**HOTEL RUGBY LIMITED**
Registered Office
2, Ground Floor, 9, Dev Bhuvan,
Gazdar Street, Chira Bazar,
Kalbadevi, Mumbai - 400002
HOTELS & RESORTS

Date: 09.10.2018

To,
The Manager
**National Stock Exchange of India Ltd.**
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East) Mumbai 400 051.

**Ref : Stock Code – HOTELRUGBY**
**Sub: Submission of Annual Report under Regulation 34 for the Financial year ended 31st March, 2018.**

Dear Sir,

As required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), we are enclosing herewith the Annual Report for the Financial year Ended 31st March, 2018. The Financial Statements were approved and adopted by the Members of the Company at the Annual General Meeting held on Friday, 28th September, 2018.

Please take the same on your records.

Thanking you,

Yours Faithfully,

For **HOTEL RUGBY LIMITED**

**MAHENDRA THACKER**
**C.E.O. & DIRECTOR**
**DIN: 01405253**
**Address – 2, Ground floor, 9, Dev Bhuvan,**
**Gazdar Street, Chira Bazar,**
**Kalbadevi, Mumbai – 400002**

Encl: As above

# HOTEL
# RUGBY LIMITED

RUGBY

HOTEL & RESORTS

## 27th Annual Report
## Year Ended 31st March, 2018

**BOARD OF DIRECTORS**

| | |
|---|---|
| Shri Mahendra R. Thacker | Executive Director |
| Smt. Darshna M. Thacker | Non-Executive Director |
| Shri. Ashok M. kadakia | Non-Executive Director |
| Shri Dinesh R. Patel | Non-Executive Director |

**AUDITORS :**
**R. K. Patni & Co.**
Chartered Accountants

**SOLICITORS**
Law Charter

**BANKERS:**
Union Bank of India
Axis Bank Ltd.

**REGISTERED OFFICE :**
2, Ground Floor, 9, Dev Bhuvan,
Gazdar Street, Chira Bazar,
Kalbadevi, Mumbai - 400002.
Tel. No.: 022 - 67470380
Website : www.hotelrugby.co.in
Email: rugbyhotel@rediffmail.com

**REGISTRAR & SHARE TRANSFER AGENTS**
M/s. Link Intime India Pvt. Ltd.
Registered Office :
C 101, 247, Park,L B S Marg,
Vikhroli West, Mumbai - 400 083.

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


| | |
|---|---|
| Notice | 1 |
| Directors' Report | 6 |
| Corporate Governance | 21 |
| Auditors Report | 28 |
| Balance Sheet | 35 |
| Profit & Loss Account | 36 |
| Schedules Forming Part of Account | 39-61 |

**HOTEL RUGBY LIMITED**

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT 27th ANNUAL GENERAL MEETING (AGM) OF THE MEMBERS OF HOTEL RUGBY LIMITED, WILL BE HELD ON FRIDAY, 28th SEPTEMBER, 2018 AT 10.30 A.M. AT MAHARASHTRA CHAMBERS OF COMMERCE TRUST, 6THFLOOR, KASLIWAL HALL, ORICON HOUSE,MAHARASHTRA CHAMBERS OF COMMERCE PATH, FORT, MUMBAI – 400 001, TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESSES:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018and the Reports of the Directors and Statutory Auditor thereon.
2. To Appoint a Director in place of Mrs. Darshana Thacker (DIN:02003242 ), who retires by rotation at this Annual General Meeting and being eligible, offers herself for Re-appointment.
3. To Appoint Mr. Jatin Shah (Membership No. 103858), Chartered Accountant, Mumbai as the Statutory Auditor of the Company for a period of 5 (five) years i.e. from the conclusion of 27th AGM till the conclusion of 32nd AGM at a remuneration to be determined by the Board of Directors of the Company.

**SPECIAL BUSINESS:**

**Item No. 4:**

**To consider and, if thought fit, to pass, the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, consent of the Members of the Company be and is hereby accorded to the continuance of the Directorship with effect from April 1, 2019, up to the end of the current term on September 30, 2019, of Mr. Ashok Kadakia (DIN:00317237), age 76 years, who, at the 23rd Annual General Meeting of the Company held on September 30, 2014, had been duly appointed as an Independent Director of the Company with effect from September 30, 2014, for a period of five years, in accordance with the applicable provisions of the Companies Act, 2013."

**Item No. 5:**

**To consider and, if thought fit, to pass, the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, consent of the Members of the Company be and is hereby accorded to the continuance of the Directorship of Mr. Mahendra Thacker (DIN:01405253), age 75 years with effect from April 1, 2019, who, had been duly appointed as Director liable to retire by rotation in accordance with the applicable provisions of the Companies Act.,."

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48HOURS BEFORE THE MEETING.**

   Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.
2. **The Explanatory Statements pursuant to Section. 102 of the Companies Act, 2013 in respect of Item No. 3 to 5 proposed to be transacted at the Meeting is annexed and forms part of the Notice.**
   The Register of Members and the Share Transfer books of the Company will remain closed from Friday,21st September, 2018 to Friday, 28th September, 2018 (both days inclusive).
3. Members are requested to intimate any change in their address to the Company and ShareTransfer Agents- M/s. Link Intime India Pvt. Ltd.,C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 at the earliest quoting their Folio Numbers.
4. The Members who will hold the shares either in physical form or in dematerialized form as on 24th August, 2018 will receive the Notice of AGM and Annual Report for the Financial Year ended 31st March, 2018.

5. The Members/Proxies/Representatives attending the Meeting are requested to bring their Attendance Slip sent herewith duly filled and signed alongwith Annual Report.
6. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company duly certified copy of the relevant Board resolution/Authority Letter authorizing such a representative to attend and vote on their behalf at the meeting.
7. The Company or its Registrar and Share Transfer Agent, M/s. Link Intime India Private Ltd. ("Link Intime") cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates or for change in their address. Such changes are to be advised only to the Depository Participant by the Members. Thus, Members holding shares in electronic form are hereby requested to inform immediately of any change in the Bank details or address to their Depository Participants. The Members holding sharesin physical form and desirous of registering change in their address or bank details already registered against their respective folios are requested to write to the Company or to the Registrar and Share Transfer Agent.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agents.
9. 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.
10. Members may also note that the Notice of the 27$^{th}$AGM and the Annual Report for the Financial Year2017-18 will also be available on the Company's website www.hotelrugby.co.in for their download. For any communication/ information, the members may also send requests to the Company at: rugbyhotel@rediffmail.com.
11. All relevant documents referred in the Notice shall be open for inspection by the members at the Registered Office of the Company during the normal business hours (10.00 a.m. to 6.00 p.m.) on all working days.
12. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
13. In case, of joint holders attending the AGM, only such joint holder who is higher in order of names will be entitled to vote.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Share Transfer Agents, for consolidation into single folio.
15. All queries relating to Share Transfer and allied subjects should be addressed to:
    M/s. Link Intime India Private Limited
    C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083
    Tel No. : 022 49186000

**16. VOTING PROCESS**

**A. Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to its Members, facility to exercise their right to vote on resolutions proposed to be considered at the 27$^{th}$AGM by electronic means i.e. "Remote e-voting". The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("Remote e-voting") will be provided by Central Depository Services Limited (CDSL). The Company has appointed Mr. Sudeshkumar V. Joshi, Chartered Accountants, Mumbai, to scrutinize the voting process (both Remote e-voting and voting process at the AGM) in a fair and transparent manner. The details of the process and manner of Remote e-voting is explained herein below:

In case a Member receives an e-mail from CDSL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

Open your web browser during the e-voting period. Remote E-voting period begins form **Tuesday, 25$^{th}$ September, 2018 (9.00 a.m.) and ends on Thursday, 27$^{th}$ September, 2018 (5.00 p.m.).** During this Period, shareholders holding shares either in physical form or dematerialized form, as on Friday, **21$^{st}$ September, 2018,** being cut-off date/entitlement date, may cast their vote electronically. The e-voting shall be disabled by CDSL for voting thereafter.

Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Notice and holding

shares as of the cut-off date i.e. Friday, **21st September, 2018**may obtain the Sequence Number (if PAN is not updated with Depository Participant or Company)by sending a request at rnt.helpdesk@linkintime.co.in or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP Id and Client ID No.

(i) Log on the e-voting website 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 and voted on an earlier voting of any Company, then your existing password is to be used.
(vi) If you are a first time user follow the steps given below:

| | **For Members holding shares in Demat Form and Physical Form** |
|---|---|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Address Sticker. |
| DOB# | 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. |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.<br>• 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 member id/folio number in the Dividend Bank details field as mentioned in instruction (iv). |

(vii) After entering these details appropriately, click on "SUBMIT" tab.
(viii) 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 whereinthey are required to mandatorily enter their login password in the new password field. Kindly notethat this password is to be also used by the demat holders for voting for resolutions of any othercompany on which they are eligible to vote, provided that company opts for e-voting throughCDSL platform. It is strongly recommended not to share your password with any other person andtake utmost care to keep your password confidential.
(ix) For Members holding shares in physical form, the details can be used only for e-voting on theresolutions contained in this Notice.
(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
(xi) 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 youassent to the Resolution and option NO implies that you dissent to the Resolution.
(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation boxwill 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.
(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
(xvi) If Demat account holder has forgotten the same password then Enter the User ID and the imageverification code and click on Forgot Password & enter the details as prompted by the system.
(xvii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
(xviii) Note for Non- Individual Shareholders and Custodians

- Non-Individualshareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on towww.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of theEntity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user 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 and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded 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. (xvi) above to cast vote.

(b) The voting period begins on **Tuesday, 25th September, 2018 (9.00 a.m.) and ends on Thursday, 27thSeptember, 2018 (5.00 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 21st September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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.com under help section or write an email to helpdesk.evoting@cdslindia.com.

**C. Voting at the Annual General Meeting**

(i) Pursuant to the provisions of Rule 20 of Companies (Management and Administration) Rules 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is also offering the facility for voting by way of ballot paper at the AGM.

(ii) The Members attending the AGM, who are entitled to vote, but have not cast their vote by remote e-voting shall be able to exercise their voting rights at the AGM through ballot paper. A member may attend the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to cast their vote again at the AGM.

(iii)At the end of discussion on the Resolutions on which voting is to be held at the AGM, the Chairman shall allow voting, by use of ballot paper only to those members who have not cast their votes by availing the remote e-voting facility.

18. The voting rights of Members shall be in proportion to the shares held by them on the paid up equity share capital of the Company as on cut-off date being, Friday, **21stSeptember, 2018**. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of Remote e-voting or voting at the AGM through ballot paper.
19. The Scrutinizer shall immediately after conclusion of the AGM shall first count the votes cast through Ballot Paper at AGM and thereafter shall unblock the votes cast through Remote E-Voting in presence of at least two witnesses (who shall not be in employment of the Company). The scrutinizer shall submit his report not later than three days from the conclusion of the AGM to the Chairman or to a person authorized by him in writing who shall countersign the same and declare the results.
20. The result declared by Chairman or by a person authorized by him in writingalong with the Scrutinizers' Report shall be immediately placed on the website of the Company i.e. www.hotelrugby.in and on website of CDSL i.e. www.cdslindia.com after the declaration of results. The result shall also be communicated to BSE Limited and National Stock Exchange of India Limited.
21. The resolutions listed in the Notice of 27thAGM shall be deemed to be passed on the dateof the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.
22. SEBI, vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20thApril 2018, has directed all the listed companies to record the PAN and Bank Account details of holders holdings securities in physical form. Accordingly, the shareholders holding shares in physical form are requested to submit a copy of their PAN and bank details along with a cancelled cheque to the Registrar and Share Transfer Agent of the Company at the earliest. Separate letters have been sent to the security holders of the Company holding securities in physical form as per the said Circular.

    Further, in view of amendments to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 vide SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018, effective from 5th December, 2018, requests for effecting transfer of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository, except in case of transmission or transposition of shares. Accordingly, the shareholders of the Company holding shares in physical form are requested to dematerialise the shares held by them at the earliest. Separate letters are also being sent to the shareholders holding shares in physical form in this connection.

Registered Office:
2, Ground floor, 9, Dev Bhuvan, Gazdar Street,
Chira Bazar,Kalbadevi, Mumbai – 400002.
Place: Mumbai
Date: 10.08.2018

**By Order of the Board**

**Sd/-**
**MAHENDRA THACKER**
**CHAIRMAN**
**DIN-01405253**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**Item No. 3:**

M/s. R. K. Patni & Co., Chartered Accountants, Mumbai (FRN-131257W), Statutory Auditors of the Company were appointed at the 24th AGM for a period of 5(five) years i.e. from the conclusion of 24th AGM till the Conclusion of 29th AGM subject to ratification by Members at every AGM. However, M/s. R. K. Patni & Co., Chartered Accountants, Mumbai (FRN-131257W) had expressed their unwillingness to act as Statutory Auditors of the Company and had furnished their resignation. Therefore, it was proposed to appoint Mr. Jatin Shah (Membership No. 103858),Chartered Accountant, Mumbai as the Statutory Auditor of the Company for a period of 5 (five) years i.e. from the conclusion of 27th AGM till the conclusion of 32nd AGM at a remuneration to be determined by the Board of Directors of the Company. Further, Mr. Jatin Shah (Membership No. 103858),Chartered Accountant, Mumbai had also furnished his consent and eligibility Certificate. Therefore, Your Directors recommend appointment of Mr. Jatin Shah (Membership No. 103858),Chartered Accountant, Mumbai as the Auditor of the Company.

Pursuant to Section 139 of the Companies Act, 2013 and relevant Rules framed thereunder approval of the Members is being sought by way of an Ordinary Resolution.

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.4:**

The SEBI vide its notification dated 09.05.2018 had brought certain amendments in the existing Listing Obligations and Disclosure Requirements Regulations 2015 i.e LODR Regulations 2015 . In view of the said amendmentsw.e.f. 1st April 2019 no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.Further, the explanatory statement shall indicate the justification for appointing such a person. Therefore,it is proposed to seek approval ofthe Members vide a Special Resolution at this Annual General Meeting of the Company for the continuance Mr. Ashok Kadakia (DIN:00317237), as Non executive Director of the Company, effective April 1, 2019 pursuant to Regulations 17 of the SEBI LODR Regulations.

Further, Mr. Ashok Kadakia (DIN:00317237) was appointed as Independent Director of the Company at the 23rd AGM for a period of 5 (five) years w.e.f 30th September, 2014. Further,Mr. Ashok M. Kadakia is a Commerce Graduate having good exposure in the field ofbusiness and industry. He also holds the Directorships in the various Companies due to his vide experience in the business.

The Board is of the view that the continuance of Mr. Ashok Kadakia as an Independent director would be a great help to the Company because of his vast experience and wisdom.

Pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, approval of the Members is being sought by way of a Special Resolution.

