



28th
ANNUAL REPORT



2013
2014

LORDS ISHWAR HOTELS LIMITED

COMPANY INFORMATION

Board of Directors

Pushpendra Bansal : Executive Director
Mehinder Sharma : Non-Executive Director
Bharat Varsani : Independent Director
Amit Garg : Independent Director
Sanjay Mangal : Independent Director

Company Secretary & Compliance Officer

Ranjit Kumar Singh

Statutory Auditors

M/s J. M. Pabari & Associates
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
United Bank of India

Registered Office

Hotel Revival, Near Sayaji Gardens,
Kala Ghoda Chowk, University Road,
Baroda, Gujarat, India – 390 002
Website: 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

NOTICE

NOTICE is hereby given that the **28th ANNUAL GENERAL MEETING** of the members of **LORDS ISHWAR HOTELS LIMITED** will be held at Hotel Raj International, Ajwa-Nimeta Road, Baroda -390 019, on Monday, the **8th** day of September, 2014, at 09.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss 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 Mehinder Sharma (DIN: 00036252), who is liable to retire by rotation and being eligible, offers himself 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.

SPECIAL BUSINESS:

4. Appointment of Smt. Sangeeta P. Bansal as a Director

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT Smt. Sangeeta P. Bansal (DIN: 01571275), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company whose period of office shall liable to retire by rotation in the Annual General Meeting (AGM)”.

5. Appointment of Shri Amit Garg as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Shri Amit Garg (DIN: 00537267), who was appointed as a Director liable to retire by rotation at the AGM, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation at the AGM of the Company, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 33rd AGM of the Company in the calendar year 2019.

6. Appointment of Shri Bharat Varsani as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Shri Bharat Varsani (DIN: 00921903), who was appointed as a Director liable to retire by rotation at the AGM, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation at the AGM of the Company, to hold office for a term of 5 (five) consecutive years up to the conclusion of the 33rd AGM of the Company in the calendar year 2019.

7. **Appointment of Shri Sanjay Mangal as an Independent Director**

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and Clause 49 of the Listing Agreement, Shri Sanjay Mangal (DIN: 00754886), who was appointed as a Director liable to retire by rotation at the AGM, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation at the AGM of the company, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 33rd AGM of the Company in the calendar year 2019.

8. **Re-designation of Shri Pushendra R. Bansal as Managing Director**

To consider & if thought fit, to pass, with or without modification (s), the following Resolution as an **Ordinary resolution**:

“RESOLVED THAT in order to comply with the provisions of appointment of Key Managerial Personnel under Section 203 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 & pursuant to the provisions of Section 196 & 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory amendment(s), modification(s), or re-enactment (s) thereof for the time being in force), the approval of the Company be and is hereby accorded to the re-designation (change in designation) of Shri Pushendra R. Bansal (DIN: 00086343) as Managing Director of the Company for the balancing periods i.e. 31.07.2014 to 29/04/2017, originally appointed as Whole Time Director for 5 (Five) years with effect from 30th April, 2012, upon terms & conditions (without any remuneration) as set out in the Statement annexed to this Notice with the liberty to the Board to alter and vary the said terms & conditions as it may deem fit and as may be acceptable to Shri Pushendra Bansal.

9. **Approval of borrowing limits to the Board of Directors of the Company**

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

“RESOLVED THAT in suppression of the earlier Resolution passed at the Extra- Ordinary General Meeting held on 15th March, 2008 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Article of Associations of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to borrow any sum or sums of money, from time to time, which, together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 200 Crore (Rupees Two Hundred Crore only).

“RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a committee constituted by the Board and/or any member of such committee with power to the said committee to sub-delegate its power to any of its members.

10. **Approval for Creation of Charge/ mortgage on the assets of the Company**

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

“RESOLVED THAT in suppression of the earlier Resolution passed at the Extra- Ordinary General Meeting held on 15th March, 2008 and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Article of Associations of the Company, consent of the

Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecation, if any, created by the Company, on such movable and/or immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, other lending/investing agencies or bodies/trustees.

RESOLVED FURTHER THAT the Board be & is hereby also authorized to do all such other acts, deeds, things as may be required from time to time which may be incidental or ancillaries thereto in giving effects to this Resolution.

11. Adoption of new Draft of Articles of Association of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the new draft Articles as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Article of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution”.

NOTES:

- (a) A member entitled to attend and vote at the AGM is entitled to appoint proxy (ies) to attend and vote on poll instead of himself 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.
- (b) The Share Transfer Books and Register of Members of the Company will remain closed from Monday, 1st September, 2014 to Monday, 8th September, 2014 (both days inclusive).
- (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;
 - (iii) Bring their copy of Annual Report and the Attendance Slip with them at the AGM.
- (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, 1st August, 2014, i.e. the cut-off date (record date) taken by the Company for dispatch of the Annual Report & Notice (including Notice for e-voting) calling the AGM.
- (f) In case of non-receipt of Notice of AGM, members are requested to write to the Company at its registered office for issuing the duplicate of the same or download the same from company's website www.lordsishwar.com
- (g) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the AGM is annexed hereto.
- (h) Trading in Equity Shares of the Company is available with Bombay Stock Exchange Ltd. Members are requested to send equity shares of the Company to their respective DPs for its dematerialization.

- (i) A brief note on Directors including those proposed to appointed / re-appointed is provided in the Corporate Governance Report forming part of this Annual Report.
- (j) 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).
- (k) The shares of the Company are under trading compulsory in dematerialized form. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
- (l) 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.
- (m) Voting through Electronic means:**
- (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 electronic means (e-voting) in respect of the resolutions contained in this notice.
- (ii) The Company is providing e-voting facility to its members (holding shares in physical form or in dematerialized form) to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (NSDL) as the Authorised Agency to provide e-voting facilities to the members of the Company.
- (iii) The Board of Directors has appointed Shri Manish R. Patel, Company Secretary in practice (Membership No. 19885) as the Scrutinizer, for conducting the e-voting process in a fair & transparent manner.
- (iv) Members are requested to read the instruction for e-voting carefully before casting their vote.
- (v) The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting:

Commencement of e-voting	From 09.00 a.m (IST) on 3 rd September, 2014
End of e-voting	Upto 06.00 p.m (IST) on 4 th September, 2014

PROCEDURE FOR E-VOTING:

1. The instructions for e-voting are as under:

- (A) 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 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 with a copy marked to evoting@nsdl.co.in.

(B) 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
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- (i) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) of (A) to cast vote.
- 2. 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.
- 3. If you are already registered with NSDL for e-voting then you can use your User ID and Password for casting your vote.
- 4. 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 (i.e. the record date), being Friday, 1st August, 2014.
- 5. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in presence of at least two (2) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting.
- 6. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within two (2) days of passing of the Resolutions at the AGM and communicated to the Stock Exchange(s) where the company's Shares are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

In terms of the provisions of Section 149(1) of the Companies Act, 2013 read with amended Clause 49 of the Listing Agreement, the Company should have at least one woman Director in the Board of Directors.

Keeping in view the above legal compliance, the Board of Directors has proposed that Smt. Sangeeta P. Bansal be appointed as a Director of the Company whose period of office is liable to retire by rotation.

Consequently, proposal of such appointment is made at the ensuing 28th AGM of the Company.

Brief resume of Smt. Sangeeta P. Bansal along with other details as required under Clause 49 of the Listing Agreement is provided in the 'Corporate Governance Report' forming part of this Annual Report.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Smt. Sangeeta P. Bansal for the office of Director of the Company. She holds the office of a Director within the limit given under Section 165 of the Companies Act, 2013. She fulfils other provisions laid down under the Companies (Appointment and Qualification of Directors) Rules, 2014.

Smt. Sangeeta P. Bansal is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Item No. 5, 6 & 7

Shri Amit Garg, Shri Bharat Varsani and Shri Sanjay Mangal are Non-Executive Independent Directors of the Company, whose period of office was liable to retire by rotation at the AGM under the erstwhile applicable provisions of the Companies Act, 1956. However as per requirements of the provisions of the Companies Act, 2013, Rules made there under & amended Clause 49 of the Listing Agreement, the Independent Directors are not liable to retire by rotation and required to be appointed by shareholders. Therefore, it is proposed to appoint Shri Amit Garg, Shri Bharat Varsani and Shri Sanjay Mangal as Independent Directors of the Company for a term of five consecutive years up to the conclusion of 33rd AGM of the Company.

Shri Amit Garg, Shri Bharat Varsani and Shri Sanjay Mangal are not disqualified from being appointed as Directors in terms of Section 164 of the Act and having given their consent to act as Directors.

