

T H I R D

*Annual
Report*

2009 - 10

A S I A N H O T E L S (W E S T) L I M I T E D

(Formerly known as Chillwinds Hotels Limited)



BOARD OF DIRECTORS

Sushil Gupta	Chairman and Managing Director
Sudhir Gupta	Executive (Whole Time) Director
Sandeep Gupta	Executive (Whole Time) Director
Lalit Bhasin	Independent Non-Executive Director
S. K. Chhibber, IAS (Retd.)	Independent Non-Executive Director
R. K. Bhargava, IAS (Retd.)	Independent Non-Executive Director
S. S. Bhandari	Independent Non-Executive Director
Sunil Diwakar	Additional Director

COMPANY SECRETARY

Nikhil Sethi

AUDITORS

S.S. Kothari Mehta & Co.
Chartered Accountants
146-149, Tribhuvan Complex,
Ishwar Nagar, Mathura Road,
New Delhi - 110065

BANKERS

IDBI Bank Ltd.
Kotak Mahindra Bank Ltd.
Jammu and Kashmir Bank Ltd.

**REGISTERED OFFICE & INVESTOR
RELATIONS DEPARTMENT**

E- 5, Clarion Collection-The Qutab Hotel,
Shaheed Jeet Singh Marg,
New Delhi - 110016
Tel No 011-46101207/46101210
Fax: 011-46101202
www.asianhotelswest.com

DEBENTURE TRUSTEE

IDBI Trusteeship Services Ltd.
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001

REGISTRAR & TRANSFER AGENTS

Karvy Computershare Pvt. Ltd.
PlotNo. 17to 24, Vithalrao Nagar,
Madhapur, Hyderabad -500 081
Tel No. : 040-23420815-24
Fax No : 040-23420814
E Mail : mailmanager@karvy.com

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ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

Registered Office: E-5, Clarion Collection – The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi 110016

NOTICE

Notice is hereby given that the Third Annual General Meeting of Asian Hotels (West) Limited will be held on Saturday, 18th September, 2010 at 3.30 p.m. at Air Force Auditorium, Subroto Park, New Delhi 110 010 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the nine months period ended on that date alongwith the Auditors' Report and Directors' Report thereon.
2. To approve and ratify the payment of interim dividend @ 1% to the holders of 1% cumulative redeemable Non-Convertible Preference Shares (NCPS).
3. To declare dividend on 1% cumulative redeemable Fully-Convertible Preference Shares of the Company.
4. To declare dividend on Equity Shares of the Company.
5. To appoint a Director in place of Mr. R. K. Bhargava who retires by rotation, and being eligible, offers himself for re-appointment.
6. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

M/s. S. S. Kothari Mehta & Co., Chartered Accountants, the retiring Auditors, are eligible for re-appointment and have confirmed that their appointment, if made, will be within the limits specified in Section 224(1B) of the Companies Act, 1956.

SPECIAL BUSINESS

7. **Appointment of Mr. Sushil Gupta as Managing Director of the Company.**

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 Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) for the time being in force, and subject to the approval of the Central Government, if necessary, the Company hereby accords its approval and consent to the appointment of **Mr. Sushil Gupta** as Managing Director of the Company for a period of five years with effect from 1st November, 2009 on terms and conditions including remuneration (and also including the remuneration to be paid in the event of no profits or inadequacy of profits in any financial year during the aforesaid period) as are set out in the Explanatory Statement which is annexed to the Notice convening the Annual General Meeting.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification/(s) or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorized to alter or vary any or all of the terms, conditions and remuneration of the said appointment as approved vide this resolution as they deem fit in such a manner as may be agreed to between the Board of Directors and **Mr. Sushil Gupta**, and in keeping with the provisions of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year, the Company incurs no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and any other allowances in accordance with Section II, Part II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

8. **Appointment of Mr. Sudhir Gupta as Executive (Whole-time) Director of the Company.**

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 Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) for the time being in force, and subject to the approval of the Central Government, if necessary, the Company hereby accords its approval and consent to the appointment of **Mr. Sudhir Gupta** as Executive (Whole-time) Director of the Company for a period of five years with effect from 10th May, 2010 on terms and conditions including remuneration (and also including the remuneration to be paid in the event of no profits or inadequacy of profits in any financial year during the aforesaid period) as are set out in the Explanatory Statement which is annexed to the Notice convening the Annual General Meeting.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification/(s) or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorized to alter or vary any or all of the terms, conditions and remuneration of the said appointment as approved vide this resolution as they deem fit in such a manner as may be agreed to between the Board of Directors and **Mr. Sudhir Gupta**, and in keeping with the provisions of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year, the Company incurs no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and any other allowances in accordance with Section II, Part II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