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

**Item No.5:**

The SEBI vide its notification dated 09.05.2018 had brought certain amendments in the existing Listing Obligations and Disclosure Requirements Regulations 2015 i.e LODR Regulations 2015 . In view of the said amendmentsw.e.f. 1st April 2019 no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect.Further, the explanatory statement shall indicate the justification for appointing such a person. Therefore,it is proposed to seek approval ofthe Members vide a Special Resolution at this Annual General Meeting of the Company for the continuance of Mr. Mahendra Thacker (DIN:01405253), as Director of the Company, effective from April 1, 2019 pursuant to Regulations 17 of the SEBI LODR Regulations.

The Board is of the view that being the promoter as well as founder Director of the Company, continuance of Mr. Mahendra Thacker as Director liable to retire by rotation would be of a considerable value to the company due to his experience and knowledge.

Pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, approval of the Members is being sought by way of a Special Resolution.

Save and except all the Promoters viz. Mr. Mahendra Thacker, Mrs Darshana Thacker, Mr. Maulik Thacker and Mr. Mihir Thacker, none of the other Directors, Managers, Key ManagerialPersonnel of the Company and their relatives, either directly or indirectly is in any way concerned orinterested, financially or otherwise, in the above Resolution

**DIRECTORS' REPORT 2017-2018**

Dear Members,

The Board of Directors of the Company take pleasure in presenting the 27th Annual Report along with the Audited Accounts for the Financial Year ended 31st March, 2018.

1. **Financial Results of the Company**
   The Financial performance of the Company for the Financial Year ended 31st March, 2018, is summarized below:

(Rs. in Lacs)

| | 2017–18 | 2016–17 |
|---|---|---|
| **Gross Income** | 14.82 | 13.20 |
| | | |
| Profit Before Interest, Depreciation & Tax | (8.54) | (4.02) |
| | | |
| **Finance Cost and Bank Interest**<br>**Depreciation** | 0.00 | 0.00 |
| **Profit Before Exceptional Items & Tax** | (8.54) | (4.02) |
| | | |
| **Add:**- Exceptional Income | -- | -- |
| Profit Before Tax | (8.54) | **(4.02)** |
| Less:- Provision for Taxation | -- | -- |
| Net Profit After Tax | (8.54) | **(4.02)** |
| Excess/(short) Income Tax Provision of Earlier Years | -- | (0.02) |
| Net Profit for the year | (8.54) | **(4.04)** |
| Loss Brought Forward | **(3392.02)** | (3,387.98) |
| Profit/(Loss) Available for Appropriation | **(3400.56)** | **(3392.02)** |

2. **Transfer to Reserves:**
   In view of inadequate profits during the year and due to accumulated losses of earlier years, the Company had not transferred any amount to the Reserves.
3. **Operations**
   The Company has not carried out any Business activities 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 &Profit on sale of Mutual Funds.
4. **Dividend**
   Due to inadequate profits during the year and due to accumulated losses of earlier years, your Directors have thought it prudent not to recommend any dividend for the financial year under review.
5. **Public Deposit**
   The Company has neither invited nor accepted any Public Deposit within the meaning of the Section 73 and Section 76 of the Companies Act, 2013 and rules made framed there under, during the year under review. There are no unpaid and unclaimed deposits at the end of Financial Year2017-18. Further, there was no default in repayment of Deposits and payment of interest thereon during the year.
6. **Subsidiaries, Associate and Joint Venture Companies:**
   The Company does not have Subsidiary, Associate and Joint Venture Companies.
7. **Extracts of the Annual Return of the Company:**
   Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as at 31st March, 2018, in the prescribed form MGT - 9, forms part of the report and is annexed as **Annexure I** to this report.
8. **Number of meetings of the Board/Committees of Board:**
   During the Financial Year 2017-18, Five(5) Board Meetings were convened and held (excluding meeting of Independent Directors) on 29.05.2017, 06.08.2017, 06.11,2017, 06.02.2018 and 03.03.2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing obligations and Disclosure Requirements) Regulations

2015. All the Directors have attended all the Board Meetings held during the year under review except Mr. Ashok Kadakia and Mr. Dinesh Patel had not attended the Board Meeting held on 03.03.2018.

In addition to the above and as required under Schedule IV to the Companies Act, 2013 1(One) Separate Meeting of Independent Directors was held on 31.03.2018.

The Board of Directors has constituted four committees namely – Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee which enables the Board to deal with specific areas/activities that need a closer review and to have an appropriate structure to assist in the discharge of their responsibilities. The details of the composition of the Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and their respective terms of reference are included in the Corporate Governance Report forming part of the Annual Report. The Board Committees meet at regular intervals and ensure to perform the duties and functions as entrusted upon them by the Board.

The details of the Board meetings held during the year and that of Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee are also set out in the Corporate Governance Report forming part of the Annual Report.

9. **Details about Directors and KMPs who were Appointed/Resigned during the Financial Year.**

During the year under review, there was no Change in the Constitution of the Board. Further, no KMPs were appointed and none of the existing KMPs have resigned during the year under review.

Further, the SEBI vide its notification dated 09.05.2018 had brought certain amendments in the existing Listing Obligations and Disclosure Requirements Regulations 2015 i.e LODR Regulations 2015 . In view of the said amendments w.e.f. 1st April 2019 no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a Special Resolution is passed to that effect. Therefore, it was proposed to pass the Special Resolutions for continuance of Directorships of Mr. Ashok Kadakia (DIN:00317237) and Mr. Mahendra Thacker (DIN: 01405253), Directors of the Company, who had attained the age of 75 (Seventy Five) years.

10. **Directors Retiring by Rotation**

In accordance with the provisions of the Companies Act, 2013, Mrs. Darshana Thacker (DIN: 02003242), Director of the Company retires by rotation and offers herself for re-appointment.

11. **A Statement on declaration given by Independent Directors**

All Independent Directors have given declarations that they meet the criteria of independence as laid down pursuant to Section 149 (6) of the Companies Act, 2013.

12. **Directors Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c)of the Companies Act, 2013

(a) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) 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 as on 31st March, 2018 and of the profit/ lossfor that period;

(c) 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 for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. **Auditors**

M/s. R. K. Patni & Co., Chartered Accountants, Mumbai (FRN-131257W), Statutory Auditors of the Company were appointed at the 24th AGM for a period of 5(five) years i.e. from the conclusion of 24th AGM till the Conclusion of 29th AGM subject to ratification by Members at every AGM. However, M/s. R. K. Patni & Co., Chartered Accountants, Mumbai (FRN-131257W) had expressed their unwillingness to act as Statutory Auditors of the Company and had furnished their resignation. Therefore, it was proposed to appoint Mr. Jatin Shah (Membership No. 103858),Chartered Accountant, Mumbai as the Statutory Auditor of the Company for a period of 5 (five) years i.e. from the conclusion of 27th AGM till the conclusion of 32nd AGM at a remuneration to be determined by the Board of Directors of the Company. Further, Mr. Jatin Shah (Membership No. 103858),Chartered Accountant, Mumbai had also furnished his consent and eligibility Certificate. Therefore, Your Directors recommend appointment of Mr. Jatin Shah (Membership No. 103858),Chartered Accountant, Mumbai as the Auditor of the Company.

14. **Internal Auditors, Internal Control System and their Adequacy:**
Pursuant to provisions of Section 138 of the Companies Act, 2013 and relevant Rules framed thereunder, M/s M. H. Dalal & Associates, Chartered Accountants, Mumbai (Firm Registration Number – 112449W) were appointed as Internal Auditors of the Company for the Financial Years 2017-18. The Internal Auditors are required to report to the Audit Committee of the Board after conducting comprehensive audit of operations of the Company.
In order to attain the corporate objectives, strict internal controls systems were implemented across the organisation.The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations on regular basis. The audit function maintains its independence and objectivity while carrying out assignments. It evaluates on a continuous basis, the adequacy and effectiveness of internal control mechanism. The function also proactively recommends improvement in policies and processes, suggests streamlining of controls against various risks. Your Company has laid down set of standards, processes and structure, which enables it to implement internal financial control across the Company and ensure that the same are adequate and operating effectively.
15. **Policies on appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178:**
The Company has a Nomination and Remuneration Policy formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules framed there under and as amended from time to time. The policy shall apply to all Directors (Executive,Non Executive & Independent), Key Managerial Personnel and Senior Management. The Policy laid down the roles of the Committee, criterion for appointment of Directors, Key Managerial Personnel and Senior Management and parameters for determining the remuneration of Directors, Key Managerial Personnel, Senior Management and other employees.
16. **Whistle Blower Policy:**
Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 and 46(2)(e) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015and Clause 49 of the Listing Agreement, the Company has adopted a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors/Committee Members and employees to report instances of unethical behaviour, actual or potential fraud or violation of the Company's Code of Conduct or Ethics policy. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairperson of the Audit Committee in exceptional cases.
17. **Corporate Social Responsibility:**
Though the provisions of Section 135 of The Companies Act, 2013 and Rules framed there under regarding Corporate Social Responsibility are not applicable to the Company, the Company has framed the Corporate Social Responsibility (CSR) Committee as per the requirement of Companies Act, 2013, which consists of Mr. Mahendra Thacker (Executive Director), Mrs. Darshana Thacker (Non-Executive Director) and Mr. Ashok Kadakia (Independent Director). The Company believes that Corporate Social Responsibility (CSR) is 'the continuing commitment for improving the quality of life of the society at large'.
18. **Reservation and qualification on Auditor Report**.
Regarding qualification made by the Auditors in their Report on Note no. 20 of Accounts w.r.t. Going Concern Concept, we state as under:
The Company is having liquid funds and is looking for some good avenue of business. The Company has invested most of its liquid funds on short term basis so that funds can be available whenever required.
The other qualifications, if any made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.
19. **Details in respect of frauds reported by Auditors pursuant to section 143(12) of the Companies Act, 2013:**
During the year under review, there were no incidences of fraud reported by Auditors.
20. **Secretarial Audit report given by Company Secretary in practice:**
Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. Sanjay Dholakia & Associates, Company Secretaries, Mumbai, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed as **Annexure - II** to this Report**.**
**Explanation on Remarks or Disclaimer Made by Secretarial Auditor in his Report:**
Looking at the Company's size and no business activities for past few years, no one was interested in joining as Company Secretary. The Company is in process of complying with the said requirements.
21. **Disclosures relating to Loans, Guarantees or Investments made by company under section 186.**
During the year under review, the Company had not given any Loans and Guarantees. The details of Investments made by the Company, as covered under the provisions of Section 186 of the Companies Act, 2013 are duly mention in the Notes to Accounts forming the part of Annual Financial Statements for the year ended 31st March, 2018.

22. **Particulars of contracts or arrangements with related parties referred to in sub-section(1) of section 188:**
There were no Related Party Transactions during the year under review.

23. **Corporate Governance Report and Management Discussions and Analysis:**
Pursuant to Regulations 34(3) of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015, a separate section titled 'Report on Corporate Governance' and 'Management Discussion Analysis (as per Annexure – III)' forms part of this Annual Report.
The Report on Corporate Governance also includes certain disclosures that are required, as per Companies Act, 2013. Auditors' Certificate confirming compliance with the conditions of Corporate Governance as stipulated under under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also forms part of this Annual Report.

24. **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the Financial Year of the company to which the financial statements relate and the date of the report:**
In terms of the information required under Sub-section (3)(l) of Section 134 it is to be noted that there are no material Changes and commitments affecting the financial position of the company have occurred between the end of the Financial Year of the company to which the financial statements relate and the date of the report.

25. **Conservation of energy & technology absorption and Foreign exchange earnings and Outgo.**
    A. Since the Company does not carry any manufacturing activities, particulars to be disclosed with respect to Conservation of energy & technology absorption under Section 134 (3) (m) of Companies Act, 2013 read with Companies (Accounts) Rules, 2014, are not applicable.
    B. During the year under review, there has been no earnings and outgo in foreign exchange.

26. **Disclosures about annual performance evaluation by the Directors of the Company of its own and committees and Individual Directors**
The Nomination and Remuneration Committee laid down the criteria for performance evaluation of Directors including Independent Directors, Board of Directors and Committees of the Board. The criteria for performance evaluation covers the areas relevant to their functioning as independent directors or other directors, member of Board or Committees of the Board.

27. **Details of significant and material orders passed by the regulators or courts or tribunalsimpacting the going concern status and company's operations in future.**
There were no significant and material orders passed by the Regulators or Courts or Tribunalswhich would impact the going concern status and the Company's future operations.

28. **Information in terms of under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014 )**
The information pertaining to Rule 5 of the Company (Appointment and Remuneration of Managerial Personnel Rules, 2014) is given as below:
    (i) the ratio of the remuneration of each Director to the median remuneration of the Employees of the company for the Financial Year is not required to be mentioned as there were no employees in the Company during the year under review;
    (ii) the details w.r.t. the percentage increase in the median remuneration of employees in the Financial Year is not required to be given, as there were no employees in the Company during the year under review;
    (iii) there were no permanent employees during the year under review;
    (iv) the details w.r.t. average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison withthe percentile increase in the managerial remuneration and justification thereof, is not required to be given as there were no employees in the previous financial year and during the year under review and no managerial remuneration was paid;
    (v) the details w.r.t. the key parameters for any variable component of remuneration availed by the Directors is not required to be given as no remuneration was paid to the Directors;
    (vi) the details w.r.t. affirmation that the remuneration is as per the remuneration policy of the company, is not required to be given as there were no employees and no remuneration was paid to Directors.

Further, During the year under review there were no employees in the Company drawing Remuneration over and above the limit specified pursuant to Rule 5 sub rule (2) of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014 )

29. **Risk Management**
Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. There are no risks which in the opinion of the Board affect the Company operations on going concern basis. The Board periodically reviews the risks and measures are taken for mitigation.

30. **Maintenance of Cost Records**:
During the year under review the Company was not required to maintain the Cost records as specified by the Central Goverment under Section 148 of the Companies Act, 2013.

31. **Prevention of Sexual Harassment:**
The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. No complaints were received during the year under the said policy. Further, as there is no employee employed, the Company has not constituted Internal Complaints Committee as referred in the said Act for the year ended 31st March, 2018.However, necessary steps will be taken by the Board for complying with provisions of the said Act.

32. **Declaration Under SS-1:**
The Company has complied with the applicable Secretarial Standards viz. SS-1 and SS-2 during the year.