The Company has also received declarations from them that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act & Clause 49 of the Listing Agreement.

Their brief resumes along with other details as required under Clause 49 of the Listing Agreement are provided in the 'Corporate Governance Report' forming part of this Annual Report.

The Board considers that Shri Amit Garg, Shri Bharat Varsani and Shri Sanjay Mangal shall adhere the standards & provisions laid down under Schedule IV of the Companies Act, 2013 and it is desirable to continue to avail their services as an Independent Director. Accordingly, the Board recommends the Ordinary Resolutions set out at Item Nos. 5, 6 & 7 of the Notice for your approval.

Item No. 8

The Board of Directors of the Company at its meeting held on 28th April, 2012 has re-appointed Shri Pushpendra R. Bansal as an Executive Director (Whole Time Director) for a period of 5(Five) years commencing from 30.04.2012 without any remuneration and the members' approval has been accorded at 26th AGM held on 28th Day of September, 2012.

Further on the applicability of the provisions of the Companies Act, 2013 and Rules made thereon, the designation of Shri Pushpendra R. Bansal should be changed from Whole Time Director to Managing Director to comply with the provisions of Section 203 of the Act & applicable Rules thereon.

Keeping in view of the compliance to be made, the Board at its meeting held on 31st July, 2014 has, subject to the approval of the members of the Company, re-designated (change in designation) Shri Pushpendra R. Bansal as Managing Director from Whole Time Director for the balancing periods i.e. 31.07.2014 to 29.04.2017 without any remuneration.

No Salary, perquisites and Allowances, Remuneration based on net profits or reimbursement of expenses shall be paid to Shri Pushpendra R. Bansal. The General terms of the re-designations are as under:

- (i) The Managing Director will perform his duties as such with regard to all work of the Company and he will manage & attend to such business and carry out the orders and direction given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may be given.
- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director shall adhere to the Company's Code of Business Conduct & ethics for Directors and Management Personnel.
- (iv) Shri Pushpendra R. Bansal satisfies all the conditions set out under Section 196 and Schedule V of the Act.

The above briefs may be treated as a written memorandum setting out the terms of re-designation of Shri Pushpendra R. Bansal as Managing Director of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for your approval. None of the Directors except Shri Pushpendra Bansal & his relative may be deemed to be interested in the Resolution.

Item No. 9

The shareholders of the Company at the Extra-Ordinary General Meeting of the Company held on 15th March, 2008, by an Ordinary Resolution (in accordance with the provisions of Companies Act, 1956), authorized the Board of Directors of the Company to borrow sums in excess of the paid up capital and free reserves but not at any time exceeding Rs. 200 Crore (Rupees Two Hundred Crore only).

Further in terms of the provisions of Section 180(1) (c) of the Companies Act, 2013, the consent of the members by a Special Resolution is necessary to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

Accordingly, the Board of Directors recommends the Resolution set out at Item No. 9 for your approval by way of a Special Resolution.

None of the Directors and Key Managerial Personnel (including relatives of Directors & Key Managerial Personnel) of the Company is concerned or interested, financially or otherwise, in this Resolution.

Item No. 10

The shareholders of the Company at the Extra-Ordinary General Meeting of the Company held on 15th March, 2008, by an Ordinary Resolution (in accordance with the provisions of Companies Act, 1956), authorized the Board of Directors of the Company to mortgage /create charge the properties (movable and/or immovable) upto a sum of Rs.200 Crore (Rupees Two Hundred Crore).

Further in terms of the provisions of Section 180(1) (a) of the Companies Act, 2013, the consent of the members by a special Resolution is necessary to lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company. Since mortgaging by the Company of its movable or immovable properties in favour of various Financial Institutions/ Banks etc. for availing terms loan/other secured borrowings is regarded as disposal of the Company's properties /undertakings, it is necessary for the members to pass the Resolution under Section 180(1) (a) of the Companies Act, 2013 by way of Special Resolution.

Accordingly, the Board of Directors recommends the resolution set out at Item No. 10 for your approval by way of a Special Resolution.

None of the Directors and Key Managerial Personnel (including relatives of Directors & Key Managerial Personnel) of the Company is concerned or interested, financially or otherwise, in this Resolution.

Item No. 11

The Article of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were made from time to time over the past several years. The references to specific sections of the Companies Act, 1956 in the exiting Article of Association may no longer be in conformity with the Companies Act, 2013.

Considering that substantive sections of the Companies Act which deal with the general working of the companies stand notified, it is proposed to wholly replace the existing Articles of Association to align it with the provisions of Companies Act, 2013 including the Rules framed there under and adoption of specific sections from Table "F" to Schedule I to the Companies Act, 2013 which set out the model Article of Association for a Company limited by shares.

Accordingly, the Board of Directors recommends the Resolution set out at Item No. 11 for your approval by way of special resolution.

None of the Directors / Key Managerial Personnel of the Company / their relative is, in any way, concerned or interested, financially or otherwise, in this Resolution.

By Order of the Board of Directors
LORDS ISHWAR HOTELS LIMITED

Place: Baroda
Date :31th July, 2014

RANJIT KUMAR SINGH
Company Secretary

Registered Office:

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

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 28th Annual Report of your Company together with the Audited Financial Statements and Auditors' Report for the year ended 31st March, 2014.

FINANCIAL RESULTS

The summary of the financial performance of the Company for the year ended 31st March, 2014 as compared to the previous year is as below:

Particulars	(In ₹)	
	2013-2014	2012-2013
Net Income	53,839,811	62,486,932
Net Profit before Tax	170,559	119,485
Less: Current Tax	-	40,000
Net Profit after Tax	170,559	79,485

PERFORMANCE OF THE COMPANY

The Net Income of your company for the current year is Rs.53,839,811/-. Net Profit after Tax for the current year amounts to Rs. 170,559/-.

DIVIDEND

In view of the carried forward losses, yours Directors regret their inability to recommend Dividend for the year 2013-2014.

FIXED DEPOSITS

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

PARTICULARS OF EMPLOYEES

None of the employees of the Company are covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:

Your Board of Directors here by confirms that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) 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 profit of the Company for that period;
- (iii) proper and sufficient care has been taken 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) the annual accounts have been prepared 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 has 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 is using Natural Gas through pipelines instead of LPG Cylinders in the Kitchen and other operational areas which reduces the energy cost.

B. Technology Absorption

Your Company has no foreign collaboration, hence no particulars are offered.

C. Foreign Exchange Earning and Outgo

As required under section 217(1) (e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of the particulars in the Report of Board of Directors) Rules, 1988, the information relating to the foreign exchange earnings and outgo are given in the Notes to the financial statements for the year ended 31st March, 2014.

STATUTORY AUDITORS

M/s. J. M. Pabari & Associates, Chartered Accountants (Firm Reg. No-113881W), Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as per Companies Act, 2013.

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.

DIRECTORS

Shri Mehinder Sharma, Directors of the Company, liable to retire by rotation being eligible, offers himself for re-appointment. Shri Amit Garg, Shri Bharat Varsani & Shri Sanjay Mangal are to be appointed as Independent Directors of the Company, not liable to retire by rotation at AGM.

Board has also made a proposal for appointment of Smt. Sangeeta P. Bansal as a woman Director in terms of the provisions of Section 149(1) of the Companies Act, 2013 read with the amended Clause 49 of the Listing Agreement.

Shri Pushpendra R. Bansal is to be re-designated as Managing Director of the Company in order to comply with the requirements of the provisions of Section 203 of the Companies Act, 2013 read with the Rules made thereon. Such recommendation is also made by the Board.

The Company has received requisite declaration from all the Directors including Independent Directors & Managing Director as prescribed under the Companies Act, 2013 along with the Clause 49 of the Listing Agreement.

The Board of Directors is duly constituted.

PREFERENTIAL ALLOTMENT OF SHARES ON CONVERSION OF WARRANTS

During the year, your Company has issued & allotted 1,195,100 Equity shares of Rs. 10/- each on conversion of 1,195,100 Warrants at par to Promoter and Non-promoters of the Company on Preferential basis vide approval accorded by the members & Stock Exchanges.

CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement with Stock Exchanges, your Company is committed to maintain the standards & to fulfill 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 is given in Annexure forming part of this Annual Report.

INDUSTRIAL RELATIONS

During the period, the relations with all employees of the Company were cordial and a congenial atmosphere prevailed. Your Directors place on record their appreciation for the devoted services rendered by the employees of the Company.

ACKNOWLEDGMENTS

Your Directors wish to place on record their sincere thanks to the valued guests, suppliers and the Financial Institution for their support, co-operation and guidance.

