

Vedant Hotels Limited

Annual Report 2009



Report

junction.com

16 GRAYSON PERRY

Is all this talk about 'access' to the arts just middle class guilt?

17 FIRST NIGHT

Sir John Tavener unwraps his birthday present to Mozart

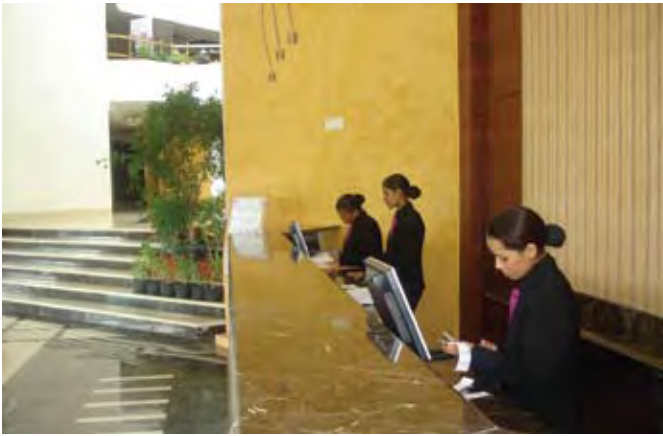
n a man of letters

A collection of single-shot conciseness and the power

Whatever happened to the short film? Nowadays the cinema, plus a few zappy, semi-comprehensible trailers to whet our appetites for the next one. But if you peer not too far back into the mists of cinema history, you will find such things as second features, cartoons and even Pathé News. Over the next few weeks a new initiative, by Film and Video Umbrella, in conjunction with the UK Film Council, will launch a series of short films, each one a single shot, each one a single frame, each one a single image. The first of these, 'The V&A's logo, left

Alan Fletcher's iconic designs include, far left, a 1958 ad for Fortune magazine; a picture of the Prince of Wales, above; and the V&A's logo, left





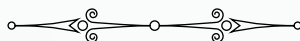
Our Mission

Create financial wealth for our shareholders.

Act with integrity, competence and dignity.

Practise and encourage others to practise
in a professional and ethical manner.

Use reasonable care and exercise
independent professional judgement.



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Board of Directors Ramesh Havele
Chairman & Managing Director

Veena Havele
Ravindra Golwalkar
Shreeniwas Kale
Gajanan Deshpande

Company Secretary Mrs. Sanjana Joshi

Auditors T. R. Jalnawala & Associates
Chartered Accountants

Bankers Axis Bank Ltd.
HDFC Bank Ltd.
Saraswat Co-op. Bank. Ltd.

Registered & Corporate Office 'Dhanada', 16/6,
Erandawana Housing Society,
Plot No. 8, Patwardhan Baug,
Pune 411 004
Telefax : +91-20-25462408, 25460661

Email vedant@vedanthotels.com
Website www.vedanthotels.com

Registrar & Transfer Agent Link Intime India (Pvt.) Ltd.

Pune Office:
Block No. 202, 2nd Floor,
Akshay Complex, Near Ganesh Temple,
Off. Dhole Patil Road, Pune – 411001.
Tel. : +91-20-26053503

Mumbai Office:
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai 400078.
Tel. : +91-22-25963838

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Summary of Selected Financial Data

(Rs. in Crores)

Particulars	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09\$	AAGR* %	Standard Deviation
Total Income from Operations	0.002	3.74	2.62	2.83	4.49	6.36	20	39
Profit Before Depreciation and Interest	(0.03)	2.28	2.39	2.39	4.02	0.88	-1	60
Financial Charges	1.08	0.59	0.07	0.11	0.26	1.82	179	299
Gross Profit / (Loss)	(1.11)	1.69	2.32	2.29	3.76	(0.94)	-6	84
Depreciation	-	0.72	0.72	0.71	0.43	0.76	9	49
Profit / (Loss) Before Tax	(1.11)	0.97	1.61	1.57	3.33	(1.70)	6	115
Profit / (Loss) After Tax	(1.11)	0.97	1.61	1.46	2.87	(1.74)	-2	114
Minority Interest in Net Income/(Loss)	-	-	-	-	-	(0.31)	-	-
Net Profit / (Loss) After Minority Interest (PAT)	(1.11)	0.97	1.61	1.46	2.87	(1.43)	1	109
Cash Profit / (Loss)	(1.11)	1.69	2.32	2.29	3.76	(0.94)	-6	84
Basic Earning per Share (EPS) Rs.	-1.33	1.17	0.97	0.42	1.55	(1.14)	6	188
Book Value per Share Rs.	-0.83	0.33	1.53	1.95	3.50	2.36	108	173
Market Value per Share (Rs.)	N. T.	N. T.	N. T.	N. T.	8.08	5.95	-26	0
Market Capitalisation as at 31st March	N. A.	N. A.	N. A.	N. A.	10.10	7.44	-26	0