33. **Acknowledgement**
The Directors gratefully acknowledge all stakeholders of the Company viz. Members and banks for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board of Directors**

**Sd/-**
**MAHENDRA THACKER**
**CHAIRMAN**
**DIN-01405253**

Place Mumbai
Date:10.08.2018

**Annexure – I**

**HOTEL RUGBY LIMITED**
**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**
**As on the Financial Year ended on March 31, 2018**

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN: - L55101MH1991PLC063265

ii) Registration Date- 16/09/1991

iii) Name of the Company: HOTEL RUGBY LIMITED

iv) **CATEGORY OF THE COMPANY: -** [PL. TICK]

(1) Public Company-√

(2)Private company–

**SUB CATEGORY OF THE COMPANY**: -[PLEASE TICK WHICHEVER ARE APPLICABLE]

1) Government Company-
2) Small Company-
3) One Person Company-
4) Subsidiary of Foreign Company-
5) NBFC-
6) Guarantee Company-
7) Limited by shares - √
8) Unlimited Company-
9) Company having share capital-√
10) Company not having share capital-
11) Company Registered under Section 8-

v) **Address of the Registered Office and contact details**

| | |
|---|---|
| Address : | Ground floor, 9, Dev Bhuvan, Gazdar Street, Chira Bazaar, Kalbadevi, Mumbai – 400002. |
| Town / City : | Mumbai |
| District : | Mumbai |
| State : | Maharashtra |
| Telephone :(With STD Area Code Number) | 022 67470380 |
| Pin Code | 400002 |
| Fax Number : | -- |
| Email Address : | rugbyhotel@rediffmail.com |
| Website (if any) | http://www.hotelrugby.co.in |

vi) **Whether Shares Listed On Recognized Stock Exchange(S)** – Yes

Name of the Stock Exchange/s :- 1) BSE Ltd. 2) National Stock Exchange of India Ltd.

vii) **Name, Address and Contact details of Registrar and Transfer Agent, if any**

| **Name of Registrar & Transfer Agents: M/s. Link Intime India Pvt. Ltd.** | |
|---|---|
| Address : | C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 |
| Town / City : | Mumbai |
| District : | Mumbai |
| State : | Maharashtra |
| Telephone :(With STD Area Code Number) | 022 49186000 |
| Pin Code | 400 083 |
| Fax Number : | 022 49186060 |
| Email Address : | rnt.helpdesk@linkintime.co.in |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :-**

During the year, the Company did not carried out any business activities. The income of the Company comprises of other income inter alia consisting of Interest on Inter Corporate Deposits, Profit on sale of Mutual Funds etc.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

| S. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable section |
|---|---|---|---|---|---|
| - | - | - | - | - | - |

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

| Sr No | Category of Shareholders | Shareholding at the beginning of the year - 2017 | | | | Shareholding at the end of the year - 2018 | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| (A) [1] | Shareholding of Promoter and Promoter Group Indian | | | | | | | | | |
| (a) | Individuals / Hindu Undivided Family | 3875952 | 0 | 3875952 | '27.0614 | 3875952 | 0 | 3875952 | '27.0614 | '0.0000 |
| (b) | Central Government / State Government(s) | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (c) | Financial Institutions / Banks | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (d) | Any Other (Specify) | | | | | | | | | |
| | Bodies Corporate | 52000 | 0 | 52000 | '0.3631 | 52000 | 0 | 52000 | '0.3631 | '0.0000 |
| | Sub Total (A)(1) | 3927952 | 0 | 3927952 | '27.4245 | 3927952 | 0 | 3927952 | '27.4245 | '0.0000 |
| [2] | Foreign | | | | | | | | | |
| (a) | Individuals (Non-Resident Individuals / Foreign Individuals) | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (b) | Government | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (c) | Institutions | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (d) | Foreign Portfolio Investor | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (e) | Any Other (Specify) | | | | | | | | | |
| | Sub Total (A)(2) | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| | Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2) | 3927952 | 0 | 3927952 | '27.4245 | 3927952 | 0 | 3927952 | '27.4245 | '0.0000 |
| (B) | Public Shareholding | | | | | | | | | |
| [1] | Institutions | | | | | | | | | |
| (a) | Mutual Funds / UTI | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (b) | Venture Capital Funds | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (c) | Alternate Investment Funds | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (d) | Foreign Venture Capital Investors | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (e) | Foreign Portfolio Investor | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (f) | Financial Institutions / Banks | 0 | 700 | 700 | '0.0049 | 0 | 700 | 700 | '0.0049 | '0.0000 |
| (g) | Insurance Companies | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (h) | Provident Funds/ Pension Funds | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (i) | Any Other (Specify) | | | | | | | | | |
| | Sub Total (B)(1) | 0 | 700 | 700 | '0.0049 | 0 | 700 | 700 | '0.0049 | '0.0000 |
| [2] | Central Government/ State Government(s)/ President of India | | | | | | | | | |
| | Sub Total (B)(2) | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| [3] | Non-Institutions | | | | | | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| (a) | Individuals | | | | | | | | | |
| (i) | Individual shareholders holding nominal share capital upto Rs. 1 lakh. | 2333310 | 914950 | 3248260 | '22.6999 | 2343868 | 905950 | 3249818 | '22.6898 | '-0.0101 |
| (ii) | Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 5513393 | 0 | 5513393 | '38.4938 | 5689968 | 0 | 5689968 | '39.7266 | '1.2328 |
| (b) | NBFCs registered with RBI | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (c) | Employee Trusts | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (d) | Overseas Depositories(holding DRs) (balancing figure) | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| (e) | Any Other (Specify) | | | | | | | | | |
| | | | | | | | | | | |
| | Hindu Undivided Family | 205198 | 0 | 205198 | '1.4327 | 256825 | 0 | 256825 | '1.7931 | '0.3604 |
| | Non Resident Indians (Non Repat) | 4225 | 44900 | 49125 | '0.3430 | 7875 | 44900 | 52775 | '0.3685 | '0.0255 |
| | Other Directors & Directors Relative | 3000 | 0 | 3000 | '0.0209 | 3000 | 0 | 3000 | '0.0209 | '0.0000 |
| | Non Resident Indians (Repat) | 126905 | 20000 | 146905 | '1.0257 | 121405 | 20000 | 141405 | '0.9873 | '-0.0384 |
| | Clearing Member | 614511 | 0 | 614511 | '4.2904 | 384599 | 0 | 384599 | '2.6852 | '-1.6052 |
| | Bodies Corporate | 574756 | 39000 | 613756 | '4.2852 | 576758 | 39000 | 615758 | '4.2991 | '0.0139 |
| | Sub Total (B)(3) | 9375298 | 1018850 | 10394148 | '72.5706 | 9384298 | 1009850 | 10394148 | '72.5706 | '0.0000 |
| | Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3) | 9375298 | 1019550 | 10394848 | '72.5755 | 9384298 | 1010550 | 10394848 | '72.5755 | '0.0000 |
| | Total (A)+(B) | 13303250 | 1019550 | 14322800 | '100.0000 | 13312250 | 1010550 | 14322800 | '100.0000 | '0.0000 |
| (C) | Non Promoter - Non Public | | | | | | | | | |
| [1] | Custodian/DR Holder | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| [2] | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | 0 | 0 | 0 | '0.0000 | 0 | 0 | 0 | '0.0000 | '0.0000 |
| | **Total (A)+(B)+(C)** | **13303250** | **1019550** | **14322800** | **'100.0000** | **13312250** | **1010550** | **14322800** | **'100.00** | |

## ii) Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | % change in shareholding during the year |
| 1 | Crystal Hospitality Services Pvt. Ltd. | 52,000 | 0.36 | **0** | 52,000 | 0.36 | 0 | 0 |
| 2 | Darshana M. Thacker | 33,84,052 | 23.63 | 0 | 33,84,052 | 23.63 | 0 | 0 |
| 3 | Mihir M. Thacker | 3,63,100 | 2.53 | 0 | 3,63,100 | 2.54 | 0 | 0 |
| 4 | Mahendra R. Thacker | 34,800 | 0.24 | 0 | 34,800 | 0.24 | 0 | 0 |
| 5 | Maunik M. Thacker | 94,000 | 0.66 | 0 | 94,000 | 0.66 | 0 | 0 |
| | **Total** | **39,27,952** | **27.42** | **0** | **39,27,952** | **27.42** | **0** | **0** |

## iii) Change in Promoters' Shareholding:

| Sr. No. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | **3927952** | **27.4245** | **3927952** | **27.4245** |
| | Allotment during the Year | -- | -- | -- | -- |
| | **At the End of the year** | **3927952** | **27.4245** | **3927952** | **27.4245** |

**Note:- There was no change in Promoters' Shareholding during the Financial Year2017-18.**

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr No. | | Shareholding at the beginning of the year - 2017 | | Transactions during the year | | Cumulative Shareholding at the end of the year - 2018 | |
|---|---|---|---|---|---|---|---|
| | Name & Type of Transaction | NO.OF SHARES HELD | % OF TOTAL SHARES OF THE COMPANY | DATE OF TRANSACTION | NO. OF SHARES | NO OF SHARES HELD | % OF TOTAL SHARES OF THE COMPANY |
| 1 | JINENDRA KUMAR JAIN | 374157 | 2.6123 | | | 374157 | 2.6123 |
| | AT THE END OF THE YEAR | | | | | 374157 | 2.6123 |
| 2 | JIVRAJBHAI KARSHANBHAI DAKHRA | 335112 | 2.3397 | | | 335112 | 2.3397 |
| | AT THE END OF THE YEAR | | | | | 335112 | 2.3397 |
| 3 | JAIPRAKASH D AGARWAL | 301489 | 2.105 | | | 301489 | 2.105 |
| | AT THE END OF THE YEAR | | | | | 301489 | 2.105 |
| 4 | RANCHHODBHAI KARSHANBHAI DANKHARA | 264086 | 1.8438 | | | 264086 | 1.8438 |
| | AT THE END OF THE YEAR | | | | | 264086 | 1.8438 |
| 5 | SHAMJIBHAI KARSHANBHAI DANKHRA | 210636 | 1.4706 | | | 210636 | 1.4706 |
| | AT THE END OF THE YEAR | | | | | 210636 | 1.4706 |
| 6 | ARJUNBHAI HARIBHAI DUBASIA | 182100 | 1.2714 | | | 182100 | 1.2714 |
| | AT THE END OF THE YEAR | | | | | 182100 | 1.2714 |
| 7 | ANIL CHHOTUBHAI DESAI | 153780 | 1.0737 | | | 153780 | 1.0737 |
| | AT THE END OF THE YEAR | | | | | 153780 | 1.0737 |
| 8 | SURESHBHAI S DAKHARA | 151314 | 1.0565 | | | 151314 | 1.0565 |
| | AT THE END OF THE YEAR | | | | | 151314 | 1.0565 |
| 9 | NITA MEHTA | 150000 | 1.0473 | | | 150000 | 1.0473 |
| | AT THE END OF THE YEAR | | | | | 150000 | 1.0473 |
| 10 | RASHMIKANT MEHTA | 150000 | 1.0473 | | | 150000 | 1.0473 |
| | AT THE END OF THE YEAR | | | | | 150000 | 1.0473 |
| 11 | MASTER CAPITAL SERVICES LTD | 254193 | 1.7747 | | | 254193 | 1.7747 |
| | Market Sell | | | 21 Jul 2017 | -44 | 254149 | 1.7744 |
| | Market Sell | | | 29 Dec 2017 | -112862 | 141287 | 0.9864 |
| | **AT THE END OF THE YEAR** | | | | | **141287** | **0.9864** |

**v) Shareholding of Directors and Key Managerial Personnel:**

| Sr. No | Name | Designation | Shareholding at the beginning of the year | | Date | Increase/ Decrease in Shareholding | Reason | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|---|---|---|---|
| | | | No. of shares | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 1 | Mahendra R. Thacker | CEO & Director | 34800 | 0.24 | 01-04-2017 | - | - | 34800 | 0.24 |
| | | | | | 31-03-2018 | - | - | 34800 | 0.24 |
| 2 | Darshana M. Thacker | Director | 3384052 | 23.63 | 01-04-2017 | - | - | 3384052 | 23.63 |
| | | | | | 31-03-2018 | - | - | 3384052 | 23.63 |
| 3 | Ashok Kadakia | Director | 1000 | 0.0069 | 01-04-2017 | - | - | 1000 | 0.0069 |
| | | | | | 31-03-2018 | - | - | 1000 | 0.0069 |
| 4 | Dinesh Patel | Director | Nil | Nil | 01-04-2017 | - | - | Nil | Nil |
| | | | | | 31-03-2018 | - | - | Nil | Nil |
| 5 | Rajesh Parikh | CFO | 7769 | 0.05 | 01-04-2017 | - | - | 7769 | 0.05 |
| | | | | | 31-03-2018 | - | - | 7769 | 0.05 |

Note : There was no change in shareholding of Directors& KMP.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment **:**

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the Financial Year**<br>i) Principal Amount<br>ii) Interest due but not paid<br>iii) Interest accrued but not due | - | - | - | - |
| **Total (i+ii+iii)** | - | - | - | - |
| **Change in Indebtedness during the Financial Year**<br>• Addition<br>• Reduction | - | | | |
| **Net Change** | - | | | |
| **Indebtedness at the end of the Financial Year**<br>i) Principal Amount<br>ii) Interest due but not paid<br>iii) Interest accrued but not due | - | | | |
| **Total (i+ii+iii)** | - | | | |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(A) None of the Directors of the Company were paid Remuneration during the year under review.

(B) Remuneration to Key Managerial Personnel Other than Managing Director/Manager/Whole-Time Director: NIL

| **Sr. No.** | **Particulars of Remuneration** | **Key Managerial Personnel** | | | |
|---|---|---|---|---|---|
| | | **CEO** | **Company Secretary** | **CFO** | **Total (Rs. In Lacs)** |
| 1. | Gross Salary<br>(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | -<br>-<br>- | -<br>-<br>- | -<br>-<br>- | -<br>-<br>- |
| 2. | Stock Option | - | - | - | - |
| | Sweat Equity | - | - | - | - |
| 3. | Commission<br>- as % of profit<br>- others, specify | - | - | - | - |
| 4. | Others | - | - | - | - |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act): NIL

**For and on behalf of the Board of Directors**

**Sd/-**

Place Mumbai **MAHENDRA THACKER**

Date: **10.08.2018** **CHAIRMAN**

**DIN-01405253**

**Annexure – II**

**Form No. MR-3**
**SECRETARIAL AUDIT REPORT**
For The Financial Year Ended 31st March 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HOTEL RUGBY LIMITED
Mumbai
CIN: L55101MH1991PLC063265

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HOTEL RUGBY LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956 to the extent applicable;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - (Not applicable to the Company during the Audit Period);
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    ***b.*** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the Audit Period)
    d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective October 28, 2014);(Not applicable to the Company during the Audit Period)
    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the Audit Period)
    f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period); and
    h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period);

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements), 2015.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations and Guidelines Standards mentioned above except to the extend as mentioned below:

***The Company has not appointed a Whole-time Company Secretary as required pursuant to Section 203 of the Companies Act, 2013 and not appointed Company Secretary as Compliance Officer under regulations 6(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

I further report that
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors / Committees, thereof if any, that took place during the period under review were carried out in compliance with the provisions of the Act.
Based on the representation given by the Management of the Company and as verified by us, it is observed that there are no such laws which are specifically applicable to the industry in which the Company operates.
Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.
I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
This Report is to be read with my letter of even date which is annexed as Annexure I and forms an integral part of this Report.

I further report that during the audit period the Company has specific events / actions as detailed in Annexure - II to this Report having impact on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to hereinabove.

