



# **ANNUAL REPORT**

**2009-2010**

**ISHWAR BHUVAN HOTELS LIMITED**

## **ISHWAR BHUVAN HOTELS LIMITED**

### **BOARD OF DIRECTORS**

Shri Mehinder Sharma	- Chairman
Shri Pushpendra Bansal	- Executive Director
Shri Romesh Koul	- Director
Shri Bharat Varsani	- Director
Shri Amit Garg	- Director
Shri Sanjay Mangal	- Director

### **AUDITORS**

J. M. Pabari & Associates  
Chartered Accountants,  
302, Helix Complex,  
Opp. Surya Hotel,  
Sayajigunj,  
Baroda – 390 005

### **COMPANY SECRETARY**

Mr. Ranjit Kumar Singh

### **BANKERS**

Bank of Baroda  
Citi Bank N.A.  
United Bank of India  
Axis Bank

### **REGISTERED OFFICE**

Revival Hotel, Near Sayaji Gardens,  
Kala Ghoda Chowk, University Road,  
Baroda – 390 002

### **REGISTRAR & SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.  
E-2/3, Ansa Industrial Estate, Saki Vihar,  
Saki Naka, Andheri (E),  
Mumbai – 400 072

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## **NOTICE**

NOTICE is hereby given that the **24<sup>th</sup> ANNUAL GENERAL MEETING** of **ISHWAR BHUVAN HOTELS LIMITED** will be held at Suruchi Resort, Sakaria – Nimeta, Baroda -390 019 on Friday, the 3<sup>rd</sup> September, 2010 at 09.30 a.m. to transact the following business.

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and the Profit and Loss Account for the year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of Shri Amit Garg, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in the place of Shri Sanjay Mangal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. J. M. Pabari & Associates, Chartered Accountants, Baroda, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on such remuneration as may be fixed by the Board of Directors of the Company.

### **SPECIAL BUSINESS:**

5. Change of Name of Company:

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESLOVED THAT subject to the approval of the Central Government under section 21 of the companies Act, 1956 the name of the company be changed from 'Ishwar Bhuvan Hotels Limited' to 'LORDS ISHWAR HOTELS LIMITED' and accordingly the name 'Ishwar Bhuvan Hotels Limited' wherever it appears in the Memorandum and Articles of Association of the Company be substituted by the new name 'LORDS ISHWAR HOTELS LIMITED'.”

### **NOTES:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- (b) Register of Members and Share Transfer Books of the company will remain closed from 27th August, 2010 to 3rd September, 2010 (both days inclusive).

- (c) Members are requested to:
- (i) Intimate to the Company's Registrar & Share Transfer Agent M/s. Bigshare Services Pvt. Ltd. – E-2/3, Ansa Industrial Estate, Saki Vihar, Saki Naka, Andheri (E), Mumbai – 400 072/their Depository Participant (“DP”), changes, if any, in their registered addresses at an early date;
  - (ii) Quote their Registered Folio Numbers and/or DP Identity and Client Identity number in their correspondence;
  - (iii) Bring their copy of Annual Report and the Attendance Slip with them at the Annual General Meeting.
  - (iv) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business is annexed hereto.
- (d) Members are requested to affix their signature at the space provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
- (e) Trading in Equity Shares of the Company is available with Bombay Stock Exchange. Members are requested to send equity shares of the Company to their Depository Participants (DPs) for dematerialisation.
- (f) A brief note on Directors retiring by rotation and eligible for re-appointment is furnished in the Report on Corporate Governance.
- (g) A member desirous of getting any information on the accounts or operations of the Company is required to forward his/her queries to the Company at least seven days prior to the meeting so that the required information can be made available at the Meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item No. 5**

The company has entered into Hotel Franchise agreement to use the brand name” LORDS”. The name “LORDS” is very popular and well known to the general public. It is therefore appropriate and in the interest of the company to change the name of the company from 'Ishwar Bhuvan Hotels Limited' to 'LORDS ISHWAR HOTELS LIMITED'.

The Registrar of Companies, Gujarat has also made the name 'LORDS ISHWAR HOTELS LIMITED' available for change of name under section 20 of the Companies Act, 1956. Hence your approval is solicited to resolution as appearing in Item No. 5. of the accompanying notice by way of special resolution

None of the directors is concerned or interested in the aforesaid resolution.

**Registered Office:**

Revival Hotel, Near Sayaji Gardens,  
Kala Ghoda Chowk, University Road,  
Baroda – 390 002

By Order of the Board of Directors  
**ISHWAR BHUVAN HOTELS LIMITED**

Place: Baroda  
Date : 31<sup>st</sup> July, 2010

**RANJIT KUMAR SINGH**  
Company Secretary

**DIRECTORS' REPORT**

To,  
The Members,

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements and Report of Auditors thereon for the year ended 31<sup>st</sup> March, 2010.

**FINANCIAL RESULTS****(Rs. in Lacs)**

<b>Particulars</b>	<b>For the year Ended 31.03.2010</b>	<b>For the year Ended 31.03.2009</b>
Net Income	553.90	580.40
Net Profit before tax	84.16	79.44
Less: Provision for Tax	8.92	1.05
Net Profit after tax	75.24	78.39
Add: Profit / (Loss) brought forward	(195.68)	(274.07)
Balance carried over to Balance Sheet	(120.44)	(195.68)

**MANAGEMENT DISCUSSION AND ANALYSIS****Financial and Operational Performance**

During the year under review, the Net Income of your Company has decreased from Rs. 580.40 lacs to Rs. 553.90 lacs. The Net Profit of the Company has also decreased from Rs. 78.39 lacs to Rs. 75.24 lacs due to increase in foods & Beverages cost.