Your Directors take the opportunity to express their sincere thanks to all the investors, shareholders and stakeholders for their continued confidence in the company.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, contributing in Management & delivering a sound performance.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Baroda
Date: 31st July, 2014

Registered Office:

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

PUSHPENDRA BANSAL
Executive Director

AMIT GARG
Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BUSINESS ENVIRONMENT, INDUSTRY STRUCTURE & DEVELOPMENTS:

Financial market volatility increased globally in the first half of 2013-14 after a period of calm since last summer. Emerging market economies have generally been hardest, as recent increase in advanced economy interest rates and asset price volatility. The industry is gaining its sheen in many parts of world. The most important market for hotels, the United States has witness a revival from its 2010 lows and experienced good growth.

In an unprecedented focus on tourism; the Indian budget unfolded a slew of initiatives including six month deadline for implementation of electronic visas and a thrust on heritage and pilgrim tourism. The government's proposal to infuse over Rs 1,000 crore in developing India as a more attractive tourism destination is being seen as a window to draw more foreign tourists and foreign exchange, besides enhancing air connectivity and development of heritage sites within the country. India continues to lag in tourism competitiveness, ranking 65 out of 140 countries in a 2013 World Economic Forum study. The new schemes are expected to change it. Conservative government estimates say India could receive 1.2 million additional tourists and receive earnings of \$2.4 billion by 2015 if the e-visa facility is implemented.

During 2013, travel and tourism industry contributed Rs 63,160 crore to the economy and generated 35 million jobs. A report by World Travel and Tourism Council says the country's economic contribution from tourism in the country is expected to grow by 7.3% in 2014 which will outperform the general economy by 2.5 percentage points. Goa will get a convention centre, while a PPP Metro project will be developed in Ahmedabad and Lucknow.

OPPORTUNITIES, THREATS, AND RISK & CONCERNS:

Your Company is in well position to take advantage of the following situations:

- Healthy economy having positive support of Tourism Sector.
- Well framed State & Central Government policies to attract tourists.
- Proximity to Airport, Railway & Bus station.
- Healthy Competition in the city.
- Extending the product portfolio by offering various types of facilities.
- Demand between the national and the inbound tourists can be easily managed due to difference in the period of holidays.

The hotels are focusing on revenue management, human resources and cost control. There are also focuses on sustainability in the phase of globalization.

Despite the apparent steps taken by the tourism industry in India, some worries still remain. Infrastructure facilities available in the country are not up to the mark and require lot of improvement if we want to sustain present growth of industry. Following are some of risks and concerns envisaged by hotel industry.

- General economic conditions like worldwide slow down in global economies, local market condition, fluctuation in interest and foreign exchange rates, etc.
- Socio-political risk like threat of terrorist activities, travel advisories from foreign countries, natural calamities, high rate of employee turnover ratio, power & water shortage, etc.,
- However, your Company is taking all efforts for ensuring its service standards by timely renovating and repositioning its property.

FINANCIAL & OPERATING PERFORMANCE

During the Financial Year 2013-14, the Company's total revenue was Rs 53,839,811/- and net profit was Rs. 170,559/-.

FUTURE OUTLOOK

Your Company continues to believe that the long-term prospects for the travel and tourism industry in India are attractive. India's economic outlook for 2014-15 looks better than the current year subject to the monsoon. 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. Your Company is continuously arranging Staff Functions on monthly & yearly basis. Inter office activities and entertaining by showing movies are also done for motivation of the staffs.

The total number of employees in your Company as on 31st March, 2014 was 87.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

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 describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed or implied. Significant factors that could make a difference to company's operations include poor macroeconomics growth, changes in tastes and preferences, consumer confidence, changes in Government policies and regulations, tax regimes and economic development within India & other incidental factors.

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Members of
LORDS ISHWAR HOTELS LIMITED

It is hereby certified and confirmed that as provided in clause 49 I (D) of the Listing Agreement with the Stock Exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31st March, 2014.

For LORDS ISHWAR HOTELS LIMITED

Place: Baroda
Date: 31st July, 2014

PUSHPENDRA BANSAL
Executive Director

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the listing agreement, a report on the corporate Governance is here by given below :

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 that :

- (i) the Board and top management of the company are fully apprised 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) the Board exercises its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability;
- (iii) all disclosure of information to present and potential investors are maximized;
- (iv) 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 5(Five), out of which 1(One) Director is an Executive Director, 1(one) Director is Non Executive Director, and 3(Three) Directors are Non Executive Independent Directors. The number of Non Executive/Independent Directors is more than 50% of the total number of the Directors.

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

5 (Five) Board Meetings were held during the financial year 2013-14. The dates on which the said meetings were held are as follows:

1	29 th May, 2013	2	26 th July, 2013	3	30 th October, 2013
4	23 rd December, 2013	5	31 st January, 2014		

Details of attendance at the Board meetings, Last Annual General Meeting (AGM) and Shareholding of each Director are as follows:

Name	Category	Attendance Particulars		No. of Equity Shares Held
		Board Meetings	Last AGM*	
Shri Mehinder Sharma	Non Executive Director	No	No	Nil
Shri Pushpendra Bansal	Executive Director	5	Yes	2000
Shri Bharat Varsani	Non Executive Independent Director	5	No	Nil
Shri Amit Garg	Non Executive Independent Director	5	Yes	Nil
Shri Sanjay Mangal	Non Executive Independent Director	5	Yes	Nil

* The last AGM of the Company was held on 27th August, 2013.

No. of other Companies/Committees showing a Director/committee member/Chairman:

Name of the Director	No. of other Public Limited Company in which Director	Committee Membership (other than Lords Ishwar Hotels Ltd.)	No. of Committees in which he is chairman (other than Lords Ishwar Hotels Ltd.)
Shri Mehinder Sharma	4	--	--
Shri Pushpendra Bansal	3	--	--
Shri Bharat Varsani	-	--	--
Shri Amit Garg	1	--	--
Shri Sanjay Mangal	1	--	--

As per Section 278 of the Companies Act, 1956, Directorship held by Directors mentioned above does not include Directorship of Private Limited Companies which is neither a Subsidiary nor a Holding Company of a public Company, Section 25 – non-profit making Companies, Unlimited Companies and Companies where the Director is an Alternate Director.

The Company has a process to provide, inter-alia, the information to the Board as required under Annexure I to Clause 49 of the listing agreement pertaining to Corporate Governance.

None of the Directors on the Board is a member of more than Ten Committees and Chairman of more than five Committees across all the Companies in which they are Directors. All the Directors have made necessary disclosures in this regards to the Company.

Code of Conduct

The Board has laid down a code of conduct for Board Members and senior management staff of the Company. The Board Members and senior management staff have affirmed compliance with the said Code of Conduct. A certificate thereon duly signed by the Executive Director of the Company is being annexed in this Annual Report.

Note on Directors seeking appointment/re-appointment:**Smt. Sangeeta P. Bansal**

Smt. Sangita P. Bansal (DIN: 01571275) aged about 50 years is Master in Philosophy (History) and has more than 16 years of enriched and varied experience in the hotel industry. She served the Company by providing her creative ideas which helps in improving weak spheres of Business.

She has Directorship in only one other Public limited Company named 'Srijan Holdings Ltd'.

Shri Amit Garg

Shri Amit Garg (DIN: 00537267), aged about 39 years, is Arts Graduate having more than 16 years of practical experience in hotel industry. He has been very instrumental in the purchase of hotel relating equipments and materials.

He is a Director in one another public limited Company 'Lords Inn Hotels and Developers Limited'.

Shri Bharat Varsani

Shri Bharat Varsani (DIN: 00921903), aged about 54 years, is Commerce Graduate and has more than 20 years of experience in field of transportation and management of all kinds of vehicles particularly transportation of LPG and Ammonia in bulk.

He is not a Director in any other Company.

Shri Sanjay Mangal

Shri Sanjay Mangal (DIN: 00754886), aged about 46 years, is commerce graduate and has vast experience of more than 20 years in hotel and construction industry and also offset printing.

He holds directorship in one another public Company named 'Srijan Holdings Ltd'.

3. AUDIT COMMITTEE

During the financial year 2013-14, the Audit Committee met 5 (five) times on 29th May, 2013, 26th July, 2013, 30th October, 2013, 23rd December, 2013 and 31st January, 2014. The Committee, at these meetings, reviewed the financial reporting system, Management Discussion & Analysis Report, utilization of preferential allotment fund & Audited/ un-audited financial results.

Composition of the Audit Committee & detail of meetings attended by members are as follows:

Name of the Director	Position	No. of Meetings Held	No. of Meetings Attended
Shri Amit Garg	Chairman cum Member	5	5
Shri Bharat Varsani	Member	5	5
Shri Sanjay Mangal	Member	5	5

At present, all members of the Audit Committee are Non Executive Independent Directors.