9. **Appointment of Mr. Sandeep Gupta as Executive (Whole-time) Director of the Company.**

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 Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) for the time being in force, and subject to the approval of the Central Government, if necessary, the Company hereby accords its approval and consent to the appointment of **Mr. Sandeep Gupta** as Executive (Whole-time) Director of the Company for a period of five years with effect from 10th May, 2010 on terms and conditions including remuneration (and also including the remuneration to be paid in the event of no profits or inadequacy of profits in any financial year during the aforesaid period) as are set out in the Explanatory Statement which is annexed to the Notice convening the Annual General Meeting.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification/(s) or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorized to alter or vary any or all of the terms, conditions and remuneration of the said appointment as approved vide this resolution as they deem fit in such a manner as may be agreed to between the Board of Directors and **Mr. Sandeep Gupta**, and in keeping with the provisions of Schedule XIII of the Companies Act, 1956.

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

RESOLVED FURTHER THAT notwithstanding anything hereinabove stated where in any financial year, the Company incurs no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and any other allowances in accordance with Section II, Part II of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

10. Commission to Directors other than the Managing and Executive (Whole-time) Director(s) of the Company.

To consider and, if thought fit, to pass with or without modification, the following resolution as a special resolution:

"RESOLVED THAT subject to the provisions of Article 115 of the Articles of Association of the Company and the provisions of Section 198, Section 309(4), Section 310 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, if necessary, each Non-Executive Director of the Company be paid a commission at a rate not exceeding Rs. 5,00,000 per annum, subject to deduction of applicable taxes, for a period of 5 Financial Years effective from the Financial Year ending 31st March, 2010, which sum shall be exclusive of any fee payable to such Directors for attending the meetings of the Board of Directors and/or any Committees thereof.

RESOLVED FURTHER THAT the aggregate of the Commission so payable to the Non-Executive Directors shall not exceed one percent of the net profits of the Company (computed in the manner as laid down in Section 349 and Section 350 of the Companies Act, 1956).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution."

11. Appointment of Mr. Sunil Diwakar as a Director of the Company.

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.

"RESOLVED THAT Mr. Sunil Diwakar, who was appointed as an Additional Director of the Company and whose term expires under Section 260 of the Companies Act, 1956 (the Act), at the ensuing Annual General Meeting and in respect of whom the Company has received notice from a shareholder under section 257 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

By order of the Board
For Asian Hotels (West) Limited

Nikhil Sethi
Company Secretary

Place : New Delhi

Date : 10th August, 2010

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate Members intending to send their authorized representative/(s) u/s 187 of the Companies Act, 1956 (the Act), are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
3. In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.
4. All the documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company during office hours between 10.00 a.m. and 5.00 p.m. on all working days, for a period of twenty one days before the date of the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 14th September, 2010 till Saturday, 18th September, 2010, inclusive of both days.
6. The dividend, if declared by the Company in the Annual General Meeting, will be paid to those members or to their mandates whose name stand registered as:
 - a) Beneficial owners as at the end of business on 13th September, 2010, as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form, and
 - b) Members whose names stand in the Register of Members of the Company, after giving effect to valid share transfers in physical form lodged with the Company, as at the end of business on 13th September, 2010.
7.
 - a) Members are requested to notify the Company change in their address, if any, with pincode, quoting their folio number.
 - b) Members holding shares in electronic form should notify any change in their residential address or bank details directly to their respective Depository Participants.
8. Non-Resident Indian Shareholders are requested to inform the Company:
 - a) Particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not already intimated.
 - b) Change, if any, in their Residential status.
9. The Securities Exchange Board of India has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company prints the bank account details, if available, on the warrant for distribution of dividend. Therefore, to avoid any fraudulent encashment of warrants, the members are requested to furnish, quoting their folio number, following information to the Company so that requisite details could be printed on all future dividend warrants:
 - a) Name of the Sole/First Joint Holder, and
 - b) Particulars of his/her Bank account, viz. account number, name of Bank and complete address of the Branch with Pincode Number.
10. As per the provisions of the Act, facility for making nominations in prescribed Form 2B, is available to individuals holding shares in the Company.
11. **Shareholders are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons.**

