as approved by the Shareholders in the court convened meeting held on 22nd October, 2005 and subsequently sanctioned by the Hon'ble High Court of Judicature at Bombay vide their Order dated 9th December, 2005, all the assets and liabilities of the said erstwhile Himco were transferred and vested in the Company with effect from 1st July, 2005 and the aforesaid Scheme has been given effect to in the accounts for the year ended 31st March, 2006.
- (b) Himco was engaged in the business of hotel and time-share activities and was the owner of a residential star category hotel at Andheri (East), Mumbai in the name of "the Lotus Suites".
- (c) As a consequence of the amalgamation:
 - (i) The entire business and undertaking of the erstwhile Himco including all the assets, liabilities, debts and obligation, whether provided in the books or not and related to the period upto the date of Effective Date have been incorporated in the books of account of the Company as per "Pooling of Interest" method as prescribed by Accounting Standard (AS-14) – "Accounting for Amalgamation" issued by the Chartered Accountants of India.
 - (ii) Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Scheme of Amalgamation, such assets and liabilities remain in the name of erstwhile Himco.
 - (iii) The financial results of the Company for the year ended 31st March, 2006 are inclusive of the figures of the erstwhile Himco for the 9 months period from 1st July, 2005 to 31st March, 2006.
 - (iv) The figures for the year ended 31st March, 2006, which include the figures of the erstwhile Himco as mentioned above, are not comparable with the figures of the previous year.
 - (v) In accordance with the Scheme of Amalgamation approved by the Hon. High Court, all the reserves including Rs.23.44 Crores of Revaluation Reserve, the debit balance of Miscellaneous Expenditure Account and Profit & Loss Account of the erstwhile Himco as on 1st July, 2005 have been transferred to Amalgamation Reserve Account. Likewise, the excess of book value of the net assets of the erstwhile Himco over the paid up value of the shares to be issued and allotted to the shareholders of erstwhile Himco have also been credited to the Amalgamation Reserve Account. Further all inter-company loans, advances, deposit balances and other obligations between the erstwhile Himco and the Company cancelled and eliminated. Further a sum of Rs.1,07,98,635/- being the impact of difference in accounting policy with regard to provision of interest on the time share deposit has been adjusted to and transferred to Amalgamation Reserve Account. In terms of Scheme of Amalgamation approved by the High Court, the ultimate credit balance of the Amalgamation Reserve of Rs. 29,39,38,601/- (which is inclusive of Rs. 23.44 Crores being Revaluation Reserve) shall constitute the Company's Free Reserve available for distribution.
 - (vi) A sum of Rs. 1,31,79,087/- being the reduction in Deferred Tax Liability on giving effect to the Scheme of Amalgamation in accordance with Accounting Standard (AS-22) – "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India has been adjusted and transferred to Amalgamation Reserve Account.

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(vii) The Company has made a provision of Rs. 1,82,44,633/- for stamp duty payable on amalgamation based on preliminary adjudication order passed by Stamp Authorities against which the Company has filed its objections, and speaking order from the adjudicating authority is awaited. Pending outcome of the Company's representation, the aforesaid amount has been capitalized and added to the value of immovable property being the hotel building transferred to the Company pursuant to the merger. Adjustment for any difference between the amount provided and final amount payable on disposal of Company's objections or any further proceedings will be made at the appropriate time.

(viii) The summarized position of Amalgamation Reserve Account is as under:

Particulars	Rupees	Rupees
Book value of assets of erstwhile "The Himco (India) Limited		1,30,76,97,454
Add/(Less):		
(i) Deferred Tax Asset	(5,03,01,264)	
(ii) Miscellaneous Expenditure	(8,83,802)	
(iii) Debit Balance In Profit and Loss Account	(4,92,70,079)	
(iv) Effect of Prior Period Adjustment.	21,50,743	(9,83,04,402)
Balance value of assets transferred		1,20,93,93,052
Less:		
Book value of all the Liabilities transferred		(1,12,76,97,453)
Book value of net assets		8,16,95,599
Less: Value of Equity shares issued and allotted to the shareholders of erstwhile Himco		(2,45,45,450)
Add: Reserves including Revaluation Reserve		23,44,08,000
Sub total		29,15,58,149
Add: Reduction in Deferred Tax Liability on amalgamation		1,31,79,087
Sub-total		30,47,37,236
Less: Amount arising out of difference in accounting policy		(1,07,98,635)
Balance in Amalgamation Reserve Account		29,39,38,601