Shri Amit Garg, Chairman of the Audit Committee has attended the last AGM.

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee would assume to the Board, compliances of adequate internal control system & financial disclosures and other issue confirming to the requirements specified by Company Laws & Stock Exchanges in terms of Listing Agreement. The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note thereof. The Audit Committee considered and reviewed the accounts for the year 2013-14 before being placed to the Board.

4. NOMINATION AND REMUNERATION COMMITTEE

The Company had a Remuneration committee comprising of three Non-Executive Independent Directors viz. Shri Amit Garg, as Chairman with Shri Bharat Varsani and Shri Sanjay Mangal as the other members.

The Company has re-constituted the Remuneration Committee and it has been renamed as 'Nomination and Remuneration Committee' in accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Presently, the Company is not paying any sitting fees to its Non-Executive Directors for attending meetings of the Board, Audit Committee and other Committees. The Company is also not paying any remuneration to its Executive Director.

The Company Secretary acts as the Secretary to the Committee.

As per the old provisions of the Act & Listing Agreement, there was no requirement to hold a meeting of this committee, so during 2013-14, no Remuneration Committee meeting was held.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Investors' Grievance Committee has been renamed as "Stakeholders Relationship Committee".

In this Committee, there are three Independent Directors as Shri Amit Garg being the Chairman with Shri Bharat Varsani and Shri Sanjay Mangal as the other members.

The brief terms of reference of the Committee include redressing of investors'/shareholders' complaints and requests like transfer of shares, non-receipt of share certificate after transfer, Annual Report, etc.

The Company Secretary acts as a Compliance Officer of the Company and regularly interacting with Registrar & Transfer Agent to ensure that the complaints/grievances of the shareholders are attended promptly until the same is/are resolved to the satisfaction of the shareholders.

During the year, one Committee meeting was held on 26th July, 2013. All Members were present at this Committee Meeting.

During the year, the company has received 2(Two) Shareholders'/Investors' complaint, which were promptly responded and resolved to the satisfaction of the concerned Shareholders in the respective quarters. No complaint is pending to be resolved at the end of the year.

6. GENERAL BODY MEETINGS

(A) General Meeting:

(i) Last three Annual General Meetings held:

AGM for the year ended	Date and Time of AGM	Venue	Special Resolution
2012-2013	27 th August, 2013 at 09.30 A.M	Hotel Raj International, Ajwa-Nimeta Road, Baroda – 39 0019	-----
2011-2012	28 th September, 2012 at 09.30 A.M	Hotel Raj International, Ajwa-Nimeta Road, Baroda – 39 0019	2(Two)
2010-2011	19 th August, 2011 at 09.30 A.M	Hotel Raj International, Ajwa-Nimeta Road, Baroda – 39 0019	-----

(ii) Extra-Ordinary General Meeting:

No Extra-Ordinary General Meeting of the members was held during the year 2013-14.

(B) Special Resolution passed in 2011-12

In 2011-2012, two Special Resolutions were passed:

- (i) Preferential issue of Warrants to Promoter & non-promoter of the Company.
- (ii) Alteration of Article of Association of the Company.

(C) Postal Ballot:

During last three years, no postal ballot was conducted. There is no proposed agenda that needs approval through postal ballots.

7. OTHER DISCLOSURES

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large: **None**

The Register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

Transactions with the related parties are disclosed in the notes to the accounts forming part of the accounts.

(ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by SEBI, ROC, Stock Exchange or any statutory authority on any matter related to capital markets during the last three years: **None**

- (iii) Your Company has complied with all mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement.
- (iv) Your Company has obtained a certificate from the Executive Director of the Company in respect of matters stated in Clause 49(V) of the Listing Agreement.

8. MEANS OF COMMUNICATION

The Board of Directors of the Company approved all quarterly and annual financial results in the prescribed format under Clause 41 of the Listing agreement and the same have been submitted with the Stock Exchanges and get published in a local language (Gujarati) & a English leading News papers. These are also displayed on the website of the Company www.lordsishwar.com. Hard copies of the said disclosures and correspondence are also field with the Stock Exchanges.

All periodical compliance like shareholding pattern, Corporate Governance Report, Financial Results etc is also being filed electronically with the new online portal “BSE Listing Centre” launched by BSE Ltd.

Our Company has also obtained SCORES (SEBI Complaints Redress System) authentication from SEBI. The investor complaints are processed/resolved through this SCORES portal only along with the action taken report by the Company.

The Management Discussion & Analysis Report is appended elsewhere and forms an integral part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

i	Annual General Meeting	28th Annual General Meeting	
	Day, Date and Time Venue	: Monday, 8th September, 2014 at 09.30 a.m. Hotel Raj International, Ajwa - Nimeta Road, Baroda- 390019	
ii	Financial Calendar 2014-15	: Periods For the quarter ending June, 2014 For the quarter ending Sep, 2014 For the quarter ending Dec, 2014 For the quarter ending March,2015 Annual General Meeting for 2014-15	: Reporting by mid of August, 2014 mid of November, 2014 mid of February, 2015 30 th May, 2015 end of September, 2015
iii	Book closure Date	: 01.09.2014 to 08.09.2014 (both days inclusive)	
iv	Dividend Payment Date	: No Dividend has been recommended.	
v	Registered Office & Hotel Location of the company	: Hotel Revival, Near Sayaji Gardens, Kala Ghoda Chowk, University Road, Baroda, Gujarat – 390 002. Email: info@lordsishwar.com Website: www.lordsishwar.com CIN: L55100GJ1985PLC008264	
vi	Listing on Stock Exchanges	: BSE Limited. Vadodara Stock Exchange Limited.	
vii	Annual listing & Custodial fees	: Duly paid for the year 2014-15	

viii	Stock Code (a) Trading Symbol at BSE (b) Trading Symbol at VSE Dematerialization ISIN Number in NSDL & CDSL	:	530065 / LORDSHOTL 30065/370 INE689J01013
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ix	Stock Market Data	BSE Limited	
		High (₹)	Low (₹)
	April, 2013	-	-
	May, 2013	-	-
	June, 2013	-	-
	July, 2013	8.96	8.52
	August, 2013	8.10	7.70
	September, 2013	7.99	7.60
	October, 2013	-	-
	November, 2013	-	-
	December, 2013	7.50	7.13
	January, 2014	7.45	7.19
	February, 2014	-	-
	March, 2014	7.00	7.00

x Share Price Performance compared with broad based indices

	Particulars	Lords Ishwar Hotels Limited	BSE SENSEX
	As on 1 st April, 2013	10.99	18864.75
	As on 31 st March, 2014	7.00	22386.27
	Change (%)	-36.30%	18.67%

xi (a) Distribution Schedule as on 31st March, 2014:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	1,238	63.23	363,505	4.87
501 - 1000	341	17.42	258,265	3.46
1001 - 2000	180	9.19	261,438	3.50
2001 - 3000	93	4.75	250,000	3.35
3001 - 4000	25	1.28	89,801	1.20
4001 - 5000	22	1.12	105,000	1.40
5001 - 10000	28	1.43	226,491	3.03
10001 & Above	31	1.58	5,915,500	79.19
Total	1,958	100.00	7,470,000	100.00
Physical Mode	1,618	82.64	3,779,050	50.59
Electronic Mode	340	17.36	3,690,950	49.41
Total	1,958	100.00	7,470,000	100.00

xi (b) Shareholding Pattern as on 31st March, 2014:

Category	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Indian Promoter(s)/ PAC	04	0.21	4,116,000	55.10
Foreign Promoter	NIL	NIL	NIL	NIL
Resident Individuals	1,856	94.79	2,448,390	32.78
Bodies Corporate	18	0.92	320,510	4.29
Financial Institutions/ Banks/ Mutual Funds	03	0.15	261,700	3.50
NRI's/OBC's/Foreign National	77	3.93	323,400	4.33
GRAND TOTAL	1,958	100.00	7,470,000	100.00

- 10. Dematerialization of Shares** : As on 31st March, 2014, 36,90,950 Equity Shares comprising 49.41% of the issued & Paid up Equity Shares of the Company stand dematerialized.
- 11. Outstanding GDRs/DRs/Warrants** : The Company has not issued GDRs/ADRs. The Company has allotted 11,95,100 Equity shares during the year.
- 12. Address for Correspondence** : M/s. Bigshare Services Pvt. Ltd.
Unit: (Lords Ishwar Hotels Limited)
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (E), Mumbai, Maharashtra – 400 072.
E-mail: info@bigshareonline.com
Tel. No. 022- 28470652, 40430200
Fax No. 022-28475207
- 13. CEO/CFO Certification** : The Executive Director of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement.
- 14. Reconciliation of Share Capital Audit** : It is being carried out every quarter by a practicing Company Secretary and the report is placed before the Board for its perusal and filed regularly with the Stock Exchanges within the stipulated time period.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
LORDS ISHWAR HOTELS LIMITED
Baroda.