For **SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY DHOLAKIA)**
**Practising Company Secretary**
**Proprietor**
**Membership No. 2655 /CP No. 1798**

Date: 10th August 2018
Place: Mumbai

**Annexure 1**

To,
The Members,
HOTEL RUGBY LIMITED
Mumbai
CIN: L55101MH1991PLC063265

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, I have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations and norms is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have reported, in my audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in my opinion, are material and having major bearing on financials of the Company.

For **SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY DHOLAKIA)**
**Practising Company Secretary**
**Proprietor**
**Membership No. 2655 /CP No. 1798**

Date: 10th August 2018
Place: Mumbai

**ANNEXURE II**

**TABLE SHOWING SPECIFIC EVENTS AND ACTIONS OF HOTEL RUGBY LIMITED FOR THE F.Y 2017-18.**

| Sr. No. | Particulars of Events and Actions | Date of Board or Committee Resolution | Date of General Meeting / Postal Ballot Resolution |
|---|---|---|---|
| **1** | To consider and approve to give Loans, Guarantees & Security and to make investments exceeding limits specified under section 186 of Companies Act, 2013 | | EGM held on 28.03.2018 |

**Annexure-III**

**Management Discussions & Analysis**

The company's assessment performance for the year ended 31.03.2018 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 is not earning from its main business activities. However, the Company is earning Income from Interest on Fixed Deposits and Inter-Corporate Deposits, Profit on sale of Mutual Funds etc. The Company is looking for new Business avenues.
**(ii) Opportunities and Threats:**
The Company is earning good amount of Interest on Inter Corporate Deposits. As on date, the Company is not earning from its main business activities and as such looking out for new Business avenues. However, there is no time limit to get 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 four 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 orstrategic partnership with suitable partner in the business of the Company. Meanwhile, theCompany has invested its surplus funds in Fixed Deposits, Equity Shares, Inter-Corporate Deposits and Mutual Funds.
**(vi) Internal Control Systems :**
The Company has laid down set of standards, processes and structure, which enables it to implement internal financial control across the Company and ensure that the same are adequate and operating effectively.
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 atmosphereconducive to sustenance of growth and enhancement of value for shareholders. However, there are no employees in the Company.
**(ix) Health and Safety:**
Adequate safety measures have been taken at all the places of Business.
**(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 within the meaning of applicable securities laws and regulations and mayinvolve risks and uncertainties. Actual Result and Outcomes in future may vary materially fromthose discussed herein. Factors that may cause such variances include, but are not limited tomanagement of growth, risk associatedwith new product version, dependence on third party relationship, activities of competitors and changes in the government regulations, tax laws and other statues and other incidental factors.

**For and on behalf of the Board of Directors**

**Sd/-**
**MAHENDRA THACKER**
**CHAIRMAN**
**DIN-01405253**

Place Mumbai
Date:10.08.2018

## CORPORATE GOVERNANCE

Pursuant to Regulations 34(3) of the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015 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 31.03.2018, the Board consisted of One Executive Director, Three Non-Executive Director including Two Independent Directors. Thus, the Board comprises of Executive and Non Executive Directors(including 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 | - | Nil | Nil |
| Mrs. Darshana M. Thacker | Non-Executive | Nil | Nil | Nil | Nil |
| Mr. Ashok M. Kadakia | Non-Executive Independent | 2 | 1 | 1 | Nil |
| Mr. Dinesh L. Patel | Non-Executive Independent | Nil | Nil | Nil | Nil |

**#** Excludes Directorship and Committee Membership of Private Limited Companies.

**NOTES:**

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

The Board of the Company met five times during the year on the following dates viz. 29.05.2017, 10.08.2017, 06.11.2017,06.02.2018 and 03.03.2018.All Directors were present at all the Meetings except Mr. Ashok Kadakia and Mr. Dinesh Patel had not attended the Board Meeting held on 03.03.2018.

**The attendance at the Board Meetings and the Last Annual General Meeting (29.09.2017) were as under:**

| **Name of the Director** | **Business relationship with the Company** | **Attendance** | |
|---|---|---|---|
| | | **Board Meeting** | **AGM** |
| Mr. Mahendra R. Thacker | Promoter | 5 | Yes |
| Mrs. Darshana M. Thacker | Promoter | 5 | No |
| Mr. Ashok M. Kadakia | None | 4 | Yes |
| Mr. Dinesh L Patel | None | 4 | No |

**(b) Code of Conduct:**

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

**Inter-se Relations between the Board of Directors:**

Mr. Mahendra R. Thacker and Mrs. Darshana M. Thacker areSpouses. Other Directors are not related to each other.

**COMMITTEES OF THE BOARD**

**I. Audit Committee:**

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 |

a. During the year under review, 4 (Four) meetings were held on 29.05.2017, 10.08.2017, 06.11.2017 and 06.02.2018 at which all the members of the Committee were present.

**Terms of reference of the 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 statements 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 (c) of sub-section (3) of Section134 of the Companies Act, 2013.
   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 transactions.
   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 auditors and internal auditors, monitoring Auditors' independence, adequacy of the internal control systems.
7. To evaluate internal financial controls.
8. 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.
9. Discussion with internal auditors any significant findings and follow up thereon.
10. 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.
11. 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.
12. 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.
13. To review vigil mechanism as defined under Whistle Blower Policy.
14. To obtain professional advice from external sources as and when requiredand to have full access to information contained in the records of the Company.
15. To review and formulate the scope and functioning of Internal Audit in consultation with the Internal Auditors.
16. 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.
17. To approve or any other subsequent modification of transactions of the Company with related parties.
18. To scrutinize inter corporate loans and investments.
19. To consider valuations of assets or undertaking of the Company, wherever it is necessary.
20. To monitor the end use of funds raised through public offers and related matters.
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. Any other functions as may be stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.

**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.** Management letters/letters of internal control weakness issued by the statutory auditors;
**3.** Internal audit reports relating to internal control weakness; and
**4.** The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

**II. Nomination and Remuneration Committee:**

a. The Nomination and Remuneration Committee is consisting of following Directors:

| Name of Directors | Designation | Non-executive/ Independent |
|---|---|---|
| Mr. Ashok M. Kadakia | Chairman | Independent |
| Mr. Dinesh L. Patel | Member | Independent |
| Mrs. Darshana Thacker | Member | Non-Executive |

a. Remuneration of Directors:
Details of remuneration paid to Directors for the year ended 31st March, 2018 are as follows:

| Name of the Directors | Salary & perquisites | Sitting Fees | Commission | Total | No. of Shares held |
|---|---|---|---|---|---|
| Mr. Mahendra R. Thacker | **Nil** | **Nil** | **Nil** | **Nil** | **34800** |
| Mrs. Darshana M. Thacker | **Nil** | **Nil** | **Nil** | **Nil** | **3384052** |
| Mr. Ashok M. Kadakia | **Nil** | **Nil** | **Nil** | **Nil** | **1000** |
| Mr. Dinesh L. Patel | **Nil** | **Nil** | **Nil** | **Nil** | **Nil** |

In view of carried forward losses, none of the Directors was paid any fees/remuneration during the year.

b. During the year under review, the Nomination and Remuneration Committee met Two time son 29.05.2017 and 06.02.2018at which all the members of the Committee were present. The Committee had laid down the criteria for the evaluation of the performance of Directors and formulated the Remuneration Policy.

c. The terms of reference of Nomination and Remuneration Committee includes the following :

1) To identify persons who are qualified to becomeDirectors and/or who may be appointed as Senior Management just below the level of Executive Directors in accordance with the criteria laid down and to recommend to the Board their appointment and removal.
2) To formulate the criteria for evaluation and evaluate the performance of every Director, including the Independent Director.
3) To formulate the criteria for determining qualifications, positive attributes and independence of a Director;
4) To recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other Employees;
5) To formulate the criteria for evaluation of the Independent Directors and the Board;
6) To devise a policy on Board diversity;
7) Any other functions as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.

**III. Stakeholders Relationship Committee:**

a. The Stakeholder and Relationship Committee is consisting of following Directors:

| Name of Director | Designation | Non-executive/ Independent |
|---|---|---|
| Mr. Ashok M. Kadakia | Chairman | Independent |
| Mr. Mahendra Thacker | Member | Executive |
| Mrs. Darshana Thacker | Member | Non-Executive |

b. During the Year under review, the Stakeholders Relationship Committeemet Four timeson 29.05.2017, 10.08.2017, 06.11.2017 and 06.02.2018at which all the members of the Committee were present.

c. Mr. Mahendra R. Thacker, Director of the Company is the Compliance Officer.

d. No. of Shareholders complaints received – NIL

d. No. of Complaints solved to the satisfaction of shareholders – NA

e. No. of Complaints not solved to the satisfaction of shareholders – NIL

f. No. of pending Complaints – NIL

**3. General Body Meetings :**

| Annual General Meeting (AGM) | Date | Time | Venue | Special Resolution passed |
|---|---|---|---|---|
| 24th AGM | 29thSeptember, 2015 | 10.30 a.m. | Maharashtra Chambers of Commerce Trust, 6th Floor, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001. | NIL |
| 25th AGM | 28thSeptember, 2016 | 10.30 a.m. | Maharashtra Chambers of Commerce Trust, 6th Floor, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001. | NIL |
| 26th AGM | 29thSeptember, 2017 | 10.30 a.m. | Maharashtra Chambers of Commerce Trust, 6th Floor, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001. | Approval for keeping of Register of Members, Transfer Register and other Statutory documents at a place other than Registered Office of the Company |

During the year under review, no Resolutionswere passed through Postal Ballot.

No Special Resolutions on matters requiring Postal Ballot are placed for Shareholders' approval at the 27thAGM.

**4. Disclosures:**

**Related Party Transactions:**

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.

**Details of non –Compliance by the Company:**

During the year, there has been no instance of non-compliance by the Company on any matter related to capital marketsother than those reported in the Secretarial Auditors' Report.

There were no other penalties or strictures being imposed by SEBI or The Stock Exchanges during the year.

**Whistle Blower Policy:**

The Company has adopted the Whistle Blower Policy. The Company does not deny access to any personnel to approach Audit Committee on any issue.

**5. Means of Communication**

| | | |
|---|---|---|
| 1. Whether half yearly report sent to Share holders | : | No. As the quarterly resultsof the Company are published in Newspapers. |
| Newspapers in which Quarterly Results are Published | : | 1. Business Standard (English)<br>2. Mumbai Lakshadeep (Marathi) |
| Website if any at which results | : | www.hotelrugby.co.in<br>are published |
| The presentation made to | : | No presentation has been made to Institutional investors or to institutional investors or to the Analysts analysts. |

**6. General Shareholder Information:**

| | | |
|---|---|---|
| i) Annual General Meeting | | |
| Date and Time | : | 28th September 2018 at 10.30 a.m. |
| Venue | | Maharashtra Chambers of Commerce Trust, 6th Floor, Kasliwal Hall, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001. |
| ii) Financial Year | : | 1st April, 2017to 31st March, 2018 |
| iii) Book Closure Date | : | 21.09.2018 to 28.09.2018 (both days inclusive) |
| iv) Dividend Payment Date | : | Not Applicable |
| v) Listing on Stock Exchange | : | National Stock Exchange of India Ltd.<br>Exchange Plaza, Bandra Kurla Complex,<br>Bandra (E) Mumbai - 400 051.<br><br>BSE Ltd.<br>PhirozeJeejeebhoy Towers,<br>Dalal Street, Mumbai-400 001. |
| vi) Stock Code | : | National Stock Exchange – HOTELRUGBY<br>BSE Ltd – 526683 |
| vii) Payment of Listing Fees | : | BSE – Paid upto Financial Year 2018-19<br>NSE – Paid uptoFinancial Year 2018-19 |
| viii) ISIN | : | INE275F01019 |

ix) Market Price Data: High, Low during each month in last Financial Year

| | As per BSE | | As per NSE | | BSE Sensex | |
|---|---|---|---|---|---|---|
| **Months (2017-18)** | **High** | **Low** | **High** | **Low** | **High** | **Low** |
| April 2017 | 4.05 | 3.35 | 3.85 | 3.20 | 30184.22 | 29241.48 |
| May 2017 | 4.38 | 3.80 | 4.20 | 3.85 | 31255.28 | 29804.12 |
| June 2017 | 3.89 | 3.70 | No trading | | 31522.87 | 30680.66 |
| July 2017 | 3.89 | 3.70 | 4.00 | 4.00 | 32672.66 | 31017.11 |
| August 2017 | 3.70 | 3.70 | 3.80 | 3.50 | 32686.48 | 31128.02 |
| September 2017 | 3.52 | 3.35 | 3.35 | 3.05 | 32524.11 | 31081.83 |
| October 2017 | 3.52 | 3.35 | 3.15 | 2.85 | 33340.17 | 31440.48 |
| November 2017 | 3.41 | 2.65 | 2.95 | 2.65 | 33865.95 | 32683.59 |
| December 2017 | 2.77 | 2.40 | 2.95 | 2.65 | 34137.97 | 32565.16 |
| January 2018 | 3.19 | 2.57 | 2.65 | 2.40 | 36443.98 | 33703.37 |
| February 2018 | 2.88 | 2.36 | 2.65 | 2.55 | 36256.83 | 33482.81 |
| March 2018 | 2.25 | 2.25 | 2.75 | 2.55 | 34278.63 | 32483.84 |

x) Registrar & Transfer agents: M/s. Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083
Tel No. : 022 49186000

xi) Share Transfer System: Share transfer in physical form can be lodged with M/s. Link Intime India Private Limited at the above-mentioned address.

xii) Distribution of Shareholding as on 31st March, 2018

| **Slab of Shareholding No of Equity Shares** | **No of Shareholders** | **% to Total No. of Shareholders** | **No. of Shares Held** | **% to Total Shares held** |
|---|---|---|---|---|
| 1 - 500 | 7150 | 84.1176 | 1312721 | 9.1653 |
| 501 - 1000 | 588 | 6.9176 | 504147 | 3.5199 |
| 1001 - 2000 | 315 | 3.7059 | 492305 | 3.4372 |
| 2001 - 3000 | 110 | 1.2941 | 280833 | 1.9607 |
| 3001 - 4000 | 54 | 0.6353 | 195711 | 1.3664 |
| 4001 - 5000 | 45 | 0.5294 | 211301 | 1.4753 |
| 5001 - 10000 | 89 | 1.0471 | 663718 | 4.6340 |
| 10001 onwards | 149 | 1.7529 | 10662064 | 74.4412 |
| **Total** | **8500** | **100.0000** | **14322800** | **100.0000** |

Categories of Shareholders as on 31st March, 2018

| **Categories** | **Number of Shares** | **Amount (in Rs.)** | **%** |
|---|---|---|---|
| Promoters, Relatives of Promoters& Associated Companies | 3930952 | 39309520 | 27.4454 |
| Clearing Member | 384599 | 3845990 | 2.6852 |
| Other Bodies Corporate | 615758 | 6157580 | 4.2991 |
| Nationalised Banks | 700 | 7000 | 0.0049 |
| Foreign Holdings | 194180 | 1941800 | 1.3558 |
| Directors (other then Promoters) and their relatives | 3000 | 3000 | 0.0209 |
| Public (Individual & HUF) | 9193611 | 91936110 | 64.1887 |
| **Total** | **14322800** | **143228000** | **100.0000** |

xiii) 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 dematerilisation with effect from 26th March, 2002. As on 31st March, 2018, 92.94% of the Company's Share Capital is dematerialized.

