



Lakeland Hotels Limited

Regd. Office: "Reliable House", A-6, Kho-E-Fiza, Indore Road, Bhopal - 462 001
Tel. No. : (0755) 540441, 540715. Fax : 0755-540442

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EIGHTH ANNUAL REPORT 1999-2000



LAKELAND HOTELS LTD.

BOARD OF DIRECTORS

Mr. Sikander Hafiz Khan	Chairman & Managing Director
Mr. Mohammed Hafiz Khan	Director
Mr. Syed Sadat Ali Hashmi	Director
Air Chief Marshal N.C. Suri	Director
Mr. Raja Vijay Karan	Director
Mr. S. Shankar Narayanan	Director

COMPANY SECRETARY

Mr. S.S. Raghuvanshi

BANKERS

Dena Bank Hamidia Road Branch, Bhopal

Bank of Baroda Habibganj Branch, Bhopal

AUDITORS

M/s H. Dangi & Company
Chartered Accountants, Indore

Regd. Office :

"Reliable House",
A-6, Kho-E-Fiza, Indore Road,
Bhopal - 462 001 (M.P.)

LAKELAND HOTELS LIMITED

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting to you their Eighth Annual Report together with the Audited Statements of Accounts of the Company for the 12th months' operation ended 30th Sept., 2000.

FINANCIAL PERFORMANCE:

During the period under report, your company has earned an all inclusive revenue of Rs.230.67 lacs against Rs.205.11 lacs during the corresponding period in the preceding financial year registering a growth of about 12.46% over the previous year. However after incurring operating expenses the operations of the company culminated into cash loss of Rs.21.43 lacs which in the opinion of your directors seems to be reasonable because of the fact that the company could put to use only 39 rooms during the year as against the original plan of 70 rooms and its major revenue earning services like Banquet Hall, Multicuisine Restaurant, Bar, Conference Hall etc. could not be installed and made operational during the year under report. It is expected that as soon as the company is able to install and use all the projected facilities, the cash loss is likely to disappear gradually.

SHARE CAPITAL:

During the year under report, the authorised share capital of the company stood at Rs.1200.00 lacs comprising of 1,20,00,000 Equity Shares of Rs. 10/- each with the issued and subscribed capital at Rs. 1101.29 lacs divided into 1,10,12,900 Equity Shares of Rs. 10/- each, of which, a sum of Rs. 991.53 lacs stood paid-up, leaving calls in arrears to the tune of Rs.109.76 lacs. Your Directors call upon the shareholders who are yet to pay the arrears of calls to pay the same immediately.

CAPITAL EXPENDITURE:

A capital expenditure of Rs.2012.45 lacs has so far been incurred by the Company as on and upto 30.09.2000 on the hotel project. Out of the capital expenditure a sum of Rs.780.99 lacs already incurred by the company for the assets already put to use has been capitalised and Rs.1242.42 lacs towards work in progress is proposed to be capitalised on completion of the hotel project.

PROJECT IMPLEMENTATION STATUS :

The hotel project of the company incorporating few changes in the project scheme still remained under completion because of the fact that your company has not been able to tie up requisite term finance so far. It is expected that the requisite finance shall be tied up during the current financial year and accordingly the hotel project of the company shall be completed by March 2002.

DIVIDEND :

Since no surplus has been generated by the Company during the period under report, no dividend on the Equity share capital has been recommended.

DIRECTORS :

During the year under report Mr.S.Shankar Narayanan, Director retires at the ensuing Annual General Meeting and being eligible offers himself for reappointment as such.

Mr.Mohd. Mansur Ali Khan Pataudi and Mr.Kaleem Ullah Khan have ceased to be directors of the company by resignation. The Board places on record its warm appreciation for the valuable services rendered by them during their tenure as directors of the company.

Besides, Air Chief Marshal N.C.Suri, Mr.Raja Vijay Karen and Mr.S.A.Hashmi who were appointed as Additional Directors by the Board of Directors of the company during the period under report shall also cease to hold offices as such on the conclusion of the ensuing General Meeting in terms of applicable provision of the Companies Act 1956 read with Article No.80 of Memorandum and Articles of Association of the company.



AUDITORS :

M/s.H.Dangi & Co., Chartered Accountants, Indore have expressed their unwillingness u/s 224 (2)(b) of the Cos. Act, 1956 to continue as statutory auditors of the company for any further period and therefore your directors found it expedient to recommend the appointment of M/s.Mago Khatri & Associates, Chartered Accountants, Indore as statutory auditors of the company in place of M/s.H.Dangi & Co.