1. We have examined all the relevant records of LORDS ISHWAR HOTELS LIMITED for the purpose of certifying the compliance of conditions of Corporate Governance for the period ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement.
4. We state that, as per the records and other documents maintained by the Shareholders / Investors Grievance Committee, no investor grievance is pending.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR J. M. PABARI & ASSOCIATES
CHARTERED ACCOUNTANTS**

Place: Baroda
Date: 31st July, 2014

**JAYANT PABARI
(PROPRIETOR)
Membership No. 47580
Firm Reg. No. 113881W**

INDEPENDENT AUDITORS' REPORT

To
The Members of
LORDS ISHWAR HOTELS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Lords Ishwar Hotels Limited** (“the Company”), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under Companies Act, 1956 (“the Act”) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) 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;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the Directors as on 31st March, 2014, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of section 274(1)(g) of the Act.

FOR J. M. PABARI & ASSOCIATES
CHARTERED ACCOUNTANTS

JAYANT PABARI
(PROPRIETOR)

Membership No. 47580
Firm Reg. No. 113881W

Place: Baroda
Date : 28th May, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
- ii. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses 4 (iii) (b), (iii) (c) and (iii) (d) of the order are not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken any loan during the year from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clause (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- v. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, where such transactions are in excess of Rs. 5 Lac in respect of any party, the transactions have been made at prices which are, prima facie, reasonable having regard to the prevailing market price at the relevant time.
- vi. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
- vii. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. Maintenance of Cost records prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956 is not applicable to the Company.
- ix. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise-duty which have not been deposited on account of disputes and the forum where dispute is pending are given below:-

Name of the statute	Nature of Dispute	Amount ₹	Period	Forum where dispute is pending	Progress and Remarks
Central Excise & Customs Act	Service Tax & Penalty	616,000	2004-05 & 2005-06	Commissioner (Appeals) Central Excise & Customs, Baroda	Out of total demand of Rs. 816,000 raised, Rs. 200,000 is paid. Rest Rs. 616,000 is under dispute & pending at appeal level.
Luxury Tax	Luxury Tax, Interest & Penalty	662,000	1999-2000	District Collector office, Entertainment Tax & Luxury Tax, Baroda.	Amount is under dispute.

- x. In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- xi. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The Company is not a chit fund or a *nidhi* /mutual benefit fund/society. Therefore, the provision of Clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- xvi. According to information and explanations given to us, the Company is not dealing in or trading in Shares, securities, debentures & other Investments and accordingly Clause 4(xiv) of the Companies (Auditors' report) Order, 2003 is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
- xvi. Based on our audit procedures and on the information given by the management, we report that the company has not availed any term loans during the year.
- xvii. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- xviii. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has made preferential allotment of shares on conversion of warrants during the year.
- xix. The Company has neither issued nor outstanding any debenture during the period, so Clause 4(xix) of the Companies (Auditors' report) Order, 2003 can not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

FOR J. M. PABARI & ASSOCIATES
CHARTERED ACCOUNTANTS

JAYANT PABARI
(PROPRIETOR)

Membership No. 47580

Firm Reg. No. 113881W

Place: Baroda

Date : 28th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
Share Capital	2	74,700,000	62,749,000
Reserves and Surplus	3	(263,949)	(434,508)
Money Received against Share Warrants	4	-	2,987,750
2. Non-Current Liabilities			
Long-Term Borrowings	5	47,765,000	47,765,000
3. Current Liabilities			
Trade Payables	6	966,017	847,172
Other Current Liabilities	7	287,558	397,213
Short -Term Provisions	8	340,460	411,739
TOTAL		123,795,086	114,723,366
II. ASSETS			
1. Non-Current Assets			
Fixed Assets			
(i) Tangible Assets	9	74,864,303	71,796,223
Non-current investments	10	14,630,000	14,630,000
Long term loans and advances	11	1,413,468	1,337,468
2. Current Assets			
Inventories	12	1,920,981	1,860,410
Trade receivables	13	3,635,248	2,547,670
Cash and cash equivalents	14	178,512	1,841,309
Short-term loans and advances	15	27,152,574	20,710,286
TOTAL		123,795,086	114,723,366
Significant Accounting Policies & Notes to the financial Statements	1 to 38		

AS PER OUR REPORT ATTACHED
FOR J. M. PABARI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

JAYANT PABARI
(PROPRIETOR)
Membership No. 47580
Firm Reg. No. 113881W

PUSHPENDRA BANSAL
Executive Director
DIN: 00086343

AMIT GARG
Director
DIN: 00537267

Place: Baroda
Date : 28th May, 2014

RANJIT KUMAR SINGH
Company Secretary
Membership No. 24381

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2014

Particulars	Note No.	2013-2014 (₹)	2012-2013 (₹)
I. Revenue from operations	16	50,610,557	58,730,400
II. Other Income	17	3,229,254	3,756,532
III. Total Revenue(I+II)		53,839,811	62,486,932
IV. Expenses:			
Cost of materials consumed	18	4,813,183	8,820,553
Employee Benefits Expense	19	12,548,836	12,438,846
Power & Fuel		6,717,872	7,367,455
Repairs & Maintenance	20	1,440,247	2,920,137
Finance Costs	21	11,463,600	11,468,319
Depreciation and Amortization Expense	9	5,626,534	5,401,377
Other Expenses	22	11,058,980	13,950,760
Total Expenses		53,669,252	62,367,447
V. Profit before exceptional and extraordinary items and Tax(III-IV)		170,559	119,485
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and Tax (V-VI)		170,559	119,485
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		170,559	119,485
X. Tax expense:			
Current tax		-	40,000
XI. Profit for the period from continuing operations(IX-X)		170,559	79,485
XII. Profit(Loss) for the period from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit(Loss) from discontinuing operations(after tax) (XII-XIII)		-	-
XV. Profit for the period (XI+XIV)		170,559	79,485
XVI. Earnings per equity share:			
(1) Basic	34	0.03	0.01
(2) Diluted		0.03	0.01
Significant Accounting Policies & Notes to the financial Statements	1 to 38		

AS PER OUR REPORT ATTACHED
FOR J. M. PABARI & ASSOCIATES
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FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

JAYANT PABARI
(PROPRIETOR)
Membership No. 47580
Firm Reg. No. 113881W

PUSHPENDRA BANSAL
Executive Director
DIN: 00086343

AMIT GARG
Director
DIN: 00537267

Place: Baroda
Date : 28th May, 2014

RANJIT KUMAR SINGH
Company Secretary
Membership No. 24381

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	31st March, 2014		31st March, 2013	
	(₹)	(₹)	(₹)	(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit as per Statement of Profit & Loss		170,559		119,485
Adjustments for:				
Depreciation	5,626,534		5,401,377	
Provision for Employees Benefit	340,460		411,739	
Interest Paid(Net of receipt)	11,463,600		11,468,319	
		17,430,594		17,281,435
Operating Profit Before Working Capital Changes		17,601,153		17,400,920
Working Capital Changes:				
Decrease/(Increase) in Inventories	(60,571)		(488,307)	
Decrease/(Increase) in Sundry Debtors	(1,087,578)		(94,776)	
Decrease/(Increase) in Loans & Advances	(6,060,854)		(11,309,739)	
Increase/(Decrease) in Trade Payables	(402,549)		(3,987,280)	
		(7,611,552)		(15,880,102)
Cash Generated from Operations		9,989,601		1,520,818
Payment of direct Taxes		(457,434)		(1,081,434)
Net Cash Flow from Operating Activities		9,532,167		439,384
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets / Capital Work-in-Progress		(8,694,614)		(6,800,841)
Purchase of Investments		-		(4,000,000)
Net Cash flow From Investing Activities		(8,694,614)		(10,800,841)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Cash proceeds from issue of share warrants		-		2,987,750
Cash proceeds from issue of Equity shares on conversion of warrants		8,963,250		-
Re payment of long term borrowings (Net of Proceeds)		-		(155,571)
Interest Paid (Net of receipt)		(11,463,600)		(11,468,319)
Net Cash Flow From Financing Activities		(2,500,350)		(8,636,140)
Net Cash Flow During The Year (A+B+C)		(1,662,797)		(18,997,597)
OPENING CASH AND CASH EQUIVALENTS	1,841,309		20,838,906	
CLOSING CASH AND CASH EQUIVALENTS	178,512		1,841,309	
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,662,797)		(18,997,597)