- (d) The aforesaid balance has been transferred to General Reserve as per the Scheme approved by the Hon'ble High Court of Judicature at Bombay and as per Accounting Standard (AS-14) "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India.
- (e) Pursuant to the Scheme, the Company has issued and allotted 24,54,545 fully paid equity shares of Rs. 10 each to the shareholders of erstwhile Himco in the ratio of 3 equity shares of Rs. 10 each for every 22 equity shares held by them in the erstwhile Himco.
2. Estimated amount of capital commitments to be executed on capital account and not provided for Rs.17,03,15,975/- (Prev. Year Rs. 2,61,37,810/-) (Net of advances).
3. **Contingent liability not provided for in respect of :**
- (a) Disputed Income Tax Demand Rs.29,79,837/- (Prev. Year Rs.27,73,939/-).
- (b) Other matters Rs. 1,11,09,943/- (Prev. Year Rs. 82,99,780/-)
4. The Company has made provision for property tax at Rs. 2,01,02,025/- (Previous year Rs.1,63,17,438/-) based on bills raised by the Mumbai Municipal Corporation on the basis of assessment of ratable value of the Company's Hotels at Vile Parle and Andheri. The Company has disputed the assessment of the said ratable value by filing appeals, which are pending before an appropriate Court. Adjustments, if any, will be made on disposal of appeals.
5. There were no amounts due and remaining unpaid to Small-Scale and/or Ancillary Industrial suppliers on account of principal and/or interest as at the close of the financial year. This disclosure is based on the information available with the Company regarding the status of the suppliers as defined under the Interest on Delayed Payments of Small Scale and Ancillary Industrial Undertaking Act, 1993.
6. In accordance with the terms of issue, the Company redeemed 12,00,000 14% Secured Non-Convertible Debentures of Rs.100/- each in earlier year and paid/adjusted the redemption value to the debenture holders. However, certain debenture holders holding debentures aggregating to Rs.1,00,000/- did not surrender the debenture certificates to the Company duly discharged and the same are pending redemption. Pending completion of formalities for redemption of the said debentures, the Company has shown the unpaid amount (net of amount due on allotment) under "Current Liabilities" and retained a sum of Rs. 1,00,000/- in the Debenture Redemption Reserve. The company has deposited an equivalent amount in a 'no lien bank account' for payment of this amount.
7. **Segment Reporting:**
- Based on the guiding principles given in the Accounting Standard 17, the Company's primary business consists of hotel related activities inter alia comprising revenue from rooms, sale of food & beverages, revenue from provision of other hospitality services including swimming pool, health club, etc. which mainly have identical risks and returns. Besides the above primary segment, the Company also earns some revenue as detailed in the Profit & Loss Account from its Institute of Hotel Management. However, based on the quantum of the revenue, this division does not fall in the definition of reportable segments as given in the aforesaid Accounting Standard.

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8. Related Party Disclosures under Accounting Standard 18:

- (a) Holding Company or Subsidiary Company: None
- (b) Associates:
 Plaza Hotels Private Limited
 Kamats Development Private Limited
 Erstwhile The Himco (India) Limited (upto 30.6.2005)
 Kamat Holiday Resorts Private Limited
 Kamat Holiday Resorts (Silvassa) Private Limited
 Vishal Amusements Limited
 Concept Hospitality Limited
 Conwy Finance & Leasing Private Limited
 Blida Investment Private Limited
- (c) Key Management Personnel :
 Mr. Vithal V. Kamat - Executive Chairman & Managing Director
 Mr. K. P. Kannampilly - Whole-time Technical Director
 Mr. Ramesh N. Shanbhag - Whole-time Director
 Mr. Vishal V. Kamat - Executive Director & also relative
- (d) Other related parties with whom transactions have taken place during the year:
 V. V.Kamat HUF
 Sportsfield Amusements
 Kamats Klub, Lokhandwala
- (a) Summary of transactions during the year with Related Parties entered into on commercial basis in the interest of the Company and approved by the Board, and status of outstanding balances as on 31st March, 2006:

Sr. No.	Nature of transactions	Associates	Key Management Personnel & relatives*	Other related Parties
1	Gross Sale of services including Management & Consultancy Fees	30,10,478 (37,81,239)	Nil (Nil)	36,674 (Nil)
2	Purchase of goods & services	3,12,798 (Nil)	Nil (Nil)	Nil (Nil)
3	Remuneration Paid	Nil (Nil)	76,63,380 (45,60,182)	Nil (Nil)
4	Consultancy Fees/Fees paid towards hotel property under Management Agreement	64,03,479 (51,69,209)	Nil (Nil)	Nil (Nil)
5	Reimbursement of contractual remuneration of personnel deputed to Company	1,17,73,843 (1,08,02,286)	Nil (Nil)	Nil (Nil)
6	Rent paid incl. Reimbursement of expenses	1,75,352 (2,18,052)	Nil (Nil)	7,11,799 (7,67,173)
7	Reimbursement received towards expenses incurred	Nil (25,83,435)	Nil (Nil)	1,35,259 (5,524)
8	Interest paid	56,03,400 (58,26,640)	Nil (Nil)	51,24,000 (53,28,141)
9	Dividend paid (including Interim dividend for 2004-05)	Nil (98,20,800)	Nil (7,89,756)	Nil (1,75,200)
10	Security Deposit given / refunded	9,46,00,000 (70,00,000)	Nil (Nil)	25,00,000 (25,00,000)
11	Advances given on Current Account	40,67,137 (5,18,914)	Nil (Nil)	1,56,939 (Nil)
12	Deposits taken	30,00,000 (Nil)	Nil (Nil)	Nil (Nil)
13	Sales Tax Deferred Premium	Nil (16,66,666)	Nil (Nil)	Nil (Nil)
14	12.5% Unsecured Debentures redeemed and converted into 12% Secured Debentures	Nil (4,66,95,000)	Nil (Nil)	Nil (4,27,00,000)
15	Balance outstanding at the year end: Secured Non-convertible Redeemable Debentures	4,66,95,000 (4,66,95,000)	Nil (Nil)	4,27,00,000 (4,27,00,000)
	Accounts receivable	41,75,894 (92,92,704)	Nil (Nil)	1,56,939 (Nil)
	Deposit paid incl. Under Management Contract	69,71,00,000 (63,75,00,000)	Nil (Nil)	4,00,00,000 (25,00,000)
	Amounts Payable	19,24,465 (950)	3,70,964 (81,902)	46,536 (65,481)
16	Corporate Guarantee provided by Plaza Hotels Private Limited	1,50,62,91,000 (90,83,00,000)	Nil (Nil)	Nil (Nil)

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* Relatives of Key Management Personnel: Mrs. Vidya V. Kamat, Mr. Vikram Kamat and Ms. Vidita Kamat (wife and children respectively of Mr. Vithal V. Kamat), Mrs. Sharda S. Kamat (sister of Mr. Vithal V. Kamat) and Mrs. Sabrina Kannampilly (wife of Mr. K.P. Kannampilly).

In addition to the above Sitting Fees of Rs.6,80,000/- (Prev. Year Rs. 2,60,000/-) has been paid to non-executive directors.

9. The Company's significant leasing arrangements are in respect of operating leases for premises. These leasing arrangements, which are not non-cancellable, range between 11 months and 9 years generally, or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under Schedule "K" and aggregate Licence fees Income for shops is shown under Schedule "J".

10. Earnings per share (E.P.S.) under Accounting Standard 20:

Basic & Diluted			
Particulars	Current Year (Rupees)	Previous Year (Rupees)	
Profit after tax as per Accounts	15,57,91,559	4,06,90,772	
No. of Shares issued (Nos.)	1,31,97,395	1,07,42,850	
Weighted average no. of shares	1,25,83,759	1,07,42,850	
Nominal Value of Share	10.00	10.00	
Basic & Diluted E.P.S.	12.38	3.79	

11. **Deferred Tax Liability:**

Major Components of Deferred Tax Assets and Deferred Tax Liabilities:

Particulars	Current Year (Rupees)	Previous Year (Rupees)
Deferred tax liabilities		
Difference in depreciation.	22,18,12,999	18,39,49,219
Expenditure claimed as revenue under the Income Tax Act, 1961 but treated as deferred revenue expenditure in the books.	2,02,631	31,70,851
Total	22,20,15,630	18,71,20,070
Deferred tax assets		
Expenses allowable for tax purpose on payment basis	1,79,36,148	1,66,15,960
Unabsorbed Depreciation / Business Loss	13,78,29,848	8,81,41,735
Provision for doubtful debts / Contingencies	1,55,362	30,89,016
Total	15,59,21,358	10,78,46,711
Deferred Tax Liability (net)	6,60,94,272	7,92,73,359
Incremental Liability		(1,31,79,087)

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In accordance with the provisions of Accounting Standard 22 "Accounting for Taxes on Income" the reduction in the Deferred Tax Liability on giving effect to the Scheme of Amalgamation of Himco has been adjusted and transferred to Amalgamation Reserve Account.

12. Balances of Debtors, Creditors, Advances and Deposits are subject to confirmation and consequent reconciliation and adjustments, if any.
13. Details of Auditors' Remuneration:

Particulars	Current Year (Rupees)	Previous Year (Rupees)
As Audit Fees	2,22,750	1,62,500
For Tax Audit Fees	50,000	40,000
For Tax Matters	15,000	15,000
For Other Services (related to erstwhile Himco)	13,000	Nil
For Certification, etc.	42,500	31,500
Reimbursement of Expenses	21,000	20,000
Service Tax	40,984	23,483
Total	4,05,234	2,92,483

14. In respect of the Company's turnover of Food & Beverages, it is not possible to give quantity-wise details of such turnover. The Government of India, Ministry of Finance (Department of Company Affairs) vide their Order No. 46/83/2006-CL-III dated 30th May, 2006 has exempted the Company from giving these particulars in the accounts for the financial year ending March 2006 to March 2008, subject to certain specific disclosures, which have been complied with by the company.