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

xv) Plant locations (Resort) : NIL

xvi) Address for Correspondence : **Registered Office:**
2, Ground floor, 9, Dev Bhuvan, Gazdar Street,
Chira Bazar, Kalbadevi, Mumbai – 400002.

**RTA's Address:**
M/s. Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083
Tel No. : 022 49186000

**7. Particulars of Directors seeking re-appointment:**

Mrs. Darshana Thacker (DIN: 02003242) is a Graduate having good exposure in the field of 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:

| Sr.No. | Name of the Company |
|---|---|
| 1 | Crystal Hospitality Services Private Limited |
| 2 | Polar Finance Private Limited |

| | |
|---|---|
| Name | Mrs. Darshana Mahendra Thacker |
| Age | 73 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 |

**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 and CEOof 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 SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, for the year ended 31.03.2018.

For **HOTEL RUGBY LIMITED**

Place: Mumbai
Date: 10.08.2018

**MAHENDRA THACKER**
**CHAIRMAN& CEO**
**DIN:01405253**

## 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 on March 31, 2018, as stipulated inRegulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI(Listing Obligations and Disclosures Requirements)Regulations, 2015(the Listing Regulations).

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 saidRegulations. 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 Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 .

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 Stakeholders' Relationship 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: 10.08.2018**

**For R. K. Patni & Co.**

Chartered Accountants

Firm Reg. No.131257W

**Sd/-**

**R.K. Patni**

Proprietor

M. NO. 43947

## INDEPENDENT AUDITOR'S REPORT

**To the Members of**
**Hotel Rugby Limited**

**Report on the Ind AS Financial Statements**
We have audited the accompanying Ind AS financial statements of **Hotel Rugby Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view 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 the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

**Emphasis of Matter**

We draw attention to Note 31.1.A.(ii) of the financial statements which states that the company has adopted IND AS for the financial year commencing from April 1, 2017 and accordingly, the financial statements have been prepared by the Company's management in compliance with IND AS. Our opinion is not modified in respect of this matter.

**Basis for qualified opinion**

(a) During the year, the company has not given any loans or advances. Further, no fresh investment was made. However, for the Loans and advances already given, the Company has taken the fresh approval u/s 186 of the Companies Act 2013 by way of a Special Resolution passed at the EGM held on March 28, 2018. Hence, there was a delayed compliance of section 186 of the Companies Act 2013 during the year.

(b) We are unable to verify the non current investments amounting to Rs. 400,000 (Refer Note No. 1) and the valuation thereof as the supporting evidences for the same has not been produced for our verification.

(c) The accounts are prepared on going concern basis though all the fixed assets of the company have been disposed off long back (Refer note no. 20).

(d) The investments in Equity Instruments are not valued at Fair Value through Profit & Loss or Fair Value thorough Other Comprehensive Income as required by IND AS 109.

**Opinion**

Subject to the matters specified in the basis for qualified opinion stated as above, in our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, & its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Other Matter**

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in there Ind AS Financial Statements, are prepared by the management in accordance with Ind AS, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standard ) Rules, 2006 which financial statements for the relevant periods were audited by us. Adjustments made to these previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion on the Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of these matters and the financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (a) We have sought and 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 it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as at 31 March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.

ii. The Company is not required to make any provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, as there are no long-term contracts including derivative contracts entered by the company;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For R K Patni & Co.**
Chartered Accountants,
(Firm's Registration No. 131257W)

**R K Patni**
Proprietor
(Membership No. 43947)
Place : Mumbai
Dated: 29 May 2018

**ANNEXURE "A" OF THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018, we report that:

1. The Company does not have any fixed assets. Therefore clause 3 (i)(a), 3(i)(b) and 3(i)(c) of the Order are not applicable to the company.
2. The Company is not dealing in any goods and therefore there is no inventory held by the company. Therefore Clause 3 (ii)(a) and 3(ii)(b) of the Order are not applicable to the company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013. Accordingly, Clause 3 (iii)(a), 3(iii)(b) and 3(iii) (c) of the Order are not applicable to the company.
4. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, investments, guarantees and securities, as applicable.
5. The company has not accepted any deposits covered under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal to be complied by the company.
6. As per the information and explanations given to us, the Central Government has not specified maintenance of cost records under sec 148 (1) of Companies Act, 2013 for the company. Accordingly, Clause 3(vi) of the Order is not applicable to the company.
7. In our opinion and according to the information and explanations given to us,:
   (a) the company is generally regular in depositing undisputed statutory dues with the appropriate authorities including income tax and there are no arrears of 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 become payable. The Company is not liable for Provident fund, Employees State Insurance fund, sales tax, service tax, duty of custom, duty of excise, value added tax, cess or any other statutory dues.

   (b) according to the records of the company and information and explanations given to us, the dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute are as under:

| Name of Statute | Nature of the dues | *Amount (In Rs.) | Period to which amount relates | Forum where the Dispute is pending |
|---|---|---|---|---|
| Finance Act 1994 | Interest on Service tax | 707,394 | October 2004 to July 2006 | Commissioner (Appeals), Mumbai |
| | Penalty on Service tax | 1,641,776 | | |

*Rs.234,917 has been deposited against the above disputed liabilities

**8.** In our opinion and according to the information and explanations given to us, the company has not taken any loans from any financial institution, banks, government or issued any debentures. Therefore, Clause 3 (viii) of the Order is not applicable to the company.

**9.** In our opinion and according to the information and explanations given to us, the company has neither raised any money by way of initial public offer or further public offer nor taken any term loans. Therefore, Clause 3 (ix) of the Order is not applicable to the company.

**10.** As per the information and explanations given to us, no fraud by the company or on the company by its officers and employees has been noticed or reported during the year.

**11.** As per the information and explanations given to us, no managerial remuneration has been paid by the company during the year. Therefore, Clause 3 (xi) of the Order is not applicable to the company.

**12.** In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company and therefore, Clause 3 (xii) of the Order is not applicable to the company.

**13.** As per the information and explanations given to us, all transaction with the related party is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standard.

**14.** In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, Clause 3 (xiv) of the Order is not applicable to the company.

**15.** In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with a director or any person concerned with him. Therefore, Clause 3 (xv) of the order is not applicable to the company.

**16.** In our opinion and according to the information and explanations given to us, the company's financial assets are not more than 50 per cent of its total assets (netted off by intangible assets, if any), though the income from financial assets is more than 50 per cent of the gross income. Since the company does not fulfill both the conditions, the company is not required to be registered under Section 45 IA of Reserve Bank of India Act, 1934.

**FOR R. K. Patni & Co.**
Chartered Accountants
Firm Registration no. 131257W

**R K Patni**
Proprietor
Membership No. 043947
Place: Mumbai
Date: 29th May, 2018

## ANNEXURE "B" OF THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Hotel Rugby Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR R. K. Patni & Co.**
Chartered Accountants
Firm Registration no. 131257W

**R K Patni**
Proprietor
(Membership No. 043947)
Place: Mumbai
Date: 29th May, 2018

**HOTEL RUGBY LIMITED**
**Balance Sheet as at 31st March,2018**

**(in Rupees)**

| Particulars | Note No. | As at 31/03/2018 | As at 31/03/2017 | As at 01/04/2016 |
|---|---|---|---|---|
| | | | | |
| **ASSETS** | | | | |
| **(1) Non-current assets** | | | | |
| (a) Financial Assets | | | | |
| (i) Investments | 1 | 400,000 | 400,000 | 400,000 |
| (ii) Loans | 2 | 18,996,150 | 76,933,650 | 77,162,650 |
| | | | | |
| **(2) Current assets** | | | | |
| (a) Financial Assets | | - | - | - |
| (i) Investments | 3 | 3,223,973 | 4,383,693 | 5,325,419 |
| (ii) Cash and cash equivalents | 4 | 136,632 | 147,836 | 114,283 |
| (b) Others Current Assets | 5 | 67,233,208 | 8,461,746 | 7,341,744 |
| **Total Assets** | | **89,989,963** | **90,326,925** | **90,344,096** |
| | | | | |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | 6 | | | |
| (a) Equity Share capital | | 143,228,000 | 143,228,000 | 143,228,000 |
| (b) Other Equity | | (54,476,146) | (53,622,134) | (53,218,041) |
| | | | | |
| **LIABILITIES** | | | | |
| **(1) Non-current liabilities** | | | | |
| (a) Financial Liabilities | | | | |
| Borrowings | 7 | 750,000 | 500,000 | - |
| **(2) Current liabilities** | | | | |
| Other current liabilities | 8 | 488,109 | 221,059 | 334,137 |
| **Total Equity and Liabilities** | | **89,989,963** | **90,326,925** | **90,344,096** |
| Significant accounting policies and notes to accounts | 1-32 | | | |

As per our report of even date
**For R K Patni & Co.**
Chartered Accountants
Firm Regd. No. 131257W

R K Patni
**(Proprietor)**
Membership No. 043947

Place : Mumbai
Dated : 29th May, 2018

**For & on behalf of the board of directors**

Mahendra R Thacker
**(CEO & Director)**
DIN : 1405253

Darshana M Thacker
**(Director)**
DIN : 02003242

Rajesh Parikh
**(CFO)**

Place : Mumbai
Dated : 29th May, 2018

**HOTEL RUGBY LIMITED**

**Statement of Profit and Loss for the year ended 31st March,2018**

(in Rupees)

| | Particulars | Note No. | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|---|---|
| | | | | |
| I | **Revenue From Operations** | | - | |
| II | Other Income | 9 | 1,482,181 | 1,319,852 |
| **III** | **Total Income (I+II)** | | **1,482,181** | **1,319,852** |
| IV | **EXPENSES** | | - | - |
| | Other expenses | 10 | 2,336,192 | 1,721,884 |
| | **Total expenses (IV)** | | **2,336,192** | **1,721,884** |
| **V** | **Profit/(loss) before exceptional items and tax (I- IV)** | | **(854,012)** | **(402,033)** |
| VI | Exceptional Items | | - | - |
| **VII** | **Profit/(loss) before tax (V-VI)** | | **(854,012)** | **(402,033)** |
| VIII | Tax expense: | | | |
| | (1) Current tax - Tax for earlier years | | - | (2,061) |
| | (2) Deferred tax | | - | - |
| **IX** | **Profit (Loss) for the year from continuing operations (VII-VIII)** | | **(854,012)** | **(404,094)** |
| X | Profit/(loss) from discontinued operations | | - | - |
| XI | Tax expense of discontinued operations | | - | - |
| XII | Profit/(loss) from Discontinued operations (after tax) (X-XI) | | - | - |
| **XIII** | **Profit/(loss) for the period (IX+XII)** | | **(854,012)** | **(404,094)** |
| | | | | |
| XIV | Other Comprehensive Income | | | |
| | A (i) Items that will not be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | **Other Comprehensive Income (A+B)** | | **-** | **-** |
| **XV** | **Total Comprehensive Income for the period, (XIII+XIV) Comprisig profit/(loss) and other comprehensive income** | | **(854,012)** | **(404,094)** |
| XVI | Earnings per equity share (for continuing operations): | 15 | | |
| | (1) Basic | | (0.0596) | (0.0282) |
| | (2) Diluted | | (0.0596) | (0.0282) |
| XVII | Earnings per equity share (for discontinued operations): | | | |
| | (1) Basic | | - | - |
| | (2) Diluted | | - | - |
| XVIII | Earnings per equity share(for continuing and discontinued operations) | 15 | | |
| | (1) Basic | | (0.0596) | (0.0282) |
| | (2) Diluted | | (0.0596) | (0.0282) |
| | Significant accounting policies and notes to accounts | 1-32 | | |

As per our report of even date
**For R K Patni & Co.**

Chartered Accountants
Firm Regd. No. 131257W

R K Patni
**(Proprietor)**
Membership No. 043947

Place : Mumbai

Dated : 29th May, 2018

**For & on behalf of the board of directors**

Mahendra R Thacker
**(CEO & Director)**
DIN : 01405253

Darshana M Thacker
**(Director)**
DIN : 02003242

Rajesh Parikh
**(CFO)**

Place : Mumbai

Dated : 29th May, 2018

**HOTEL RUGBY LIMITED**

**Statement of Changes in Equity for the year ended 31st March, 2018**

**A. Equity Share Capital**

(In Rupees)

| Particulares | 31-03-2018 | 31-03-2017 | 01-04-2016 |
|---|---|---|---|
| Balance in the beginning of the reporting period | 43,228,000 | 143,228,000 | 143,228,000 |
| Changes in equity share capital during the year | - | - | - |
| **Balance at the end of the reporting period** | **143,228,000** | **143,228,000** | **143,228,000** |

**B. Other Equity** (In Rupees)

| Particulars | Reserves and Surplus | | | | Total |
|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium Reserve | General Reserve | Retained Earnings (Surplus/(Loss) as per Profit & Loss Statement) | |
| | | | | | |
| As at 01-04-2016 | 100,000,466 | 177,058,200 | 8,501,839 | (339,296,208) | (53,735,703) |
| Profit /(Loss) for the year | - | - | - | 517,662 | 517,662 |
| **Balance at the end of the reporting period** | **100,000,466** | **177,058,200** | **8,501,839** | **(338,778,546)** | **(53,218,041)** |
| | | | | | |
| As at 31-03-2017 | 100,000,466 | 177,058,200 | 8,501,839 | (338,778,546) | (53,218,041) |
| Profit /(Loss) for the year | - | - | - | (404,093) | (404,093) |
| **Balance at the end of the reporting period** | **100,000,466** | **177,058,200** | **8,501,839** | **(339,182,639)** | **(53,622,134)** |
| As at 31-03-2018 | 100,000,466 | 177,058,200 | 8,501,839 | (339,182,639) | (53,622,134) |
| Profit /(Loss) for the year | - | - | - | (854,012) | (854,012) |
| **Balance at the end of the reporting period** | **100,000,466** | **177,058,200** | **8,501,839** | **(340,036,651)** | **(54,476,146)** |

