



**16 TH
ANNUAL REPORT
2001 - 2002**

ISHWAR BHUVAN HOTELS LIMITED

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BOARD OF DIRECTORS

Shri Ishwarlal P. Barot (Chairman)
Shri Jugaldas P. Barot (Vice Chairman)
Shri Pankaj J. Barot (Managing Director)
Shri Kamlesh Barot
Shri Rajnikant Barot
Shri Ketan Barot

AUDITORS

Kamlesh Bhatt & Co.
Chartered Accountants, Surat.

SOLICITORS & ADVOCATES

M/s. Haridas & Co.
Examiner Press Building,
35, Dalal Street,
Fort, Mumbai - 400 023.

REGISTRARS & SHARE TRANSFER AGENTS

R & D Consultants Ltd.
610, Dalamal Tower,
211, Nariman Point,
Mumbai - 400 021.

REGISTERED OFFICE

Rajdhani,
Dandia Bazar,
Baroda - 390 001.

ISHWAR BHUVAN HOTELS LIMITED

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of Ishwar Bhuvan Hotels Limited will be held at Revival Hotel, Sayaji Gardens, University Road, Baroda-390 002, on Monday, the 30 September, 2002 at 12.00 noon to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2002 and the Profit & Loss Account for the year ended on that date together with the Report of the Director's and Auditor's thereon.
2. To appoint a Director in place of Shri. Ketan Barot, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri. Kishore Janani, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

Special Bussiness

Voluntary delisting of the Company's Equity Shares from Stock Exchanges at Ahmedabad, Mumbai/Vadodara.

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

"RESOLVED THAT, Subject to the provisions of Companies Act, 1956, (including any statutory modification (s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanctions, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as "the Board," which term shall be deemed to include any Committee thereof, if any, for the time being exercising the powers conferred on the Board by this Resolution), consent is hereby accorded to the board to delist the Company's Equity shares from all or any of the stock Exchanges viz., The Ahmedabad stock Exchange, Ahmedabad, The Mumbai Stock Exchange, Mumbai and the Vadodara".

By Order of the Board of Directors
For Ishwar Bhuvan Hotels Limited

Managing Director
(Pankaj J. Barot)

ISHWAR BHUVAN HOTELS LIMITED

EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 sets out all material facts relating to the business mentioned at item no. 5 of the accompanying Notice dated 31/07/2002.

Item No. 5

Presently, the Company's equity shares are listed on the following stock Exchanges in India :-

- The Vadodara Stock Exchange, Vadodara.
- The Mumbai Stock Exchange, Mumbai
- The Ahmedabad Stock Exchange, Ahmedabad

The Stock Exchange in India with the permission of SEBI are now free to fix the listing fees and such fees charged by some of the stock exchanges are so high that the Company is not in a position to bear at this stage when the Company is yet to break even.

The trading volumes of the Company's equity shares on the all the three stock exchanges are on the decline and in fact the trading is so negligible that the number of transfers is miniscule as compared to the total capital. Accordingly, the listing fees paid is considered to be very high. The annual recurring listing fees paid to the stock exchanges, do not offer corresponding benefits to the Company/investors in the changed scenario. The proposed delisting would further contribute to considerable savings to the Company.

The recently constituted SEBI Committee for delisting has suggested that a company can voluntarily get delisted even from the Regional Stock Exchange, if the shares are listed either in BSE or NSE so that the investors have access to online dealings in the company's shares across the country. In such an eventuality, the Company shall get delisted from Vadodara Stock Exchange (the Regional Stock Exchange as of now) & The Ahmedabad Stock Exchange and retain The Stock Exchange, Mumbai. Also considering the fact that as majority of the shares are held by the promoters and taking into account the negligible/nil trading taking place in all the stock exchnages, and subject to the regulations permitting, the company shall delisit from all the stock exchanges.

Pursuant to the guidelines in force at present, the guidelines issued by SEBI on voluntary delisting by companies of their securities from stock exchanges, it is now proposed to seek the Member's approval by way of a Special Resolution for voluntary delisting the Company's equity shares from all or any of the stock exchanges as set out in Resolution No. 5 of the accompanying Notice.

By Order of the Board of Directors
For Ishwar Bhuvan Hotels Limited

Managing Director
(Pankaj J. Barot)

Place : Surat
Date : 31/07/2002

ISHWAR BHUVAN HOTELS LIMITED

Notes :

- A. A Member Entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself. A proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hours before the time for holding the meeting.
- B. The Register of Members and Shares Transfer Books of the Company will remain closed from 30-09-2002 to 05-10-2002. (both days inclusive)
- C. Members are requested to notify any change of address to the Share Transfer Agents of the Company.
- D. Members are requested to bring Annual Reports alongwith them to the Annual General Meeting.
- E. Members desirous of getting any information about the accounts of the company are requested to send their queries so as to reach atleast seven days before the meeting at the company's Registered Office at Vadodara.

ISHWAR BHUVAN HOTELS LIMITED

DIRECTOR'S REPORT

Your Directors present their report together with the Audited Statement of Accounts for the year ended March 31, 2002

Operations

During the year under review, the turnover of the Company through letting of rooms, food etc., has decreased from Rs. 3,28,15,482 to Rs. 2,87,04,736. The brief financial details are as follows :

	For the Year under Report (Rupees)	Previous year (Rupees)
Gross Turnover	2,87,04,736	3,28,15,482
Net Loss Before Taxes	(1,45,23,736)	(1,47,15,874)
Less : Provision for Taxes	-	-
Net Loss after Taxes	(1,45,23,736)	(1,47,15,874)
Add : Loss brought forward	(3,84,75,312)	(2,37,59,438)
Surplus / deficit carried to Balance Sheet	(5,29,99,048)	(3,84,75,312)

The year under review, was an extremely a difficult one for the hospitality industry as a whole. In addition to the subdued economic condition, the entry of new players to the industry also impacted the performance of your Company.

Dividend

Inview of the loss incurred by the Company, your Directors are not in a position to recommend any dividend for the year under review.

Auditor's Report

The auditors in their report have referred to the notes forming part of the accounts. The said notes are self explanatory and do not need any further elucidation.

Directors

As per the Articles of Association of the company, Shri Ketan Barot and Shri. Kishore Janani retires by rotation and being eligible offer themselves for reappointment.

ISHWAR BHUVAN HOTELS LIMITED

Auditors

You are requested to appoint Auditors and fix their remuneration at the ensuing Annual General Meeting. The retiring Auditors M/s. Kamlesh Bhatt & Co., Chartered Accountants, Surat are being eligible for reappointment.

Particulars of Employees

None of the employees is drawing remuneration as per the limits set out in section 217 (2A) of the Companies Act, 1956.

Fixed Deposits

Your Company has not accepted any fixed Deposit from the public during the year under review.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The information required under Section 217 (1) (e) of the Companies Act, 1956, read with the companies (disclosure of particulars in the Report of board of directors) Rules, 1988 relating to conservation of energy & Technology Absorption is not applicable to the company.

Directors Responsibility Statement

Your Directors make this responsibility statement :

- * In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- * The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of company for that period ;
- * That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;
- * That the directors had prepared the annual accounts on a going concern basis.