Sources of Funds

Shares Capital							
Equity Shares	8.31 #	8.31 #	1.25	1.25	1.25	1.25	
Convertible Preference Shares	-	-	10.00	10.00	10.00	10.00	
Reserves and Surplus	0.25	0.25	0.66	1.18	3.11	15.83	
Minority Interest	-	-	-	-	-	1.58	
Borrowings	14.63	13.46	9.22	15.13	20.38	14.99	
Total	23.19	22.02	21.12	27.56	34.74	43.65	

Uses of Funds

Net Fixed Assets	15.60	14.89	14.18	13.58	16.94	39.25	
Investments	0.03	0.03	4.86	4.45	4.98	0.31	
Net Current Assets	(1.69)	(1.18)	2.08	9.53	12.82	3.95	
Miscellaneous Expenses	9.26	8.28	-	-	-	0.14	
Total	23.19	22.02	21.12	27.56	34.74	43.65	

Financial Results and Statistics

Financial Results and Statistics								Deviation
Profit before depreciation and interest (PBITD) as a percentage of Total Income	-	61	91	85	90	14	68	33
Returns on Shareholders Fund % (RONW)	-	-	386	77	118	(32)	73	129
Price / Book Value Ratio	-	N. A.	N. A.	N. A.	2	3	2	0
Corporate Performance vs BSE Index								
1) Annual Percentage change in Book Value	-	-	359	28	79	(32)	108	157
2) Annual Percentage change in BSE Index (Including Dividend Yield)	-	-	75	17	21	(36)	19	40
3) Relative Performance (1) - (2)	-	-	283	11	58	4	89	121

*Average Annual Growth Rate

N. T.: Not Traded (as trading was suspended since 2nd July 2002 to 7th May 2007)

N. A. : Not Available/Applicable

Face value of equity shares of Rs. 10/- each

Face Value reduced to Re. 1/- on 25th October 2005.

\$ For the year 2008-09 Consolidated figures are given

Chairman's Letter

Dear Shareholder,

I have great pleasure in presenting the 23rd Annual Report for the year ended on 31st March 2009.

During this year, the net-worth has decreased by Rs. 1.43 Crores and the Book Value per equity share has decreased from Rs. 3.50 to Rs. 2.36, a loss of 33%, while the BSE Index has registered a loss of 36% during the year. Over the last 4 years (that is, since the present management took over) Book Value has grown from Rs. 0.33 to Rs. 2.36, a growth of 63% p. a. while the BSE Index has registered a growth of 11% p. a. during this period.

During the year, Malkan Engineering Pvt. Ltd. became subsidiary of your company. Malkan Engineering Pvt. Ltd. is in the business of manufacturing sheet metal components and its clients include Tata Motors Ltd. Pune, Railway Coach Factory, Kapurthala, Volkswagen, Mahendra and Mahendra, Godrej Furnitures etc. I am fairly confident that this acquisition will enrich Intrinsic Value of Equity Shares of the company.

Apart from the above, two companies viz. Maharashtra Hospitality Ltd. and Vedant Lapidary Pvt. Ltd. were merged with your Company under a scheme of Arrangement & Amalgamation. The scheme was approved by Hon'able High Court, Bombay on 16th July 2009 and is operative from 1st April 2008. The said scheme also provides for (i) conversion of loan from Dhanada Portfolio Management Ltd. into Equity shares and (ii) Acquisition of land at Pune against issue of Equity Shares.

The Scheme has added valuable assets to the Company without any cash out-flow, strengthened the Equity base of the Company and reduced its debt burden.

Further, in the month of April 2009, the Company converted its Cumulative Convertible Preference Shares into Equity Shares at a premium, ahead of its scheduled conversion date. This will reduce the cash out-flow on account of Preference Dividend and strengthen the capital structure of the Company.

