

# **29<sup>th</sup>**

## **ANNUAL REPORT**



**2014**



**2015**

**LORDS ISHWAR HOTELS LIMITED**

**COMPANY INFORMATION**

**Board of Directors**

Pushpendra Bansal	:	Managing Director (DIN: 00086343)
Mehinder Sharma	:	Non-Executive Director (DIN: 00036252)
Sangeeta Bansal	:	CFO & Non-Executive Director (DIN: 01571275)
Bharat Varsani	:	Independent Director (DIN: 00921903)
Amit Garg	:	Independent Director (DIN: 00537267)
Sanjay Mangal	:	Independent Director (DIN: 00754886)

**Company Secretary & Compliance Officer**

Ranjit Kumar Singh (ACS 24381)

**Statutory Auditors**

M/s J. M. Pabari & Associates (Firm Reg. No. 113881W)  
Chartered Accountants,  
301, Pancham Icon,  
Besides D-MART,  
Vasna Road,  
Baroda, Gujarat, India – 390 007

**Bankers**

Axis Bank  
Bank of Baroda  
State Bank of India

**Registered Office**

Hotel Revival, Near Sayaji Gardens,  
Kala Ghoda Chowk, University Road,  
Baroda, Gujarat, India – 390 002  
**Website:** [www.lordsishwar.com](http://www.lordsishwar.com)  
**CIN:** L55100GJ1985PLC008264

**Registrar & Share Transfer Agent**

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

**CONTENTS**

	Page No.
Notice to Members	3-6
Boards' Report	7-27
Management Discussion & Analysis	28-29
Corporate Governance Report	30-40
Auditors' Report	41-44
Balance Sheet	45
Profit and Loss Statement	46
Cash Flow Statement	47
Significant Accounting Policies & Notes to the Financial Statements	48-58
Proxy Form	
Attendance Slip	

## NOTICE

NOTICE is hereby given that the Twenty Ninth ANNUAL GENERAL MEETING of the members of LORDS ISHWAR HOTELS LIMITED will be held at Hotel Marvel Residency, Ajwa Road, Baroda -390 019, on Friday, the 11<sup>th</sup> day of September, 2015, at 09.30 a.m. to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2015 together with the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Smt. Sangeeta P. Bansal (DIN: 01571275), who is liable to retire by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. J. M. Pabari & Associates, Chartered Accountants (Firm Reg. No- 113881W), to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company on recommendation of the Audit Committee.

### **NOTES:**

- (a) **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on a Poll instead of himself/herself and such 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 forty-eight hours before the time fixed for the AGM. As per Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a Proxy on behalf of not more than fifty members 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 and such proxy shall not act as a proxy for any other Member. Proxy submitted on behalf of the limited Company, Society etc. must be accompanied with an appropriate Board resolution. A Proxy Form is annexed to this Annual Report.**
- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 5<sup>th</sup> September, 2015 to Friday, 11<sup>th</sup> September, 2015 (both days inclusive) for the purpose of the AGM of the Company.
- (c) Members are requested to:
  - (i) Intimate to the Company's Registrar & Share Transfer Agent (R&TA), "M/s. Bigshare Services Pvt. Ltd.", E-2/3, Ansa Industrial Estate, Saki Vihar, Saki Naka, Andheri (E), Mumbai – 400 072 or their Depository Participants ("DPs"), for 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;
- (d) As an austerity measure, Copies of Annual Report will not be distributed at the AGM. Members are requested to bring their own copy of Annual Report to the meeting.
- (e) The members, whose names appear in the Register of members/list of beneficial owners as on Friday, 4<sup>th</sup> September, 2015, i.e. the cut-off date taken by the Company, are eligible to vote by remote e-voting as well as in the AGM.
- (f) The Notice of the AGM along with the Annual Report for the financial year 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company /Depositories, unless any member has requested for a physical copy of the same. Shareholders, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication. Physical copies of Annual Report are being sent, to member who have not registered their e-mail address, by the permitted mode.
- (g) Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company by submitting duly filed Form No. SH-13.