15. Current Assets, Loans & Advances include:

- (a) Rs. 2,00,00,000/- (Previous Year Rs.2,00,00,000/-) being Inter Corporate Deposits given by the Company to two companies in earlier year against which the Company has initiated legal proceedings under Section 138 of the Negotiable Instruments Act, 1881 for default in repaying the deposit and interest thereon and also filed civil summary suits which are pending before appropriate Courts. Pending disposal of the summary suits, no credit has been taken on the basis of legal advice, for interest relatable for the year under reference due on these deposits in view of uncertainty of its receipt ultimately. The company holds certain securities as a security against the above ICDs, however, in the absence of their valuation or quotations available, it is not possible to ascertain the value thereof. The ICDs are considered doubtful and fully provided for.
- (b) Rs. 5,00,000/- (Previous Year Rs.5,00,000/-) being deposit for premises paid to a private limited company in which a director of the company is a director.
- (c) Rs. 25,00,000/- (Previous Year Rs. 25,00,000/-) being deposit for premises paid to a proprietary concern of the Managing Director of the Company.
- (d) Rs.3,75,00,000/- (Previous Year Rs.Nil) being deposit for management contract and mortgage arrangement with a bank paid to HUF of the Managing Director of the Company.
- (e) Rs. 40,67,137/- (Prev. Year Rs. 5,18,914/-) due from Companies on current account in which some directors of the Company are directors.

16. In the opinion of the Board of Directors, the current assets, loans & advances are approximately of the value stated, if realised in the ordinary course of the business and the provision for all known liabilities is adequate and not in excess of the amount reasonably considered necessary.

17. Balance with a Non-Scheduled Bank: Name of the Bank: The Satara Sahakari Bank Limited;

- (a) In Fixed Deposit Account: balance outstanding as on 31st March, 2006 Rs. 5,00,000/- (Prev. Year Rs.42,00,000/-) and maximum amount outstanding at any time during the year Rs. 42,00,000/- (Prev. Year Rs. 42,00,000/-).
- (b) In Current Account: balance outstanding as on 31st March, 2006 Rs. 84,667/- (Prev. Year Rs.Nil) and maximum amount outstanding at any time during the year Rs. 41,34,428/- (Prev. Year Rs. Nil).

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18. Additional information pursuant to the provisions of paragraphs 3 and 4 of Part-II and IV of Schedule VI to the Companies Act, 1956 are given as under to the extent applicable:

I) Directors' Remuneration :

Particulars	Current Year (Rupees)	Previous Year (Rupees)
Remuneration to Managing and Whole Time Directors (Rs.42,00,000/- to Managing Director (Prev. Year Rs.30,00,000/-)	70,68,000	41,88,600
Contribution to Provident Fund	5,00,184	1,15,848
Perquisites	95,196	2,55,734
Directors sitting fees	6,80,000	2,60,000
Total	83,43,380	48,20,182

II) Earnings in foreign exchange: (Hotel Services)

Particulars	Current Year (Rupees)	Previous Year (Rupees)
As reported to the Department of Tourism and certified by the management and relied upon by the Auditors (including direct encashments)	28,56,18,718	22,35,56,847

III) Expenditure in foreign currency (including provisions) on account of:

Particulars	Current Year (Rupees)	Previous Year (Rupees)
Commission to Travel Agents, Travelling Expenses, Membership & Subscription, Internet / Website Charges etc.	47,53,020	49,07,354

IV) The Company has not made any remittance in Foreign Currencies on account of dividends during the year under report and does not have information as to the extent to which remittance in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders. The particulars of dividends paid to non-resident shareholders are as follows:

Particulars	Current Year (Rupees)	Previous Year (Rupees)
Dividend (2003-04):		
(a) Number of non-resident shareholders	Nil	496
(b) Number of Equity Shares held	Nil	4,10,430
(c) Amount of Dividend remittable and paid	Nil	2,46,258
Interim Dividend (2004-2005):		
(d) Number of non-resident shareholders	Nil	439
(e) Number of Equity Shares held	Nil	3,41,575
(f) Amount of Dividend remittable and paid	Nil	3,41,575

V) Value of Imports on CIF basis:

Particulars	Current Year (Rupees)	Previous Year (Rupees)
Capital Goods	10,54,461	26,92,695
Spare Parts	70,656	5,87,628
Provisions, Wines etc.	6,29,287	Nil