AS PER OUR REPORT ATTACHED
FOR J. M. PABARI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

JAYANT PABARI
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Membership No. 47580
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PUSHPENDRA BANSAL
Executive Director
DIN: 00086343

AMIT GARG
Director
DIN: 00537267

RANJIT KUMAR SINGH
Company Secretary
Membership No. 24381

Place: Baroda
Date : 28th May, 2014

SIGNIFICANT ACCOUNTINGS POLICIES & NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of preparation of Financial Statements :

The Financial Statements are prepared under the historical cost convention on the basis of going concern and in accordance with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in consultation with the National Advisory Committee on Accounting Standards and relevant provisions of the Companies Act, 1956.

ii. Revenue Recognition :

Revenue is recognised upon rendering the services and items of Income and expenditure are recognised on accrual basis. Income / Sales exclude Luxury Tax & Service Tax.

iii. Use of Estimates :

The preparation of financial statements required estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of Financial Statements and the reported amount of Revenues and Expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

iv. Fixed Assets :

- a. Fixed Assets are stated at acquisition cost less accumulated Depreciation.
- b. Expenditure including cost of financing incurred during the course of construction, installation and commissioning of Building, Plant & Machinery is included in the cost of respective Fixed Assets.
- c. There is no Intangible Assets.

v. Depreciation, Amortisation and Impairment:

Depreciation on fixed assets is charged on Straight Line Method with the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

vi. Inventories :

Stock of Food, Beverages and other supplies are valued at cost on first-in-first out basis or net realisable value, whichever is lower.

vii. Borrowing Cost :

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalised as a part of such assets. All other borrowing cost is charged to Statement of Profit & Loss in the year in which they are incurred.

viii. Investments :

Long term Investments are stated at cost. Diminution in the value of investments is provided for by reducing the value of investments and charging the same to Statement of Profit & Loss.

ix. Employee's Benefits :

- a. Contributions to Provident Fund and Gratuity Fund are charged to Statement of Profit and Loss.
- b. Gratuity is charged to revenue on actuarial valuation by Life Insurance Corporation under the Employees Group Gratuity policy with them.
- c. Provision for Leave Encashment is made on the basis of actual leave outstanding at the end of the year based on the present pay structure.

x. Foreign Exchange Transactions :

Transactions denominated in foreign currency settled/negotiated during a month are recorded at exchange rate on the date of settlement/negotiation. Foreign currency transactions remaining not settled / negotiated at the end of each month are converted into rupees at the month end rates. All gains or losses on foreign exchange transaction other than those related to Fixed Assets are recognised in the Statement of Profit and Loss.

xi. Taxation :

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax is recognised on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Presently the Company has not recognized the net deferred tax assets as company has accumulated losses and unabsorbed depreciation & keeping in view of absence of virtual certainty of future taxable profit.

xii. Cash Flow Statement :

Cash Flow Statement has been prepared in accordance with the Indirect Method prescribed in Accounting Standard 3 issued by the Institute of Chartered Accountants of India.

xiii. Accounting Standards :

Accounting Standards prescribed under Section 211(3C) of the Companies Act, 1956, have been followed wherever applicable.

xiv. Contingent Liabilities, Provisions & Contingent Assets:

Contingent liabilities are not recognized but are disclosed in notes.

A Provision is recognised when there is a present obligation as a result of a past event that probably requires an outflow of resources. These are reviewed at Balance sheet date and adjusted to reflect the current best estimates.

Contingent assets are neither recognised nor disclosed in notes.

NOTES TO THE FINANCIAL STATEMENTS:

2. Share Capital	(₹)	(₹)
Particulars	Current Year	Previous Year
AUTHORIZED CAPITAL		
15,000,000 Equity shares (Previous year 15,000,000 Equity Shares) of Rs. 10/- each.	150,000,000	150,000,000
Total	150,000,000	150,000,000
ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL		
7,470,000 Equity shares(Previous Year 6,274,900 Equity shares) of Rs.10/- each, fully paid up.	74,700,000	62,749,000
Total	74,700,000	62,749,000

(i) Reconciliation of the number of Shares outstanding and the amount of Share Capital as at 31st, March, 2014 and 31st March, 2013.

Equity shares (Fully Paid-up Capital)	As at 31.03.2014		As at 31.03.2013	
	In Numbers	In (₹)	In Numbers	In(₹)
Shares outstanding at the beginning of the year	6,274,900	62,749,000	6,274,900	62,749,000
Shares issued during the year	1,195,100	11,951,000		-
Shares outstanding at the end of the year	7,470,000	74,700,000	6,274,900	62,749,000

During the year 2013-14, the Company has allotted 1,195,100 Equity shares of face value of Rs. 10/- each at par on conversion of 1,195,100 warrants issued on Preferential basis to Promoters and Non-promoters of the Company. Allotment was made in pursuance of approval received from BSE Ltd & shareholders of the Company.

(ii) Details of Shareholders holding more than 5% shares in the Company:

Name of Shareholders	As at 31.03. 2014		As at 31.03. 2013	
	Shares	Holding*	Shares	Holding*
(I) Sangeeta Bansal	1,250,650	16.74%	1,250,650	19.93%
(ii) ANS Constructions Ltd	1,250,750	16.74%	1,250,750	19.93%
(iii) Srijan Holdings Ltd	1,612,600	21.59%	642,300	10.24%

* Holding based on 7,470,000 Equity shares (Previous Year 6,274,900 Equity shares).

3. Reserve & Surplus	(₹)	(₹)
Particulars	Current Year	Previous Year
(a) Capital Reserve		
Opening Balance	3,661,500	3,661,500
Add: addition during the year	-	-
Less: Transferred / appropriation	-	-
Closing Balance	3,661,500	3,661,500

NOTES TO THE FINANCIAL STATEMENTS:

	(₹)	(₹)
(b) Surplus / (deficit) in Statement Profit & Loss		
Opening Balance	(4,096,008)	(4,175,493)
Add: Profit for the period	170,559	79,485
Less: Transferred / appropriation	-	-
Closing Balance	(3,925,449)	(4,096,008)
Total	(263,949)	(434,508)

4. Money received against share warrants	(₹)	(₹)
Particulars	Current Year	Previous Year
Allotment of 11,95,100 warrants of Rs.10/- each at par to Promoter & Non-promoter of the Company convertible into equal number of Equity shares (25% upfront money received)	-	2,987,750
Total	-	2,987,750

5. Long Term Borrowings	(₹)	(₹)
Particulars	Current Year	Previous Year
Unsecured, considered Good		
Loans & Advances From Related Parties	47,765,000	47,765,000
Total	47,765,000	47,765,000

6. Trade Payables	(₹)	(₹)
Particulars	Current Year	Previous Year
Micro, small & Medium Enterprise	-	-
others	966,017	847,172
Total	966,017	847,172

7. Other Current Liabilities	(₹)	(₹)
Particulars	Current Year	Previous Year
Other Payables	287,558	397,213
Total	287,558	397,213

8. Short-Term Provisions	(₹)	(₹)
Particulars	Current Year	Previous Year
Provision For Employees Benefit		
Leave Encashment	156,020	357,739
Gratuity payable	184,440	54,000
Total	340,460	411,739

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Value at 01.04.2013	Additions during the year	Adjustment during the year	Value at 31.03.2014	Value at 01.04.2013	Additions during the year	Adjustment during the year	Value at 31.03.2014	WDV as on 31.03.2014	WDV as on 31.03.2013
TANGIBLE ASSETS(A)										
FREEHOLD LAND	2,502,000	-	-	2,502,000	-	-	-	-	2,502,000	2,502,000
OFFICE PREMISES	400,000	-	-	400,000	343,729	13,360	-	357,089	42,911	56,271
BUILDING	69,337,289	8,565,142	-	77,902,431	27,191,187	2,322,553	-	29,513,740	48,388,691	42,146,102
PLANT & MACHINERIES	53,965,091	129,472	-	54,094,563	31,020,330	2,568,093	-	33,588,423	20,506,140	22,944,761
VEHICLE	2,019,675	-	-	2,019,675	1,126,136	191,869	-	1,318,005	701,670	893,539
COMPUTER	1,609,604	-	-	1,609,604	637,662	76,456	-	714,118	895,486	971,942
FURNITURE & FIXTURES	4,781,085	-	-	4,781,085	2,499,477	454,203	-	2,953,680	1,827,405	2,281,608
SUB TOTAL (A)	134,614,744	8,694,614	-	143,309,358	62,818,521	5,626,534	-	68,445,055	74,864,303	71,796,223
INTANGIBLE ASSETS (B)	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL (B)	-	-	-	-	-	-	-	-	-	-
Total [A + B] (Current Year)	134,614,744	8,694,614	-	143,309,358	62,818,521	5,626,534	-	68,445,055	74,864,303	71,796,223
(PREVIOUS YEAR)	127,813,903	6,800,841	-	134,614,744	57,417,144	5,401,377	-	62,818,521	71,796,223	70,396,759