- (h) Notice of AGM is also displayed on the Company's website [www.lordsishwar.com](http://www.lordsishwar.com) & NSDL website [www.nsdl.co.in](http://www.nsdl.co.in) . Members can download it from these website addresses.
- (i) Trading in Equity Shares of the Company is available with BSE Limited. Members are requested to send their equity share certificate(s) of the Company to their respective DPs for its dematerialization.
- (j) As per Clause 49 of the Listing Agreement, the particular of Director(s) seeking appointment and re-appointment at the meeting is annexed herewith.
- (k) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every shareholder holding shares in physical form while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly all the shareholders holding share(s) in physical form are requested to furnish a certified true copy of their PAN (including joint shareholders) to the Company or RTA (Bigshare Services Pvt. Ltd).
- (l) The Board of Directors has appointed Shri Manish R. Patel, Company Secretary in practice (Certificate of Practice No. 9360) as the Scrutinizer, for scrutinizing the voting & remote e-voting process in a fair & transparent manner.
- (m) 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 this meeting so that the required information can be made available at the Meeting.
- (n) **Voting through Electronic Means (i.e. remote e-voting):**
  - (i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his/her voting right by remote e-voting in respect of the resolutions contained in this notice.
  - (ii) The Company is providing remote e-voting facility to its members (holding shares in physical form or in dematerialized form) to enable them to cast their votes electronically from place other than the AGM venue. The Company has engaged the services of National Securities Depository Limited (NSDL) as the Authorized Agency to provide e-voting facilities to the members of the Company.
  - (iii) Members are requested to read the instruction for e-voting carefully before casting their vote.
  - (iv) The remote e-voting facility will be available during the period mentioned in "*Procedure for e-voting*" given below after which the portal will be blocked and shall not be available for e-voting.

#### **PROCEDURE FOR E-VOTING:**

- (A) The instructions for e-voting are as under:

**1. In case of members receiving an e-mail from NSDL** (for members whose email IDs are registered with the R&TA/DP(s) :

- (i) Open PDF file 'LIHL remote e-Voting.pdf' attached to your e-mail using your Client ID/Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password provided in PDF file is an 'Initial Password'.
- (ii) Launch an internet browser and open <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login.
- (iv) Put user ID and password as Initial Password/PIN noted in step (i) above and click 'Login'.

- (v) Password change menu will appear. Change the password with a new Password of your choice. Please note this new password and it is strongly recommended not to share your password with any person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting will open. Click on e-Voting: Active Voting Cycles.
- (vii) Select 'EVEN' of Lords Ishwar Hotels Limited.
- (viii) Now you are ready for e-voting as 'Cast Vote' page opens.
- (ix) Cast your vote by selecting appropriate option and click on 'Submit' and also confirm when prompted.
- (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (xi) Once you have voted on the Resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter, along with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail at [csmanishpatel@gmail.com](mailto:csmanishpatel@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

## **2. In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip**

- (I) Initial Password is provided as follows, at the bottom of the Attendance Slip.

EVEN (E-Voting Event Number)	User ID	Password/PIN

- (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) of (A) to cast vote.
- (B) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the 'Downloads' section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (C) If you are already registered with NSDL for e-voting then you can use your User ID and Password for casting your vote.
- (D) The voting rights of the members shall be in proportion to the paid up value of their shares in the equity capital of the Company as on the cut-off date, being Friday, 4<sup>th</sup> September, 2015.
- (E) The remote e-voting period begins on 8<sup>th</sup> September, 2015 at 09.00 a.m. and ends on 10<sup>th</sup> September, 2015 at 05.00 p.m.

(o) **Voting through Physical Ballot:**

In compliance with the provisions of the Companies Act, 2013 & Rules 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members; those have not exercised their vote through remote e-voting, to exercise their vote in physical ballot form at the venue of the AGM. The result of the physical ballot shall be declared along with the result of the remote e-voting.