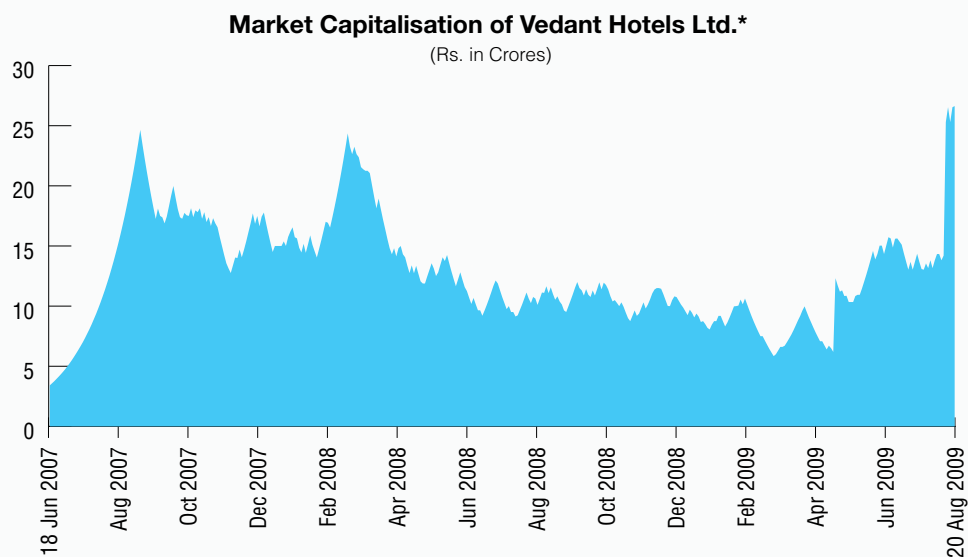
I believe that these measures have added strength to the financials of the Company and in the long run will add to the Shareholders' Wealth.

I look forward to meet you during our Annual Meet scheduled on 30th September 2009 at Solaris Banquet Hall, Mayur Colony, Kothrud, Pune.

Regards

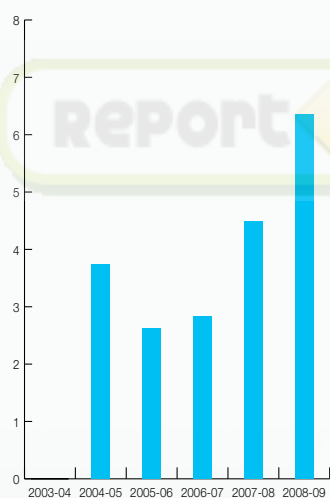
Ramesh Havele
Chairman and Managing Director

Pune, 21st August 2009

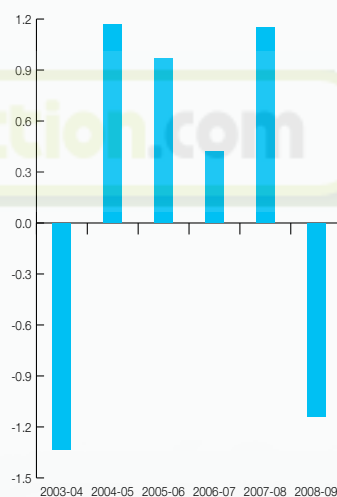


* Based on closing prices of its Equity Shares on Bombay Stock Exchange (BSE)

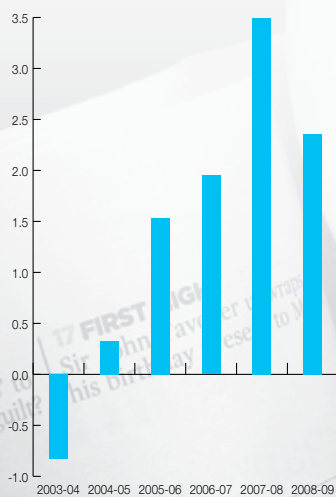
Total Income (Rs. in Crores)



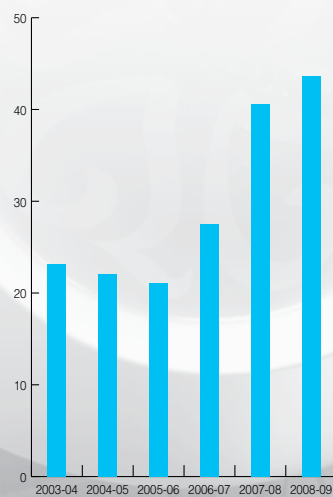
Earnings Per Share (in Rs.)