**Industry Scenario**

During the Financial Year 2009-10, inflation rate and food cost has been increased. For the hotel industry, this has a lot of impact. Your hotel is continuously taking effort to attract more tourists by providing better amenities and has increased the gross revenue.

**Risk & Concerns**

The future of the hospitality industry is very sensitive to the global security environment. The high incidence of multifarious taxes both at the centre and the states also affect the competitiveness of the industry. In addition, increase in fuel price & fluctuation in Currency is also resulted in increase in transportation cost of tourist. Tourism industry is also affected by natural calamity like earthquake, tsunami, storm, etc.

However, Your Company continuously renovates its properties to meet the increasing competition in the market and insured its property against natural and men made disaster.

**Future Outlook**

Your Company continues to believe that the long-term prospects for the travel and tourism industry in India are attractive. Your Directors look forward to the future with confidence.

### **Human Resource Development**

Your Company has a team of able and experienced industry professionals. Your Company continues to invest in up gradation of the quality of human resource, which makes the decisive difference in this service industry. Your Company continues to provide growth opportunities to internal talent by assigning them higher responsibilities with suitable exposure and training.

The total number of employees in your Company as on 31<sup>st</sup> March, 2010 was 90.

### **Adequacy of Internal Control**

The Company has proper, strong, independent and adequate internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized recorded and reported correctly.

### **Cautionary Statement**

Certain statements in the Management Discussion and Analysis may be forward looking within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Factor that to make differences to company's operations including competition, changes in Government policies and regulations, tax regimes and economic development within India.

### **DIVIDEND**

In view of the carried forward losses, Directors of your Company regret its inability to recommend any Dividend on equity shares for the year under review.

### **FIXED DEPOSITS**

Your Company has not accepted any fixed deposits within the meaning of Companies (Acceptance of Fixed Deposits) Rule, 1975 under section 58A of the Companies Act, 1956.

### **PARTICULARS OF EMPLOYEES**

During the year under report, the Company had no employees covered under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors confirm:

- (i) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) that the Directors have selected such accounting policies and applied that consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March, 2010 and of the profit of the Company for the year.

- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability.
- (iv) that the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2010, on a 'going concern' basis.

**REPORT ON CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNING AND OUTGO**

In accordance with the requirement of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the Report of Board of Directors) Rules, 1988, your Directors furnish hereunder the additional information as required.

**A. Conservation of Energy**

Your Company made all possible efforts to closely monitor Power consumption on daily basis so as to reduce wastage and cost. The Company is using electricity in place of gas for AC power plant and thus reduce the overall energy cost.

The Company has used Natural Gas through pipelines instead of LPG Cylinders in the Kitchen and other operational areas.

**B. Technology Absorption**

The project of your Company has no foreign collaboration, hence no particulars are offered.

**C. Total Foreign Exchange Earning and Outgo**

	2009-2010 Amount (Rs.)	2008-2009 Amount (Rs.)
a. Total Foreign Exchange used	Nil	4,77,940
b. Total Foreign Exchange earned	10,96,953	27,05,187

**DIRECTORS**

Shri Amit Garg and Shri Sanjay Mangal Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**AUDITORS**

M/s. J. M. Pabari & Associates, Chartered Accountants, Baroda retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

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.



## **CORPORATE GOVERNANCE**

As per the requirement of the Listing Agreement with Stock Exchanges, your Company has complied with the requirements of Corporate Governance in all material aspects.

A report on Corporate Governance together with a certificate of its compliance from the Statutory Auditors, forms parts of this report.

## **INDUSTRIAL RELATIONS**

During the period under review, the relations with the most valuable human resources of the Company remained cordial and peaceful. Your Directors wish to place on record their appreciation for the devoted services rendered by the staff of the Company.

## **ACKNOWLEDGMENTS**

Your Directors place on record their appreciation for the continued co-operation and support extended to the Company by the Financial Institutions, the Bankers and Shareholders. Your Directors also wish to record their recognition of the Customer Support and Patronage by the Corporate Houses in and around Baroda.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Baroda  
Date : 31<sup>st</sup> July, 2010

PUSHPENDRA BANSAL  
Executive Director

AMIT GARG  
Director

### **Registered Office:**

Revival Hotel, Near Sayaji Gardens,  
Kala Ghoda Chowk, University Road,  
Baroda – 390 002

## ANNEXURE TO THE DIRECTORS' REPORT CORPORATE GOVERNANCE REPORT

Pursuant to clause 49 of the Listing Agreement, given below is a report on the corporate governance of the Company.

### **Mandatory Requirements:**

#### **1. COMPANY'S PHILOSOPHY**

Your Company strongly believes in adopting and adhering to good corporate governance practices. Company's philosophy of Corporate Governance is to ensure:

- (i) that the Board and top management of the company are fully appraised of the affairs of the company that is aimed at assisting them in the efficient conduct of the company so as to meet company's obligation to the shareholders.
- (ii) that the Board exercise its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
- (iii) that all disclosure of information to present and potential investors are maximized.
- (iv) that the decision making process in the organization is transparent and are backed by documentary evidence.

#### **2. BOARD OF DIRECTORS**

The present strength of the Board of Directors of the Company is 6(Six) Directors of which 1(One) Director is an Executive Director, 1(one) Director is Non Executive Director, and 4(Four) Directors are Non Executive Independent Directors. The number of Non Executive/Independent Directors is more than 50% of the total number of the Directors with the Chairman being a Non Executive Director.

#### **Number of Board Meetings held and the dates of the Board Meetings:**

5 (Five) Board Meetings were held during the financial year 2009-10. The date on which the said meetings were held is as follows:

1	April 29, 2009	2	July 30, 2009	3	August 25, 2009
4	October 30, 2009	5	January 22, 2010		

The last Annual General Meeting of the Company was held on 25<sup>th</sup> September, 2009.