- (p) The Scrutinizer shall, immediately after the conclusion of voting at the AGM will count the votes cast at the meeting & after unlocking the votes in presence of at least two (2) witnesses not in the employment of the Company, make, not later than three (3) working days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the meeting.
- (q) The Results shall be declared by the Chairman of the meeting or person authorized by him in writing on the basis of a consolidated report of remote e-voting & physical ballot paper. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and will be communicated to the NSDL & Stock Exchange(s) on which the company's equity Shares are listed.

This information forms part of the notice for the 29<sup>th</sup> Annual General Meeting.

**Details of Director seeking re-appointment under item (j) of the Notice at the 29<sup>th</sup> Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement):**

Name of the Director	Mrs. Sangeeta P. Bansal
Date of Birth	13/12/1963
Expertise in specific functional area	She has a vast experience of more than 17 years in the field of Hospitality business.
Qualification	M. Phil.
Date of appointment	08/09/2014
Shares held in the Company	12,50,650
Directorship in other Public Limited Companies as on 31.03.2015	1) Srijan Holdings Ltd 2) H. S. India Limited
Chairman/Member of the committees of other Companies on which she is a Director as on 31.03.2015	A member of Risk Management Committee of 'H.S. India Limited'.
Other Information	Non-Executive Promoter Director & Chief Financial officer Relative of Mr. Pushpendra R. Bansal

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

Place: Baroda  
Date :11<sup>th</sup> August, 2015

**RANJIT KUMAR SINGH**  
Company Secretary  
Membership No. A24381

**Registered Office:**  
Hotel Revival, Near Sayaji Gardens,  
Kala Ghoda Chowk, University Road,  
Baroda, Gujarat – 390 002  
CIN: L55100GJ1985PLC008264

## **BOARDS' REPORT**

To,  
The Members,

Your Directors have pleasure in presenting the 29<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements and Auditors' Report for the year ended 31<sup>st</sup> March, 2015.

### **FINANCIAL RESULTS**

The summary of the financial performance of the Company for the year ended 31<sup>st</sup> March, 2015 as compared to the previous year is as below:

<b>(In ₹)</b>		
<b>Particulars</b>	<b>2014-2015</b>	<b>2013-2014</b>
Net Income	40,334,412	53,839,811
Net Profit/(Loss) Before Tax	(7,379,582)	170,559
Less: Current Tax	-	-
Net Profit after Tax	(7,379,582)	170,559

### **PERFORMANCE OF THE COMPANY**

The Net Income of your company for the current year is Rs.40,334,412/- as against of Rs. 53,839,811/- in the previous year.

### **STATE OF COMPANY'S AFFAIRS**

The total expenditure for the period ended as at 31<sup>st</sup> March, 2015 amounted to Rs.47,713,994/-, decreased by Rs.59.55 Lakh as compared to previous year. However due to decrease in turnover of the Company for the period ended as at 31<sup>st</sup> March, 2015, a Net Loss of Rs. 73.79 Lakh has been accounted.

### **DIVIDEND**

In view of the carried forward losses, yours Directors regret their inability to recommend Dividend for the year 2014-2015.

### **DEPOSITS**

Your Company has not invited or accepted any deposits during the year from the Public.

### **INSURANCE**

All properties & insurable interest of the Company including Building, Plant & Machinery & Stocks have been fully insured.

### **CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of business of the Company.

### **THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

No significant and material orders were passed by the Regulators or courts or Tribunal impacting the going concern status and Company's operation in future.



**MATERIAL CHANGES & COMMITMENTS**

There is no material change & commitment in the business operations of the Company for the financial year ended 31<sup>st</sup> March, 2015.

**BUSINESS OVERVIEW**

India's travel & Tourism industry has huge growth potential. The tourism industry is looking forward to the e-visa policy which will turn the tourist inflow in double digit to India.

As per ICRA Ltd, a rating agency, the revenue growth of Indian hotel industries is strengthening to 9-11 per cent in 2015-16.