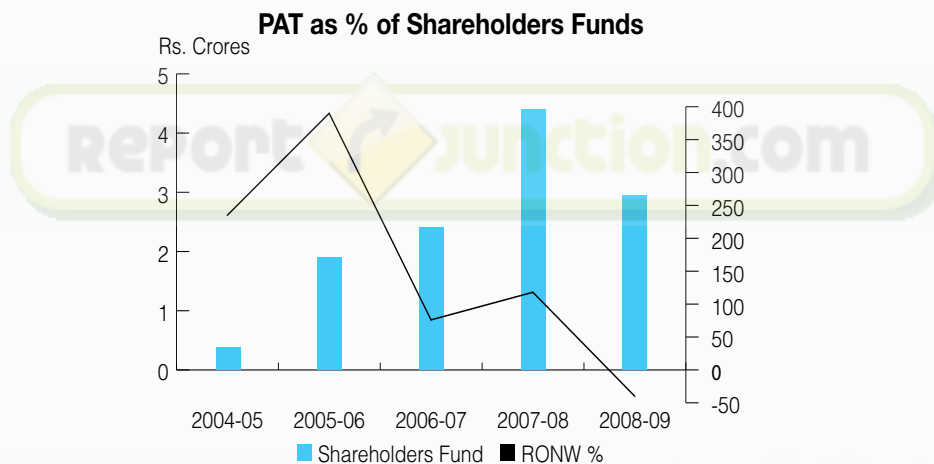
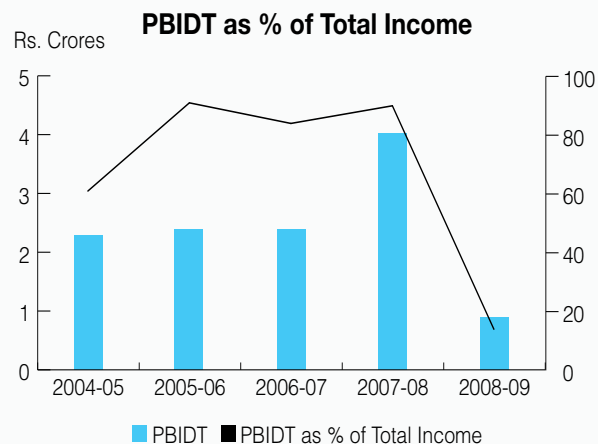
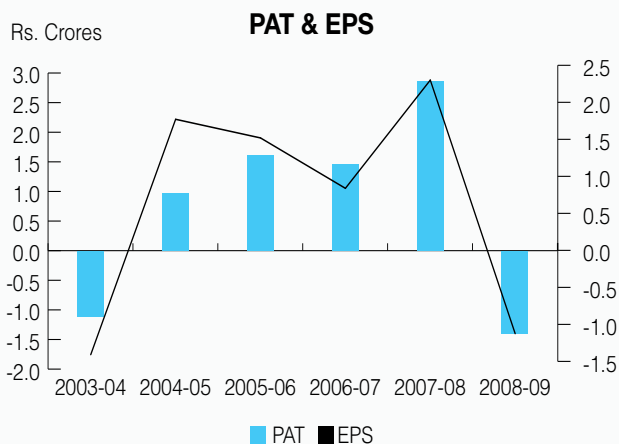


Book Value (in Rs.)

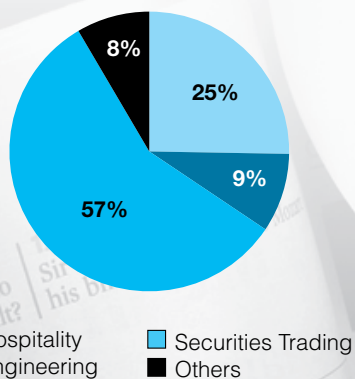


Total Assets (Rs. in Crores)





Break-up of Total Revenue for the Year 2008-09



Break-up of Total Assets as at 31st March 2009