As per our report of even date

**For R K Patni & Co.**

Chartered Accountants

Firm Regd. No. 131257W

R K Patni

**(Proprietor)**

Membership No. 043947

Place : Mumbai

Dated : 29th May, 2018

**For & on behalf of the boad of directors**

Mahendra R Thacker

**(CEO & Director)**

DIN : 01405253

Darshana M Thacker

**(Director)**

DIN : 02003242

Rajesh Parikh

**(CFO)**

Place : Mumbai

Dated : 29th May, 2018

**HOTEL RUGBY LIMITED**

**Cash Flow Statement for the year ended 31st March, 2018**

**(In Rupees)**

| | Particulars | | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|---|---|---|---|---|
| **A.** | **Cash Flow from Operating Activities** | | | |
| | Net Profit /(Loss) before Tax | | (854,012) | (402,033) |
| | | | | |
| | Adjustment for | | | |
| | Profit on sale of investments | | (361,616) | (183,275) |
| | Interest Income | | (1,120,565) | (1,120,644) |
| | Sundry Balances Written Back | | - | (15,933) |
| | **Operating Profit before Working capital changes** | | **(2,336,193)** | **(1,721,885)** |
| | | | | |
| | Adjustments for | | | |
| | (Increase)/Decrease in Loans (Non Current) | | 57,937,500 | 229,000 |
| | (Increase)/Decrease in Other current assets | | (57,651,463) | - |
| | Increase/(Decrease) in Other Current Liabilities | | 267,050 | (97,145) |
| | **Cash Inflow /(Out Flow) from Operations** | | **(1,783,106)** | **(1,590,030)** |
| | **Tax paid** | | **-** | (2,062) |
| | **Net Cash Inflow /(Out Flow) from Operation (A)** | | **(1,783,106)** | **(1,592,092)** |
| | | | | |
| **B.** | **Cash Flow from Investing Activities:** | | | |
| | Sale of Investments | | 1,521,336 | 1,125,001 |
| | Interest income | | 566 | 644 |
| | **Net Cash Inflow/(Outflow) from investing Activities (B)** | | **1,521,902** | **1,125,645** |
| | | | | |
| **C.** | **Cash Flow from Financing Activities:** | | | |
| | Increase /(repayment) of Borrowings(Non Current) | | 250,000 | 500,000 |
| | **Net Cash Inflow /(Out Flow) from Financing Activities (C)** | | **250,000** | **500,000** |
| | | | | |
| | **Net Increase/Decrease in cash & Cash equivalents (A+B+C)** | | **(11,204)** | **33,553** |
| | **Opening Cash & Cash Equivalents** | | **147,836** | **114,283** |
| | **Closing Cash & Cash Equivalents** | | **136,632** | **147,836** |
| | | | | |
| **D.** | **Reconcialiation of Cash & Cash Equivalents:** | | | |
| | Balance as per Cash Flow Statement | | 136,632 | 147,836 |
| | Cash & Cash Equivalents (as per note 4 to Accounts) | | 136,632 | 147,836 |
| | Note: 1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015 | | | |
| | | | | |
| | 2. Previous year's figures have been regrouped/reclassified wherever applicable. | | | |

As per our report of even date

**For R K Patni & Co.**

Chartered Accountants

Firm Regd. No. 131257W

R K Patni

**(Proprietor)**

Membership No. 043947

Place : Mumbai

Dated : 29th May, 2018

**For & on behalf of the board of directors**

Mahendra R Thacker

**(CEO & Director)**

DIN : 01405253

Darshana M Thacker

**(Director)**

DIN : 02003242

Rajesh Parikh

**(CFO)**

Place : Mumbai
Dated : 29th May, 2018

**Hotel Rugby Limited**

**Notes forming part of accounts**

(In Rupees, unless stated otherwise )

| Note No. | Particulars | As at 31/03/2018 | As at 31/03/2017 | As at 01/04/2016 |
|---|---|---|---|---|
| | | | | |
| 1 | **Investments** | | | |
| | **In Equity Instruments - Others** | | | |
| | **Unquoted , At Cost** | | | |
| | | | | |
| | (a) The Malad Sahakari Bank Limited | 50,000 | 50,000 | 50,000 |
| | (5000 Shares of Rs. 10 each, fully paid) | | | |
| | (b) The Janata Sahakari Bank Limited | 100,000 | 100,000 | 100,000 |
| | (10000 Shares of Rs. 10 each, fully paid)) | | | |
| | (c) Bharat Sahakari Bank Limited | 100,000 | 100,000 | 100,000 |
| | (4000 Shares of Rs. 25 each, fully paid)) | | | |
| | (d) The Kalyan Janta Sahakari Bank Limited | 100,000 | 100,000 | 100,000 |
| | (4000 Shares of Rs. 25 each, fully paid)) | | | |
| | (e) Dombivli Nagari Sahakari Bank Limited | 50,000 | 50,000 | 50,000 |
| | (1000 Shares of Rs. 50 each,fully paid)) | | | |
| | Total (a) to (e) | **400,000** | **400,000** | **400,000** |
| | Less : Provision for dimunition in the value of Investments | - | - | - |
| | **Total** | **400,000** | **400,000** | **400,000** |
| | **Agreggate value of quoted Investments** | - | - | - |
| | **Agreggate value of unquoted Investments** | **400,000** | **400,000** | **400,000** |
| | | | | |
| 2 | **Loans** | | | |
| | Unsecured, considered good | | | |
| | **(a) Security Deposits** | | | |
| | Advance for Revocation of Suspension (BSE) | 90,150 | 377,650 | 606,650 |
| | | | | |
| | **(b) Other loans and advances** | - | - | - |
| | Inter Corporate Deposits & Other Advances | 18,906,000 | 76,556,000 | 76,556,000 |
| | **Total** | **18,996,150** | **76,933,650** | **77,162,650** |
| | | | | |
| 3 | **Investments** | | | |
| | **Investments in Mutual Funds - (Growth Funds)** | | | |
| | **Quoted, At Cost** | | | |
| | (a) Templeton India Short term Income Plan - Growth | 223,973 | 1,000,000 | 1,000,000 |
| | (b) Birla Dynamic Bond Fund Retail - Growth | 2,000,000 | 2,000,000 | 2,000,000 |
| | (c ) BNP Paribas Medium Term Income Fund - Growth | 1,000,000 | 1,000,000 | 1,000,000 |
| | (d) Reliance Low Duration Fund - Growth Plan-Growth Option | - | 383,693 | 1,325,419 |
| | | **3,223,973** | **4,383,693** | **5,325,419** |
| | Less : Provision for dimunition in the value of Investments | - | - | - |
| | **Total** | **3,223,973** | **4,383,693** | **5,325,419** |
| | | | | |

| | | | | |
|---|---|---|---|---|
| | **(i) Agreggate amount of quoted investments and market value**<br>Book Value | 3,223,973 | 4,383,693 | 5,325,419 |
| | Market value | 3,945,000 | 5,248,000 | 5,853,000 |
| | **(ii) Agreggate value of unquoted Investments** | **-** | **-** | **-** |
| | | | | |
| **4** | **Cash & Cash Equivalents** | | | |
| | (a) Balances with banks | | | |
| | Balance with Scheduled Banks | 95,318 | 102,922 | 55,169 |
| | Fixed Deposit (For Guarantees given to Maharashtra Pollution Control Board for Erstwhile Hotel) | 10,000 | 10,000 | 10,000 |
| | | **105,318** | **112,922** | **65,169** |
| | (b) Cash on hand | 31,314 | 34,914 | 49,114 |
| | **Total** | **136,632** | **147,836** | **114,283** |
| **5** | **Others Current Assets** | | | |
| | (a) Initial Margin A/c Commodities with (Refer Note 5.1) | | | |
| | (i) Anand Rathi Commodities Ltd | 8,397,663 | 8,397,663 | 8,397,663 |
| | (ii) Motilal Oswal Commodities Broker Pvt. Ltd | 1,927,763 | 1,927,763 | 1,927,763 |
| | | **10,325,426** | **10,325,426** | **10,325,426** |
| | Less: Doubtful Advances Written Off | 6,443,000 | 6,443,000 | 6,443,000 |
| | **Total (a)** | 3,882,426 | 3,882,426 | 3,882,426 |
| 5.1 | Due to the financial crises at National Spot Exchange Ltd. (NSEL) 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 outstanding amount 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 periods of previous years has recoverd an amount Rs. 4,13,259 towards these outstanding dues. | | | |
| | (b) Others | | | |
| | (i) Mobilisation Advance | 57,650,000 | -- | -- |
| | (ii) Accrued Interest on Inter Corporate Deposit | 5,699,319 | 4,579,320 | 3,459,318 |
| | (iii) Prepaid Expenses | 1,463 | -- | -- |
| | **Total (b)** | 63,350,782 | 4,579,320 | 3,459,318 |
| | **Total** | **67,233,208** | **8,461,746** | **7,341,744** |
| **6** | **Equity** | | | |
| | **(a) Equity Share Capital** | | | |
| | (i) Authorised | | | |
| | 161,10,000 Equity Shares of 10/- each | 161,100,000 | 161,100,000 | 161,100,000 |
| | | | | |
| | (ii) Issued, subscribed and paid up: | | | |
| | 143,22,800 Equity Shares of Rs. 10/- each fully paid up | 143,228,000 | 143,228,000 | 143,228,000 |
| | **Total** | **143,228,000** | **143,228,000** | **143,228,000** |

| | | | | |
|---|---|---|---|---|
| | **(b) Terms and conditions** | | | |
| | The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders | | | |
| | | | | |
| | **(c ) Shareholders holding more than 5% equity shares** | | | |
| | **Name of Shareholder** | | | |
| | Smt. Darshana Mahendra Thacker | 33,840,520 | 33,840,520 | 33,840,520 |
| | | | | |
| | No. of shares held | 3,384,052 | 3,384,052 | 3,384,052 |
| | % of shareholding | 23.63% | 23.63% | 23.63% |
| | | | | |
| | **(d) Reconciliation of number of shares** | | | |
| | | | | |
| | No. of shares outstanding at the beginning of the year | 14,322,800 | 14,322,800 | 14,322,800 |
| | Add: No. of shares issued during the year | - | - | - |
| | Less: Shares bought back during the year | - | - | - |
| | No. of shares outstanding at the end of the year | 14,322,800 | 14,322,800 | 14,322,800 |
| | | | | |
| **7** | **Borrowings** | | | |
| | Darshana M. Thacker | 250,000 | 250,000 | - |
| | Mahendra R. Thacker | 500,000 | 250,000 | - |
| | **Total** | **750,000** | **500,000** | - |
| | | | | |
| **8** | **Other current liabilities** | | | |
| | | | | |
| | **Other payables** | | | |
| | Outstanding Expenses | 424,981 | 197,849 | 212,852 |
| | Income tax | 31,010 | - | 99,786 |
| | TDS on Professional Fees | 32,118 | 23,210 | 21,499 |
| | **Total** | **488,109** | **221,059** | **334,137** |

## Hotel Rugby Limited
### Notes forming part of accounts

(In Rupees)

| Note No. | Particulars | Year ended 31.03.2018 | Year ended 31.03.2017 |
|---|---|---|---|
| | | | |
| **9** | **Other Income** | | |
| | Interest Income from Fixed Deposits | 566 | 644 |
| | Interest Income others | 1,119,999 | 1,120,000 |
| | Profit on sale of Mutual Funds | 361,616 | 183,275 |
| | Sundry creditor written back | - | 15,933 |
| | **Total** | **1,482,181** | **1,319,852** |
| | | | |
| **10** | **Other Expenses** | | |
| | **Payment to Auditor:** | | |
| | a. Audit Fees | 59,000 | 105,000 |
| | Insurance Expenses | - | 3,435 |
| | Legal & Professional fees | 763,925 | 513,839 |
| | AGM Fees | 437,780 | 367,023 |
| | Newpaper and periodicals | 121,326 | 101,918 |
| | Annual Listing Fees | 610,912 | 612,387 |
| | Service tax - Interest and penalty | 240,420 | - |
| | SEBI Penalties | 100,000 | - |
| | Bank Charges | 392 | 51 |
| | Miscellaneous Expenses | 2,438 | 18,231 |
| | **Total** | **2,336,192** | **1,721,884** |

| **11** | Contingent liabilities not provided for in respect of: | **As at 31/03/2018** | **As at 31/03/2017** | **As at 01/04/2016** |
|---|---|---|---|---|
| 11.1 | Claims against the company not acknowledged as debts: | | | |
| 11.1.1 | Disputed liabilities in respect of: | | | |
| | Interest and penalty on Service tax for October 2004 to October 2006 | 2,349,170 | 2,349,170 | 2,349,170 |
| | (Part payment made against the above dispute) | 234,920 | - | - |
| | It is not practicable to estimate the timing of cash outflows, if any, in respect of the above matter pending resolution of the legal proceedings. | | | |
| 11.2 | Bank Guarantee excluding financial guarantees | 10,000 | 10,000 | 10,000 |
| | In respect of Bank Guarantees, the cash outflows, if any, could generally occur up the period over which the validity of the guarantees extends. The guarantee period is already over. | | | |

| | | | | |
|---|---|---|---|---|
| 11.3 | The Company does not expect any reimbursements in respect of the above contingent liabilities. | | | |
| | | | | |
| 12 | Commitments<br>The Company does not have any commitments at the year end | | | |
| | | | | |
| 13 | In view of accounting as well as tax losses, no provision for taxation is considered necessary. Therefore no reconciliation with accounting profit with tax losses is applicable | | | |
| | | | | |
| 14 | Deferred Tax Assets: | | | |
| | In accordance with the accounting policy, the deferred tax assets are generally recognised for all taxable temporary differences, losses and tax credit to the extent that is probable that taxable profits will be available against which those deductible temporary differences, losses and tax credits can be utilised. | | | |
| | | | | |
| 14.1 | In absence of convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, the company has not recognized the deferred tax assets in view of continuous losses as the management estimates that the company will not be able to recover these losses in near future, as under: | | | |
| | | | | |
| 14.1.1 | On account of deductible temporary differences | - | - | - |
| 14.1.2 | On account of unused tax losses | 33,007,872 | 32,843,872 | 32,662,160 |
| 14.1.3 | On account of unused tax credits | - | - | |
| | | | | |
| 14.2 | The above deferred tax assets will be recognized if and when there is sufficient convincing evidence available on the estimated profits to recover the same by adjustments to taxable profits in future. | | | |
| | | | | |
| 14.3 | Since no deferred tax assets are recognized in accordance with the IND AS 12, no reconciliation is required. | | | |

| | | | |
|---|---|---|---|
| 15 | Earnings per Share : | | |
| | (a) Net Profit/(loss) after tax for the year (used as numerator) | (854,012) | (404,094) |
| | (b) Weighted average No.of equity shares outstanding used as denominator | 14,322,800 | 14,322,800 |
| | (c) Basic earning per equity share of face value of Rs. 10 each | (0.0596) | (0.0282) |
| | (d) Diluted earning per share of face value of Rs. 10 each | (0.0596) | (0.0282) |