The growth of the tourism sector will have a direct & visible impact on the Indian economy in terms of spreading benefits across the country.

**FINANCIAL INFORMATION OF SUBSIDIARY/ASSOCIATE & JOINT VENTURE COMPANY**

There is no Subsidiary/Associate/Joint Venture Company of Lords Ishwar Hotels Limited, so this disclosure is not applicable to your Company.

**BORROWING/INDEBTNESS**

The total borrowing stood at Rs. 4.74 Crore as at 31<sup>st</sup> March, 2015 as against Rs. 4.78 Crore as on 31<sup>st</sup> March, 2014.

**NUMBER OF BOARD MEETINGS**

Four (4) Board Meetings were held during the year 2014-15. Detail information of meetings is being furnished under "Corporate Governance Report".

**MECHANISM FOR EVALUATION OF BOARD**

Evaluation of all Board members is done annually. The evaluation is done by the Board, Nomination & Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and individual Directors.

Criteria for evaluation of Board as a whole includes frequency, length, transparency, flow of information, administration and disclosure of Board meeting held.

Individual Directors can be evaluated on the basis of their ability to contribute good governance practices, to address top management issues, long term strategic planning, individually time spent, attendance & membership in other committees, core competencies and obligation & fiduciary responsibilities etc.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards and there are no material departures;
- b. appropriate accounting policies selected and applied are consistent and the judgments and estimates made 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 loss of the Company for that period;
- c. proper and sufficient care has been taken 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 annual accounts have been prepared on a 'going concern' basis;

- e. the company has an internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organization. To maintain its objectivity and independence, the Internal Audit function reports to the chairman of the Audit Committee of the Board; and
- f. we had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **INDEPENDENT DIRECTORS' DECLARATION**

The Independent Directors have submitted the declaration of independence, as required under Section 149(6) of the Companies Act, 2013 read with Rules thereon.

One meeting of Independent Directors was also held as per Schedule IV of the Companies Act, 2013.

#### **NOMINATION AND REMUNERATION POLICY**

As required under Clause 49(IV)(B)(4) of the Listing Agreement & Section 134(3)(e), a policy on Director's 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 is given in Annexure – I forming part of this Annual Report.

#### **RISK MANAGEMENT POLICY**

The Company has developed and adopted a Risk Management Policy. The Policy identifies all perceived risks which might impact the operations of the Company. Risks are assessed department wise such as financial risks, accounting risks etc. The Company is taking appropriate measures to achieve proper balance between risk & reward.

#### **VIGIL MECHANISM**

As required under Clause 49(II)(F) of the Listing Agreement read with Section 177(9) of the Companies Act, 2013, the Company has established a vigil mechanism for its directors & employees to report their genuine concerns/grievances. The mechanism also provides for adequate safeguards against victimization of person who use such mechanism and makes provisions for direct access to the Audit Committee chairman. The details of the mechanism are posted on the Company's website ([www.lordsishwar.com](http://www.lordsishwar.com)) under 'Investor Relations'.

#### **EXTRACT OF ANNUAL RETURN**

As per the provisions of section 92(3) of the Companies Act, 2013, an extract of the Annual Return in Form No. MGT-9 of the Companies (Management and Administration) Rules, 2014 is annexed as Annexure - 2 herewith and forms part of this report.

#### **STATEMENT UNDER COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

There is no employee drawing remuneration of Rs. 60 Lakh or more in a financial year or drawing a remuneration of Rs. 5 Lakh per month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Your Company is not paying any remuneration to its Managing Director or other Directors. The details can be referred in Annexure-2 to this Annual Report.

#### **PARTICULARS OF EMPLOYEES & REMUNERATION**

As required under Section 197(12) of the Companies Act, 2013 read with Rules thereon, the ratio of the remuneration of each director to the median employee's remuneration and other details are annexed as Annexure-3 to this Annual Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion And Analysis as required under Clause 49(VIII)(D) of the Listing Agreement is given as separate statement in this Annual Report.