The proposed appointee have already signified their eligibility u/s 224(1B) of the Cos. Act and accordingly a proposal is being brought up at the ensuing meeting for the appointment of M/s.Mago Khatri & Associates at the office of statutory auditors of the company to hold the office as such from conclusion of the ensuing AGM to the conclusion of the next AGM.

AUDITOR'S REPORT :

the notes on accounts referred to in the Auditors Report dated 18th November 2000 appended hereto are self-explanatory and, therefore do not call for any further comments from the Directors.

STATUTORY STATEMENTS :

Information as per Sec 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 30th September 2000 are given as under :-

A) Conservation of Energy :

The basic engineering design of the Hotel is being based on optimum energy consumption and provision is being made to conserve energy to the maximum possible extent which would reduce the liability on energy bills.

B) Technology Absorption :

During the year no amount has been incurred on technology absorption (Previous Year Rs.NIL)

C) Foreign Exchange Earnings & Outgo :

During the period under report the Earnings and outgo in foreign exchange has been as under:

Earnings: Rs.5.46 lacs in term of Indian currency.

Outgoing: Unlike previous year, nothing has been spent in foreign exchange on import etc.

PUBLIC DEPOSIT :

During the period under report your company has not accepted an deposit from public in term of Section 58-A of the Companies Act, 1956, rules framed and notifications issued thereunder.

PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956:

During the period under report too, your company did not employ any person, the particulars in respect of whom are required to be disclosed in the report under the provisions of sec 217 (2A) of Act, as amended upto date. Therefore the company does not have anything to report under the said provisions.

INFORMATION IN TERM OF LISTING AGREEMENTS WITH STOCK EXCHANGES :**Listing & Payment of listing fee:**

The equity shares of the Company are listed with the Mumbai, Delhi and M.P. Stock Exchanges and the requisite fee payable to them in term of listing agreements in force has been duly paid and/or adjusted and nothing is payable to them on the said account as of today.

**Y2K problem preparedness:**

As reported during the previous year that Front office, maintenance creditors & debtors account and Budgeting activities of the company were vulnerable to the anticipated Y2K problem and that the Y2k transition period has already passed without any adverse effects on the activities of the company.

ACKNOWLEDGMENTS :

Your Directors wish to place on record their grateful and sincere thanks for the excellent support and co-operation your company received from the Ministry of tourism, Govt. of India and Deptt. of Tourism, Govt. of Madhya Pradesh, Banks and other government bodies and we look forward to their continued support in future also.

Your directors also wish to place on record their appreciation for the sincere and devoted services rendered by the executives and staff of the company.

Place :Bhopal

For & on behalf of the Board

Date: 18th November 2000

Sd/- Sd/-
DIRECTOR DIRECTOR

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**AUDITORS REPORT
TO THE SHARE HOLDERS OF
LAKELAND HOTELS LIMITED :**

We have audited the attached Balance Sheet of LAKELAND HOTELS LIMITED, as at 30th Sept., 2000 and also the Profit & Loss Account for the year ended on that date annexed hereto and report that :

As required by manufacturing and other Companies (Auditors Report) Order, 1988 issued by company law board in terms of Sec. 227 (4A) of the Companies Act, 1956 we annexed hereto a statement on the matters specified in paragraph 4 & 5 of the said order.

Further to our comments in the annexure referred to in paragraph 1 above.

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit, unless otherwise, if any, reported in this report and Annexure, forming part of the accounts.
2. In our opinion proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
3. The Balance Sheet and Profit & Loss account dealt with by this report is in agreement with the books of accounts.
4. In our opinion, to the best of our information and according to the explanations given to us the said accounts together with the notes thereon and the significant policies comply with the accounting standards referred to in sub section (3C) of section 211 of the companies act 1956.
5. In our opinion, to the best of our knowledge, information and according to the explanations given to us, the said balance sheet and profit & loss account read with the notes and the Accounting Policies thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i. In the case of the balance sheet of the state of affairs of the company as at 30th Sept 2000 and
 - ii. In case of the profit & loss account of the loss for the year ending on that date :

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for H. DANGI & CO.,
Chartered Accountants,

PLACE : INDORE
DATED : 18th Nov. 2000

Sd/-
(HEMANT JAIN)
PROPRIETOR