| | | | |
|---|---|---|---|
| 16 | Segment Reporting: | | |
| | In view of there being no turnover in respect of operating activities, segment reporting is not applicable | | |
| | | | |
| 16.1 | Basis of identifying operating segments: | | |
| | Operating segments are identified as those components of the Company:<br>(a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components; | | |
| | (b) whose operating results are regularly reviewed by the Company's Board of Directors to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available<br>(c) for which discrete financial information is available | | |
| | | | |
| 16.2 | Reportable segments:<br>An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments. Since neither revenue nor results or assets have more than 10% of the combined results, the Company has only one reportable segments based on the nature of its products and service | | |
| 16.3 | The geographical information in respect of revenues from external customers:<br><br>(a) attributed to the company's country of domicile<br>(b) attributed to all foreign countries in total from which the company derives revenues | -<br><br>- | -<br><br>- |
| | | | |
| 16.4 | There are no revenues from external customers attributed to an individual foreign country which are material. There are no non current assets attributed to any foreign country. | - | - |
| | | | |
| 16.5 | Since there is no turnover, the Company does not have major customers having revenues from transactions with a single external customer amounting to 10 per cent or more of its total revenues. | - | - |
| 17 | Balances of borrowings, loans and advances given, current assets and current liabilities are taken as per confirmation by the management. | | |
| 18 | Related party Disclosures | | |
| 18.1<br>18.1.1 | List of related companies / firms<br>Companies / Firms controlled by the directors and their relatives<br><br>(a) Jai Thacker's Land Development Pvt. Ltd.<br>(b) Crystal Hospitality Services Ltd<br>(c) K R Thacker & Others | | |

| | |
|---|---|
| 18.1.2 | Key Management Personal<br>(a) Shri Mahendra R. Thacker - Director and Chief Operating Officer<br>(b) Smt. Darshana M Thacker - Director<br>(c) Shri Rajesh Parikh - Chief Financial Officer |

| | | | | |
|---|---|---|---|---|
| 18.2 | Related party transactions:<br>Borrowings - Current | | | |
| | (a) Shri Mahendra R. Thacker - Director and Chief Operating Officer | 250,000 | 250,000 | - |
| | Balance at the year end | 500,000 | 500,000 | - |
| | Maximum balance during the year | 500,000 | | - |
| | (b) Smt. Darshana M Thacker - Director | - | 250,000 | - |
| | Balance at the year end | 250,000 | 250,000 | - |
| | Maximum balance during the year | 250,000 | 250,000 | - |
| | | | | |
| 18.3 | Outstanding balances at the year end are unsecured and settlement occurs in cash. These borrowings are interest free. | | | |
| | | | | |
| 18.4 | The Company has not recorded any impairment of receivables relating to amount owed by related parties for which provision has been made for bad debts. | | | |
| | | | | |
| 18.5 | This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operate. | | | |
| 19 | There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2018. | | | |

| | | | | |
|---|---|---|---|---|
| 20 | All the fixed assets of the company have been sold long back, and there are no assets under the management during the year. Therefore, the concept of going concern is affected. However, management is looking for avenues for investment, and based on its judgement and future planning, the accounts are prepared under the concept of going concern. | | | |

| | | | | |
|---|---|---|---|---|
| 21 | 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 these are stated in the balance sheet and provisions for all the known liabilities have been made, subject to read with the notes. | | | |

| | | | | |
|---|---|---|---|---|
| 22 | The Company is making efforts to comply with the provision of section 203(1)(ii) of the Companies Act, 2013 regarding appointment of a whole time Company Secretary. | | | |

**HOTEL RUGBY LIMITED**

**Notes forming part of accounts**

**23 Reconciliation of Balance Sheet prepared under INGAAP with IND AS** **(In Rupees)**

| 23.1 | Reconciliation of Balance Sheet prepared under INGAAP with IND AS as at 31 March, 2017 | Note No. | As per INGAAP as at 31 March 2017 | Adjustments / Reclassification | As per IND AS as at 31 March 2017 |
|---|---|---|---|---|---|
| | (1) ASSETS | | | | |
| | **(1)Non-current assets** | | | | |
| | (a) Financial Assets | | | | |
| | (i) Investments | | 400,000 | - | 400,000 |
| | (ii) Loans and advances | | 76,933,650 | - | 76,933,650 |
| | | | | | |
| | **(2) Current assets** | | | | |
| | (b) Financial Assets | | | | |
| | (i) Investments | | 4,383,693 | - | 4,383,693 |
| | (ii) Cash and cash equivalents | | 147,836 | - | 147,836 |
| | (iii)Other current assets | | 8,461,746 | - | 8,461,746 |
| | **Total Assets** | | **90,326,925** | **-** | **90,326,925** |
| | | | | | |
| | **EQUITY AND LIABILITIES** | | | | |
| | **Equity** | | | | |
| | (a) Equity Share capital | | 143,228,000 | - | 143,228,000 |
| | (b) Other Equity | | (53,622,134) | - | (53,622,134) |
| | | | | | |
| | **LIABILITIES** | | | | |
| | **Non-current liabilities** | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowings | | 500,000 | - | 500,000 |
| | | | | | |
| | **Current liabilities** | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Trade Payables | (a) | 197,849 | (197,849) | - |
| | (b) Other current liabilities | (a) | 23,210 | 197,849 | 221,059 |
| | **Total Equity and Liabilities** | | **90,326,925** | **-** | **90,326,925** |
| | | | | | |
| | (a) Oustanding standing expenses classified as trade payables has been reclassfied as other current liabilities. Accordingly the same were reduced from Trade payables and and reclassfied to other current liabilities on adoption of IND AS. | | | | |

(In Rupees)

| 23.2 | Reconciliation of Balance Sheet prepared under INGAAP with IND AS as at 1 April 2016 | Note No. | As per INGAAP as at 1 April 2016 | Adjustments / Reclassification | As per IND AS as at 1 April 2016 |
|---|---|---|---|---|---|
| | (1) ASSETS | | | | |
| | **(1)Non-current assets** | | | | |
| | (a) Financial Assets | | | | |
| | (i) Investments | | 400,000 | - | 400,000 |
| | (ii) Loans and advances | | 77,162,650 | - | 77,162,650 |
| | | | | | |
| | **(2) Current assets** | | | | |
| | (b) Financial Assets | | | | |
| | (i) Investments | | 5,325,419 | - | 5,325,419 |
| | (ii) Cash and cash equivalents | | 114,283 | - | 114,283 |
| | (iii)Other current assets | | 7,341,744 | - | 7,341,744 |
| | **Total Assets** | | **90,344,096** | **-** | **90,344,096** |
| | | | | | |
| | **EQUITY AND LIABILITIES** | | | | |
| | **Equity** | | | | |
| | (a) Equity Share capital | | 143,228,000 | - | 143,228,000 |
| | (b) Other Equity | | (53,218,041) | - | (53,218,041) |
| | | | | | |
| | **LIABILITIES** | | | | |
| | **Non-current liabilities** | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Borrowings | | - | - | - |
| | | | | | |
| | **Current liabilities** | | | | |
| | (a) Financial Liabilities | | | | |
| | (i) Trade Payables | (a) | 212,852 | (212,852) | - |
| | (b) Other current liabilities | (a) and (b) | 21,499 | 312,638 | 334,137 |
| | (c) Provisions - tax expenses | (b) | 99,786 | (99,786) | - |
| | **Total Equity and Liabilities** | | **90,344,096** | **-** | **90,344,096** |
| | | | | | |
| | (a) Oustanding standing expenses Rs. 212,852 classified as trade payables has been reclassfied as other current liabilities. Accordingly the same were reduced from Trade payables and reclassfied to other current liabilities on adoption of IND AS. | | | | |
| | | | | | |
| | (b) Tax liabilities of Rs 99,786 classified as provisions has been reclasssfied as other current liabilities on adoption of IND AS. | | | | |
| | | | | | |

**HOTEL RUGBY LIMITED**

**Notes forming part of accounts**

**24 Reconciliation of Statement of Profit and Loss prepared under INGAAP with IND AS as at 31 March, 2017** **(In Rupees)**

| | Particulars | Note No. | As per IGAAP | Adjustments / Reclassification | As per IND AS |
|---|---|---|---|---|---|
| | | | | | |
| I | **Revenue From Operations** | | | | |
| II | Other Income | | 1,319,852 | - | 1,319,852 |
| **III** | **Total Income (I+II)** | | **1,319,852** | **-** | **1,319,852** |
| IV | **EXPENSES** | | | | |
| | Finance costs | (a) | 51 | (51) | - |
| | Other expenses | (b) | 1,721,833 | 51 | 1,721,884 |
| | **Total expenses (IV)** | | **1,721,884** | **-** | **1,721,884** |
| **V** | **Profit/(loss) before exceptional items and tax (I- IV)** | | **(402,032)** | **-** | **(402,032)** |
| VI | Exceptional Items | | - | - | - |
| **VII** | **Profit/(loss) before tax (V-VI)** | | **(402,032)** | **-** | **(402,032)** |
| VIII | Tax expense: | | | | |
| | (1) Current tax - Tax for earlier years | | (2,061) | - | (2,061) |
| | (2) Deferred tax | | - | - | - |
| **IX** | **Profit (Loss) for the year from continuing operations (VII-VIII)** | | **(404,093)** | **-** | **(404,093)** |
| X | Profit/(loss) from discontinued operations | | - | - | - |
| XI | Tax expense of discontinued operations | | - | - | - |
| XII | Profit/(loss) from Discontinued operations (after tax) (X-XI) | | - | - | - |
| **XIII** | **Profit/(loss) for the period (IX+XII)** | | **(404,093)** | **-** | **(404,093)** |
| XIV | Other Comprehensive Income | | | | |
| | A (i) Items that will not be reclassified to profit or loss | | - | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - | - |
| | **Other Comprehensive Income (A+B)** | | **-** | **-** | **-** |
| **XV** | **Total Comprehensive Income for the period, (XIII+XIV) Comprisig profit/(loss) and other comprehensive income** | | **(404,093)** | **-** | **(404,093)** |

| | |
|---|---|
| | (a) Bank Charges amounting to Rs 51 were disclosed as Finance cost as per INGAAP which is not a finance cost. Accordngly the same is reclassified as Other expneses on adoption of IND AS. |

**HOTEL RUGBY LIMITED**

Notes forming part of accounts

Effect of Ind AS adoption on Statement of Cash Flows for the year ended March 31,2017 (in Rupees)

| 25 | Particulars | Note | As per I-GAAP | Ind AS adjustments / reclassification | As per Ind AS |
|---|---|---|---|---|---|
| | Net cash flows from operating activities | | (1,592,092) | - | (1,592,092) |
| | Net cash flows from investing activities | | 1,125,645 | - | 1,125,645 |
| | Net cash flows from financing activities | | 500,000 | - | 500,000 |
| | **Net increase/(decrease) in cash and cash equivalents** | | **33,553** | **-** | **33,553** |
| | Cash and cash euivalents as at 1st April, 2016 | | 114,283 | | 114,283 |
| | **Cash and cash euivalents as at 1st April, 2017** | | **147,836** | | **147,836** |

**26 Financial Instruments:**

**(i) Financial Instruments classification by category**

**(In Rupees)**

| 26.1 | The carrying value and fair value of finacial instruments at the end of 31 March 2018 | (Refer Note No. to the financial statements) | At cost | At amortised Cost | At fair value through Profit or Loss | At fair value through Other Comphrensive Income (OCI) | Total Carrying Value 31 March 2018 | Total Fair Value |
|---|---|---|---|---|---|---|---|---|
| | **(1) ASSETS** | | | | | | | |
| | **Non-current financial assets** | | | | | | | |
| | (i) Investments | 1 | 400,000 | - | - | - | 400,000 | 400,000 |
| | (ii) Loans | 2 | 18,996,150 | - | - | - | 18,996,150 | 18,996,150 |
| | | | | | | | | |
| | **Current financial assets** | | | | | | | |
| | (i) Investments | 3 | 3,223,973 | | | | 3,223,973 | 3,223,973 |
| | (ii) Cash and cash equivalents | 4 | 136,632 | | | | 136,632 | 136,632 |
| | **Total financial Assets** | | **22,756,755** | **-** | **-** | **-** | **22,756,755** | **22,756,755** |
| | | | | | | | | |
| | **(2) LIABILITIES** | | | | | | | |
| | **Non-current financial liabilities** | | | | | | | |
| | (i) Borrowings | 7 | 750,000 | - | - | - | 750,000 | 750,000 |
| | **Total financial liabilities** | | **750,000** | **-** | **-** | **-** | **750,000** | **750,000** |

| 26.2 | The carrying value and fair value of finacial instruments at the end of 31 March 2017 | (Refer Note No. to the financial statements) | At cost | At amortised Cost | At fair value through Profit or Loss | At fair value through Other Comprehensive Income (OCI) | Total Carrying Value 31 March 2018 | Total Fair Value |
|---|---|---|---|---|---|---|---|---|
| | **(1) ASSETS** | | | | | | | |
| | **Non-current financial assets** | | | | | | | |
| | (i) Investments | 1 | 400,000 | - | - | - | 400,000 | 400,000 |
| | (ii) Loans | 2 | 76,933,650 | - | - | - | 76,933,650 | 76,933,650 |
| | **Current financial assets** | | | | | | | |
| | (i) Investments | 3 | 4,383,693 | | | | 4,383,693 | 4,383,693 |
| | (ii) Cash and cash equivalents | 4 | 147,836 | | | | 147,836 | 147,836 |
| | **Total financial Assets** | | **81,865,179** | **-** | **-** | **-** | **81,865,179** | **81,865,179** |
| | **(2) LIABILITIES** | | | | | | | |
| | **Non-current financial liabilities** | | | | | | | |
| | (i) Borrowings | 7 | 500,000 | - | - | - | 500,000 | 500,000 |
| | **Total financial liabilities** | | **500,000** | **-** | **-** | **-** | **500,000** | **500,000** |

| 26.3 | The carrying value and fair value of finacial instruments at the end of 1 April 2016: | (Refer Note No. to the financial statements) | At cost | At amortised Cost | At fair value through Profit or Loss | At fair value through Other Comprehensive Income (OCI) | Total Carrying Value 31 March 2018 | Total Fair Value |
|---|---|---|---|---|---|---|---|---|
| | **(1) ASSETS** | | | | | | | |
| | **Non-current financial assets** | | | | | | | |
| | (i) Investments | 1 | 400,000 | - | - | - | 400,000 | 400,000 |
| | (ii) Loans | 2 | 77,162,650 | - | - | - | 77,162,650 | 77,162,650 |
| | **Current financial assets** | | | | | | | |
| | (i) Investments | 3 | 5,325,419 | | | | 5,325,419 | 5,325,419 |
| | (ii) Cash and cash equivalents | 4 | 114,283 | | | | 114,283 | 114,283 |
| | **Total financial Assets** | | **83,002,352** | **-** | **-** | **-** | **83,002,352** | **83,002,352** |
| | (a) The carrying amount of non-current investments are considered at fair value in absence of availability of fair value. | | | | | | | |
| | | | | | | | | |
| | (b)The carrying amounts of Current investments and cash and cash equivalents and other current assets are considered to be the same as their fair values, due to their short-term nature. | | | | | | | |
| | | | | | | | | |
| | (c)For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values. | | | | | | | |