NOTES TO THE FINANCIAL STATEMENTS:

10. Non Current Investment	(₹)	(₹)
Particulars	Current Year	Previous Year
Fully Paid Un-quoted(Trade) Investment in Equity Instruments		
Kesar Motels Pvt. Ltd - 22,200 (Previous year 22,200) Equity shares of Rs. 100/- each	8,880,000	8,880,000
Sai Ram Krupa Hotels Pvt. Ltd - 12,500 (Previous year 12,500) Equity shares of Rs.10/- each	1,250,000	1,250,000
Lords Oriental Resorts Developers (Silvassa) Pvt. Ltd - 500 (previous year- 500) Equity shares of Rs.10/- each	500,000	500,000
Share Application money given to Lords Oriental Resorts Developers (Silvassa) Pvt. Ltd	4,000,000	4,000,000
Total	14,630,000	14,630,000
11. Long Term Loans and Advances	(₹)	(₹)
Particulars	Current Year	Previous Year
Unsecured, Considered Good :		
Security Deposit	1,413,468	1,337,468
Total	1,413,468	1,337,468
12. Inventories	(₹)	(₹)
Particulars	Current Year	Previous Year
Food & Beverages	1,593,312	1,532,741
Stores & Operating supplies	327,669	327,669
Total	1,920,981	1,860,410
13. Trade Receivables	(₹)	(₹)
Particulars	Current Year	Previous Year
Unsecured, Considered Good :		
Outstanding for less than six months from its due date	3,635,248	2,547,670
Total	3,635,248	2,547,670
14. Cash & Cash Equivalents	(₹)	(₹)
Particulars	Current Year	Previous Year
Cash-in-Hand		
Cash Balance	1,877,180	138,941
Sub Total (A)	1,877,180	138,941
Bank Balance		
Balances with Current Accounts	(1,708,800)	1,692,236
Other Bank balances*	10,132	10,132
Sub Total (B)	(1,698,668)	1,702,368
Total [A + B]	178,512	1,841,309

* Comprises of Gratuity A/C with Bank of Baroda

NOTES TO THE FINANCIAL STATEMENTS:

15. Short Terms Loans and Advances	(₹)	(₹)
Particulars	Current Year	Previous Year
Unsecured, Considered Good :		
<i>(Advance Recoverable in cash or in kind or for value to be received)</i>		
(a) Advance to Related parties	4,295,000	4,295,000
(b) Advance to Suppliers	20,653,002	14,668,148
(c) Balances with government authorities	2,204,572	1,747,138
Total	27,152,574	20,710,286
16. Revenue from Operations	(₹)	(₹)
Particulars	Current Year	Previous Year
(a) Sale of Rooms, Banquets and Food & Beverage	48,074,289	56,332,731
(b) Other Services	2,536,268	2,397,669
Total	50,610,557	58,730,400
17. Other Income	(₹)	(₹)
Particulars	Current Year	Previous Year
(a) Rent	9,400	85,080
(b) Other Miscellaneous Income	3,219,854	3,671,452
Total	3,229,254	3,756,532
18. Cost of Material Consumed	(₹)	(₹)
Particulars	Current Year	Previous Year
Opening Stock	167,382	200,360
Add : Purchases	5,819,676	10,145,717
	5,987,058	10,346,077
Less : Closing Stock	188,725	167,382
Less: Discount Received on Purchase	985,150	1,358,142
Total	4,813,183	8,820,553
19. Employee Benefits Expense	(₹)	(₹)
Particulars	Current Year	Previous Year
Salaries & Wages	10,670,979	10,560,176
Contribution to Provident Fund & Other Funds	712,124	702,950
Staff Welfare Expenses	1,165,733	1,175,720
Total	12,548,836	12,438,846
20. Repair & Maintenance	(₹)	(₹)
Particulars	Current Year	Previous Year
Building	157,509	828,467
Plant & Machinery	874,810	1,192,900
Others	407,928	898,770
Total	1,440,247	2,920,137

NOTES TO THE FINANCIAL STATEMENTS:

21. Finance Costs	(₹)	(₹)
Particulars	Current Year	Previous Year
Interest on Vehicle loan	-	4,719
Interest on Other loans	11,463,600	11,463,600
Total	11,463,600	11,468,319

22. Other Expenses	(₹)	(₹)
Particulars	Current Year	Previous Year
Insurance	304,176	169,707
Rates & Taxes	1,629,558	1,378,532
Management & Franchise Fee	1,348,320	1,348,320
Communication	451,251	511,336
Freight, Cartage & Transportation	266,136	511,336
Travelling & Conveyance	279,921	376,790
Upkeep & Service Cost	3,143,175	5,449,311
Miscellaneous expenses	531,054	667,550
Legal & Professional Consultancy	1,520,318	2,283,980
Business promotion	1,003,869	1,142,077
Printing & Stationery Expenses	501,202	372,534
Auditors Remuneration	80,000	80,000
Total	11,058,980	13,950,760

23. Micro, Small and Medium Enterprises:

The information available with the company, there are no Micro, Small and Medium Enterprises in respect of whom the Company dues are outstanding for more than 45 days at the Balance Sheet.

24. Contingent Liabilities:

(to the extent not provided for)

		(₹)
Sr. No	Particulars	As at 31.03.2014
(a)	Service Tax matter under appeal (FY 2004-05 & 2005-06) Service Tax demand under dispute: 408,000 Service Tax Penalty: 408,000 Amount Paid: <u>200,000</u> Balance amount under Dispute	616,000
(b)	Luxury Tax matter under dispute (FY : 1999-2000) Luxury Tax demand under dispute: 243,000 Luxury Tax Interest: 55,000 Luxury Tax Penalty: <u>364,000</u> Total Amount under Dispute	662,000

25. Gratuity:

As per Accounting Standard -15 – Accounting for Employees benefits as defined in the accounting standard, the summarized components of net benefit expense are recognized in Statement of Profit and Loss and the funded status and the amount are recognized in the balance sheet. The details of Group Gratuity Scheme as approved with LIC are as follows:

NOTES TO THE FINANCIAL STATEMENTS:

Particulars	As at 31.03.2014	As at 31.03.2013
i. Actuarial Assumptions		
Discount Rate	8%	8%
Salary Rate	7%	7%
ii. Changes in benefit obligation		
	(₹)	(₹)
Obligation at the beginning	573,556	508,314
Interest cost	45,884	40,665
Current Service Cost	140,646	142,851
Benefit paid	(59,436)	(34,994)
Actuarial(gain)/loss on obligation	4,509	(83,280)
Liability at the end of year	705,159	573,556
iii. Fair value of plan Assets		
Fair value of plan asset at beginning of year	755,877	657,295
Expected return on plan assets	69,856	59,724
Contributions	82,019	73,852
Benefits paid	(59,436)	(34,994)
Actuarial(gain)/ loss on Plan asset	NIL	NIL
Fair value of plan asset at the end of year	848,316	755,877
Excess of Obligation over Plan Assets	(143,157)	(182,321)
iv. Actual Return on Plan Assets		
Expected return on plan assets	69,856	59,724
Actuarial (gain)/loss on plan asset	NIL	NIL
Actual Return on Plan Assets	69,856	59,724
v. Amount recognized in the Balance sheet		
Liability at the end of year	705,159	573,556
Fair value of Plan Asset at the end of year	848,316	755,877
Difference	(143,157)	(182,321)
Amount recognized in Balance Sheet	(143,157)	(182,321)
vi. Expenses recognized in Statement of P & L		
Current Service cost	140,646	142,851
Interest cost	45,884	40,665
Expected return on plan assets	(69,856)	(59,724)
Net actuarial (gain)/loss recognized	4,509	(83,280)
Expenses recognized in Statement of P & L	121,183	40,512
vii. Balance sheet Reconciliation		
Opening Net Asset/(Liability)	(182,321)	(148,981)
Expenses as above	121,183	40,512
Employers contribution	(82,019)	(73,852)
Amount recognized in Balance Sheet	(143,157)	(182,321)

NOTES TO THE FINANCIAL STATEMENTS:

26. The Company operates one business namely "Hotelier" in India only; hence, business segment/ geographical segment reporting under Accounting Standard -17 issued by the Institute of Chartered Accountants of India are not applicable.
27. The total consumption of items of raw materials, stores and spares are indigenous only.
28. In the opinion of the Board, the Current Assets, Loan and Advances would if realized in the ordinary course of business, be of approximately the value at which they are stated in the Balance Sheet.