**HOTEL RUGBY LIMITED**

Notes forming part of accounts

**26 Financial Instruments (Contd…:)**

| **26(ii)** | **Fair Value Measurement** |
|---|---|
| (i) | **Fair Value hierarchy** |
| | Level 1 - Quoted Prices (Unadjusted) in active markets for identical assets or liabilities |
| | Level 2 - Inputs other than quoted prices included within Level 1 that are aobservable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from price) |
| | Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) |

(ii) **The following table presents fair value hierarchy of assets and liabilities measured at fair value :**

**As at 31 March 2018**

(in Rupees)

| **Particulars** | **Fair value** | **Fair Value measurement using** | | |
|---|---|---|---|---|
| | | **Level 1** | **Level 2** | **Level 3** |
| **Non Current Investments** | | | | |
| Fair value at carrrying cost | 400,000 | - | - | 400,000 |
| **Current Investments** | | | | |
| Fair value at carrrying cost | 3,223,972 | - | 3,223,972 | - |

**As at 31 March 2017** (in Rupees)

| **Particulars** | **Fair value** | **Fair value/measurement using** | | |
|---|---|---|---|---|
| | | **Level 1** | **Level 2** | **Level 3** |
| **Non Current Investments** | | | | |
| Fair value at carrrying cost | 400,000 | | | 400,000 |
| **Current Investments** | | | | |
| Fair value at carrying cost | 4,383,693 | | 4,383,693 | |

**As at 1 st April 2016** (in Rupees)

| **Particulars** | **Fair value** | **Fair value/measurement using** | | |
|---|---|---|---|---|
| | | **Level 1** | **Level 2** | **Level 3** |
| **Non Current Investments** | | | | |
| Fair value at carrying cost | 18,000 | | | 18,000 |
| **Current Investments** | | | | |
| Fair value at carrying cost | 5,325,419 | - | 5,325,419 | - |

**HOTEL RUGBY LIMITED**

Notes forming part of accounts

**26 Financial Instruments (Contd…..):**

| 26(iii) | Financial risk management | As at 31/03/2018 | As at 31/03/2017 | As at 01/04/2016 |
|---|---|---|---|---|
| | The Company has exposure to the following risks arising from financial instruments:<br>- credit risk;<br>- liquidity risk; and<br>- market risk | | | |

| | | | | |
|---|---|---|---|---|
| | **Risk management framework** | | | |
| | The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that management controls risks through the mechanism of property defined framework. | | | |
| | The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. | | | |
| | The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee. | | | |
| | **(a) Credit risk** | | | |
| | Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. | | | |
| | The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely. The Management impact analysis shows credit risk and impact assessment as low. | | | |

| | | | | |
|---|---|---|---|---|
| | **Current Assets** | | | |
| | The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Since there are no revneue genrated from operations, there are no major risks. | | | |
| | The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables | | | |
| | The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer/party. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. In view of no operations from its core activites, there are no risks envisaged by the company | | | |
| | The gross carrying amount of trade receivables | - | - | - |
| | During the period, the Company has made no write-offs of trade receivables, as it does not have any trade receivables. The Company management also pursue all legal option for recovery of dues wherever necessary based on its internal assessment when such a need arise. | - | - | - |
| | A default on a financial asset is when counterparty fails to make payments within 60 days when they fall due. | | | |

| | | | | |
|---|---|---|---|---|
| | **Reconciliation of loss allowance provision – Loan and advances** | | | |
| | Since there is no provision made for any loss allowance, no reconciliation is called for. | - | - | - |

| | | | | |
|---|---|---|---|---|
| | **(b) Liquidity risk** | | | |
| | Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation | | | |
| | Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due and to close out market positions. | | | |
| | Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out and monitored through caproate office of the Company in accordance with practice and limits set by the Company. These limits vary to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. | | | |

| | | | | |
|---|---|---|---|---|
| | **(i) Financing arrangements** | | | |
| | The company did not have any financial arrangements during the year from the banks or any other financiers except interest free loan from directors | | | |

| | | | | |
|---|---|---|---|---|
| | **(ii) Maturities of financial liabilities** | | | |
| | The company does not have any contractual maturities of financial liabilities at the reporting date. | | | |

| | | | | |
|---|---|---|---|---|
| | **(c). Market risk** | | | |
| | Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.<br>The Company does not envisage any market risks presently as it does not have any operating activity related to its hotel business after the sell off of its fixed assets. | | | |

| | | | | |
|---|---|---|---|---|
| | **Currency risk** | | | |
| | Since the Company does not have any exposure related to forein exchange transactions, there is no currency risk exposure | | | |

| | | | | |
|---|---|---|---|---|
| | **Sensitivity analysis** | | | |
| | Since there is no currency risk exposure, no sentivity analysis can be presented. | | | |

| | | | | |
|---|---|---|---|---|
| | **Interest rate risk** | | | |
| | The Company's does not have any interest borrowings. Therefore there is no intrest risk from its borrowings. In respect of loans and advances, the rate of interest is fixed in accordance with the provision of the Act based on an arm's length. Therefore there is no intrest rate risk exposure | | | |

| | | | | |
|---|---|---|---|---|
| | **Exposure to interest rate risk** | | | |
| | There is no interest rate risk envisaged by the management as the company does not have such exposure. | | | |

| | | | | |
|---|---|---|---|---|
| | **(i) Cash flow sensitivity analysis for variable-rate instruments** | | | |
| | In view of no interest risk for any exposure, the sensivity analysis is not presented. | | | |
| | **(j) Fair value sensitivity analysis for fixed-rate instruments** | | | |
| | The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss. | | | |

| | | | | |
|---|---|---|---|---|
| 27 | The financial assets consisting of non current and current investments, non current loans and advances which constitute less than 50% of its total assets, though the income is 100% from the financial assets. Since both the conditions are not fulfilled by the compay for registration as a deemed NBFC, provisions as a loan company are not attracted. However, in the previous year both the conditions were fulfilled but the company was of the opinion that its principal business being not providing finance with all Loans/Advances in the ordinary course of business, such provisions were not applicable to it in the previous year also | | | |

| | | | | |
|---|---|---|---|---|
| 28 | Value of imports calculated on C.I.F basis by the company during the financial year | - | - | |
| | | | | |
| 29 | Expenditure in foreign currency during the financial year | - | - | |
| | | | | |
| 30 | The previous year I-GAAP figures have been reclassified / regrouped to make them comparable with Ind AS presentation. | | | |

**31. Significant accounting policies and other disclosures:**

**GENERAL INFORMATION:**

HOTEL RUGBY LIMITED ("the Company"), is a public company domiciled in India and was incorporated on 16th September 1991 under the provisions of the Companies Act, 1956 (now replaced by Companies Act 2013) as applicable in India. Its shares are listed on Bombay Stock Exchange (BSE) of India and National Stock Exchange of India (NSE).

The registered office of the Company is located at 2, Ground floor, 9, Dev Bhuvan, Gazdar Street, Chira Bazar, Kalbadevi, Mumbai – 400002.

As per the object clause of the Company, it is principally engaged in the business of hotels and restaurants, though presently no business activities are going on, after sale of its property, plant and assets in the past.

## 31.1. BASIS OF PREPARATION:

**A. Statement of compliance**

(i) These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements for the year ended 31March 2018 are the first financial statement under Ind AS. For all periods upto and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31 March 2017 and the opening Balance Sheet as at 1 April 2016 have been restated in accordance with Ind AS for comparative information. The Company followed the provisions of Ind-AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition i.e 1st April 2016.
Reconciliations and explanations of the effect of the transition from previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss (including Comprehensive income and Statement of Cash Flows are provided in note 23,24 and 25

These financial statements were approved for issue in accordance with the resolution of the Board of Directors as per its meeting held on 29th May 2018.

(ii) the company has adopted IND AS for the financial year commencing from April 1, 2017 and accordingly, the financial statements have been prepared by the Company's management in compliance with IND AS

**B. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

**C. Basis of measurement**

The financial statements have been prepared under the historical cost convention on accrual basis.

**D. Use of estimates and judgments**

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgments**

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in respect of Provision for employee benefits which is based on the estimated basis.

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the subsequent period financial statements is included in the notes.

**E. Measurement of fair values**

Company's accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values, based on which the fair value is measured as and when applicable.

This includes a regular reviews for significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized in a fair value hierarchy based on the inputs used in the valuation techniques as under:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted price included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**31.2 SIGNIFICANT ACCOUNTING POLICIES:**

**A. Current and non-current classification**

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realised within twelve months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within twelve months after the reporting date; or

d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in Cash or cash equivalents, the Company has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

**B. Financial Instruments**

i. **Financial assets**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognised at fair value on initial recognition.

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

**Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Impairment of financial assets**

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost has impaired and provisions are made for impairment accordingly. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

**Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

**Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

**ii. Financial liabilities**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**iii. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**C. Borrowing costs**

Borrowing costs include interest expense calculated using the effective interest method (EIR), finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, which are attributable to the acquisition, construction or production of a qualifying asset are capitalized / inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**D. Income tax**

Income tax comprises current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction;
- Temporary differences related to investment in subsidiary to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets- unrecognized or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Minimum Alternate Tax (‘MAT’) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the

carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**E. Cash and cash equivalents**

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

**F. Provision and contingent liabilities**

The Company sets up a provision when there is a present legal or constructive obligation as a result of a past event and it will probably requires an outflow of resources to settle the obligation and a reliable estimate can be made. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or where reliable estimate of the obligation cannot be made. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

**G. Contingent Assets**

Contingent Assets are not recognised in the financial statements. However, these are disclosed in the Director's report.

**H. Revenue recognition**

Revenue is recognised based on nature of activity when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates and other similar allowances.

**(i) Revenue from operations**

Revenue includes excise duty if applicable and but excludes Goods and Services Tax (GST) and Value Added Tax.

Escalation and other claims, which are not ascertainable/acknowledged by customers are not taken into account.

*A. Sale of goods*

Revenue from the sale of goods is recognised when the goods are delivered and titles have been passed, provided all the following conditions are satisfied:

1. significant risks and rewards of ownership of the goods are transferred to the buyer;
2. the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the good sold;
3. the amount of revenue can be measured reliably;
4. it is probable that the economic benefits associated with the transaction will flow to the company; and
5. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

However, there has not been any sale of goods during the year.

*B. Rendering of services*

Revenue from rendering of services is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

1. the amount of revenue can be measured reliably;
2. it is probable that the economic benefits associated with the transaction will flow to the company;
3. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
4. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Stage of completion is determined by the proportion of actual costs incurred to-date, to the estimated total costs of the transaction Unbilled revenue represents value of services performed in accordance with the contract terms but not billed. Such revenue is measured as based on the stage of completion of service.

However, there has not been any sale of services during the year.

*C. Other operational revenue*

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

However, there has not been any income from other operations during the year.

**(ii) Other income**

A. Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

B. Dividend income is accounted in the period in which the right to receive the same is established.

C. Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

**I. Exceptional items**

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the company is treated as an exceptional item and the same is disclosed in the notes to accounts.

**J. Segment reporting**

There has not been any operations during the year and accordingly segment revenue is not applicable.

**K. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**L. Commitments**

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) estimated amount of contracts remaining to be executed on capital account and not provided for, and;

b) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

**M. Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

**N. Key sources of estimation**

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

**O. First time adoption of Ind AS**

The company has prepared opening Balance Sheet as per Ind AS as of April 1, 2016 (transition date) by recognising all assets and liabilities whose recognistion is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from I-GAAP to Ind AS as required, and applying Ind AS to measure the recognised assets and liabilities. The exemptions availed by the company under Ind AS 101 are as follows:

(i) The estimates as at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with I-GAAP.

**P. New / Amended Ind AS and impact thereof:**

(a) Ind AS 115 Revenue from Contracts with Customers Ind AS 115 was issued on 29 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS and the guidance note of real estate issued by ICAI.
Ind AS 115 is applicable to the Company for annual periods beginning on or after April 1, 2018.
(b) The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 12 – Income Taxes
ii. Ind AS 21 – The Effects of Changes in Foreign Exchange Rates
iii. Ind As 28 – Investments in Associates and Joint Venture;
iv. Ind AS 40 – Investment property, and
v. Ind AS 112 – Disclosure of Interests in Other Entities

(c) Application of above standards is not expected to have any significant impact on the company's financial statements.

**HOTEL RUGBY LIMITED**
CIN: L55101MH1991PLC063265
Regd. Office: 2, Ground floor, 9, Dev Bhuvan, Gazdar Street, Chira Bazar, Kalbadevi, Mumbai – 400002.
Tel No.: 022-67470380 | E-mail ID:- rugbyhotel@rediffmail.com | Website : www.hotelrugby.co.in

**Form No. MGT – 11**
**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 27th Annual General Meeting of the Company, to be held on Friday, 28th day of September, 2018 at 10.30 a.m. at Maharashtra Chambers of Commerce Trust, 6th Floor, Kasliwal Hall, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolutions |
|---|---|
| **Ordinary Business:** | |
| 1. | Adoption of Financial Statements for the year ended March 31, 2018. |
| 2. | To Appoint a Director in place of Mrs. Darshana Thacker (DIN:02003242), who retires by rotation and offers herself for re-appointment. |
| 3. | To appoint Mr. Jatin Shah (Membership no. 103858) Chartered Accountant, Mumbai as the Auditor of the Company and to authorise the Board to fix their remuneration. |
| **Special Business:** | |
| 4. | To continue the directorship of Mr. Ashok Kadakia (DIN:00317237), with effect from April 1, 2019 |
| 5 | To continue the directorship of Mr. Mahendra Thacker (DIN:01405253), with effect from April 1, 2019 |

Signed this _____day of _____, 2018

Signature of Proxy holders(s) : _____

Affix Revenue Stamp

Signature of Member

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.

**HOTEL RUGBY LIMITED**

CIN: L55101MH1991PLC063265

Regd. Office: 2, Ground floor, 9, Dev Bhuvan, Gazdar Street,
Chira Bazar, Kalbadevi, Mumbai – 400002.
Tel No.: 022-67470380, E-mail ID:- rugbyhotel@rediffmail.com, Website – www.hotelrugby.co.in

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 27th Annual General Meeting of Hotel Rugby Limited held on Friday, 28th day of September, 2018 at 10.30 a.m. at Maharashtra Chambers of Commerce Trust, 6th Floor, Kasliwal Hall, Oricon House, Maharashtra Chambers of Commerce Path, Fort, Mumbai – 400 001.

Name(s) of Member(s) including Joint holders, if any :

Registered Address of the Sole/First : Named Member

Registered Folio No./*DP ID No. and Client ID :

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/Representative with this attendance slip will be allowed to enter to the meeting.**

# HOTEL RUGBY LIMITED
# Route Map for 27th AGM

RUGBY

HOTEL & RESORTS

# HOTEL RUGBY LIMITED

**Regd. Office:**
2, Ground Floor, 9, Dev Bhuvan, Gazdar Street, Chira Bazar, Kalbadevi, Mumbai - 400002.
Tel. No.: 022 - 67470380
Email: rugbyhotel@rediffmail.com Website : www.hotelrugby.co.in