29. Capital Expenditure commitments:

2013 - 2014 Rs. NIL	2012 - 2013 Rs. NIL
------------------------	------------------------

30. Value of Imports calculated on CIF basis:

2013 - 2014 Rs. NIL	2012 - 2013 Rs. NIL
------------------------	------------------------

31. Director's Remuneration:

2013 - 2014 Rs. NIL	2012 - 2013 Rs. NIL
------------------------	------------------------

32. Foreign Exchange Earnings :

Particular	2013 - 2014	2012 - 2013
Payment received from Foreign Customers	₹ 1,130,453	₹ 1,142,839

33. Foreign Exchange outgo:

2013 - 2014 Rs. NIL	2012 - 2013 Rs. NIL
------------------------	------------------------

34. Earnings per Share:

Earnings per share are calculated in accordance with Accounting Standard-20, notified by the Company's (Accounting Standards) Rules, 2006.

Particulars	2013 - 2014	2012 - 2013
Profit after tax as per Statement of Profit & Loss	170,559	79,485
Average no. of equity Shares of Rs. 10/- each (Basic)	6,599,050	6,274,900
Average no. of equity Shares of Rs. 10/- each (Diluted)	6,599,050	7,470,000
Earnings per Share (Basic)	0.03	0.01
Earnings per Share (Diluted)	0.03	0.01

35. Related Party Disclosures:

As per Accounting Standard - 18 issued by Institute of Chartered Accountant of India, the bodies in which Directors and/or their relatives, promoters are interested & having transaction and / balances:

- i. ANS Constructions Ltd.
- ii. Lords Inn Hotels and Developers Ltd.
- iii. Kesar Motels Pvt. Ltd.
- iv. Sai Ram Krupa Hotels Pvt. Ltd.
- v. Lords Oriental Resorts Developers (Silvassa) Pvt. Ltd.
- vi. Srijan Holdings Ltd.

NOTES TO THE FINANCIAL STATEMENTS:

(A) Transactions with the related parties:

	(₹)	(₹)
Particulars	2013 - 2014	2012 - 2013
Allotment of Shares		
Srijan Holdings Ltd	7,277,250	-
Allotment of Warrants		
Srijan Holdings Ltd (25% Upfront money)	-	2,425,750
Management Fees Paid:		
Lords Inn Hotels And Developers Ltd.	1,348,320	1,348,320
Interest Paid		
ANS Constructions Ltd.	11,463,600	11,463,600
Investment in Equity Shares		
Share Application money given to Lords Oriental Resorts Developers(Silvassa) Pvt. Ltd	-	4,000,000

(B) Balances for the year :

Particulars	2013 - 2014	2012 - 2013
Outstanding Balances		
ANS Constructions Ltd.	47,765,000	47,765,000
Lords Inn Hotels and Developers Ltd.	146,655	45,531
Investment in Equity Shares		
Kesar Motels Pvt. Ltd.	8,880,000	8,880,000
Sai Ram Krupa Hotels Pvt. Ltd.	1,250,000	1,250,000
Lords Oriental Resorts Developers(Silvassa) Pvt. Ltd	500,000	500,000

36. As per Accounting Standard 28, the Company does not have impaired assets as verified by the management during the year.

37. There is no amount due and outstanding to "Investors Education and Protection Fund".

38. Previous year figure(s) have been reclassified and or rearranged wherever necessary.

AS PER OUR REPORT ATTACHED
FOR J. M. PABARI & ASSOCIATES
CHARTERED ACCOUNTANTS

JAYANT PABARI
(PROPRIETOR)
Membership No. 47580
Firm Reg. No. 113881W

Place: Baroda
Date : 28th May, 2014

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PUSHPENDRA BANSAL
Executive Director
DIN: 00086343

AMIT GARG
Director
DIN: 00537267

RANJIT KUMAR SINGH
Company Secretary
Membership No. 24381

LORDS ISHWAR HOTELS LIMITED

CIN: L55100GJ1985PLC008264

Reg. Off.: Hotel Revival, Near Sayaji Gardens, Kala Ghoda Chowk, University Road, Baroda – 390 002, Gujarat.

Tel: 0265 3013545, Fax: 0265 2792028, Email: info@lordsishwar.com, Website: www.lordsishwar.com**Form No. MGT-11****PROXY FORM**

Name of the member(s):

Registered Address:

E-mail Id:

Folio No/ Client Id:

DP ID :

I/We, being the member(s) of ----- shares of the above named Company, hereby appoint

1. Name:-----
Address:-----
E-mail Id:----- Signature:----- or failing him/her
2. Name:-----
Address:-----
E-mail Id:----- Signature:----- or failing him/her
3. Name:-----
Address:-----
E-mail Id:----- Signature:----- or failing him/her

as my/our proxy to attend and vote for me/us and on my/our behalf at the 28th Annual General Meeting of the Company to be held on Monday, the 8th September, 2014 at 09.30 a.m. at Hotel Raj International, Ajwa-Nimeta Road, Baroda – 390 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote	
		For	Against
Ordinary Business			
1	Adoption of Accounts for the year ended 31.03.2014		
2	Re-appointment of Shri Mehinder Sharma, retiring by rotation		
3	Appointment of M/s J. M. Pabari & Associates, Chartered Accountants As Auditors & authorize the Board to fix their remuneration.		
Special Business			
4	Appointment of Smt. Sangeeta P. Bansal as a Director		
5	Appointment of Shri Amit Garg as an Independent Director		
6	Appointment of Shri Bharat Varsani as an Independent Director		
7	Appointment of Shri Sanjay Mangal as an Independent Director		
8	Re-designation of Mr. Pushpendra R. Bansal as Managing Director		
9	Approval for borrowing power to the Board of Directors		
10	Approval for creation of charge/mortgage on the assets of the Company		
11	Adoption of new Articles of Association of the Company		

As witness my / our hand(s) this _____ day of _____ 2014

Signature of Shareholder:----- Signature of Proxy:-----

Affix
1 Rupee
Revenue
Stamp**NOTE:**

The proxy form duly stamped, completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding of the aforesaid meeting. The Proxy need not be a member of the Company.

LORDS ISHWAR HOTELS LIMITED

CIN: L55100GJ1985PLC008264

Reg. Off.: Hotel Revival, Near Sayaji Gardens, Kala Ghoda Chowk, University Road, Baroda – 390 002, Gujarat.

Tel: 0265 3013545, Fax: 0265 2792028, Email: info@lordsishwar.com, Website: www.lordsishwar.com

ATTENDANCE SLIP

(Please complete this Attendance slip and hand it over at the entrance of the Meeting Hall)

DPID _____

CLIENT ID _____

Regd. Folio No. _____

I hereby record my presence at the 28th ANNUAL GENERAL MEETING of the Company to be held on Monday, the 8th September, 2014 at 09.30 a.m. at Hotel Raj International, Ajwa – Nimeta Road, Baroda -390 019.

Name of Shareholder/Proxy _____ Signature of Shareholder/Proxy _____

-----Cut here-----

20% DISCOUNT COUPON

Dear Shareholders,

The Company is pleased to issue this coupon, which will entitle you to avail of discount at our restaurant in the hotel. The Company will not make cash refunds against any coupon or part use thereof and will not be able to extend the validity of the coupon nor issue duplicate coupon in case of lost / defaced coupon. This coupon is not valid for consumption of cigarettes and for the purpose of banquets & room accommodation.

Please detach the coupon for the part used & submit while your bill is being prepared.

Revival Hotel BARODA Bill Value up to Rs. 500 Discount – 20% On published tariff Valid up to 31-03-2015	Revival Hotel BARODA Bill Value up to Rs. 500 Discount – 20% On published tariff Valid up to 31-03-2015	Revival Hotel BARODA Bill Value up to Rs. 500 Discount – 20% On published tariff Valid up to 31-03-2015	Revival Hotel BARODA Bill Value up to Rs. 500 Discount – 20% On published tariff Valid up to 31-03-2015	Revival Hotel BARODA Bill Value up to Rs. 500 Discount – 20% On published tariff Valid up to 31-03-2015	Revival Hotel BARODA Bill Value up to Rs. 500 Discount – 20% On published tariff Valid up to 31-03-2015
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If undelivered, please return to :

LORDS ISHWAR HOTELS LIMITED

Hotel Revival, Near Sayaji Garden,
Kala Ghoda Chowk, University Road,
Baroda, Gujarat - 390 002.