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(formerly Chillwinds Hotels Limited)

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, IN RESPECT OF SPECIAL BUSINESS:

Item No. 7

1. Mr. Sushil Gupta has been appointed as Managing Director of the Company effective from 1st November, 2009 to 31st October, 2014.
2. Mr. Sushil Gupta shall be paid remuneration as under:
 - i. SALARY (BASIC) PER MONTH: Rs.4,50,000/- – Rs.20,000/- – Rs. 5,50,000/-(increased scale to be effective every subsequent 1st Day of November)
 - ii. COMMISSION: At a rate not exceeding 2% (Two Percent) of the net profits of the Company, as may be decided by the Board of Directors, for each financial year.
 - iii. PERQUISITES:
 - A. Housing: The expenditure by the Company on hiring (furnished or otherwise) accommodation will not exceed 60% of Salary. In case no accommodation is provided by the Company, the appointee shall be entitled to house rent allowance @ 60% of salary.
 - B. Medical Reimbursement: Expenses incurred for the appointee and his family subject to ceiling of three months' salary in a year or nine months' salary over a period of three years.
 - C. Leave Travel Concession: Business Class Air Fare for self and family once in a year to any destination. Family is defined as spouse and two dependent children.
 - D. Club Fees: Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.
 - E. Personal Accident Insurance: As per rules of the Company.
 - F. Employers' Contribution to Provident Fund/ Superannuation Fund: As per rules of the Company
 - G. Gratuity: Gratuity payable shall be at the rate of 15 days' salary for each completed year of service in accordance with the rules.
 - H. Car / Telephone: Car with driver for use on Company's business and telephone/telefax facility at residence will be provided to the appointee. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee.
3. Mr. Sushil Gupta shall not be entitled to any sitting fees for attending Board/Committee Meetings of the Company.
4. Minimum Remuneration: Wherein any financial year during the currency of the tenure of Mr. Sushil Gupta as Managing Director, the Company incurs no profits or its profits are inadequate, the Company shall pay by way of Salary, perquisites and any other allowances in accordance with Section II, Part II of the Schedule XIII of the Act.
5. Memorandum of Interest: None of the Directors of the Company other than Mr. Sushil Gupta, Mr. Sudhir Gupta and Mr. Sandeep Gupta is concerned or interested in this appointment.
6. Inspection : Copy of the resolution passed by the Board of Directors at its Meeting held on 26th November, 2009 in respect of the above, may be inspected at the Registered Office of the Company between 10.30 a.m. and 12.30 p.m. on all working days except Saturday, Sunday and holidays.

The Board therefore recommends the resolution set out under Item No. 7 as an ordinary resolution.

Item No. 8

1. Mr. Sudhir Gupta has been appointed as Executive (Whole – time) Director of the Company effective from the conclusion of Board Meeting held on 10th May, 2010 to 9th May, 2015. Mr. Sudhir Gupta shall look after the general corporate affairs of the Company.
2. Mr. Sudhir Gupta shall be paid remuneration as under:
 - i. SALARY (BASIC) PER MONTH: Rs.3,90,000/- – Rs.20, 000/- – Rs. 4,90,000/-(increased scale to be effective every subsequent 1st Day of April)
 - ii. COMMISSION: At a rate not exceeding 2% (Two Percent) of the net profits of the Company, as may be decided by the Board of Directors, for each financial year.
 - iii. PERQUISITES:
 - A. Housing: The expenditure by the Company on hiring (furnished or otherwise) accommodation will not exceed 60% of Salary. In case no accommodation is provided by the Company, the appointee shall be entitled to house rent allowance@ 60% of salary.
 - B. Medical Reimbursement: Expenses incurred for the appointee and his family as per the Company policy.
 - C. Leave Travel Concession: Business Class Air Fare for self and family once in a year to any destination. Family is defined as spouse and two dependent children.
 - D. Club Fees: Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.
 - E. Personal Accident Insurance: As per rules of the Company.
 - F. Employers' Contribution to Provident Fund/ Superannuation Fund: As per rules of the Company
 - G. Gratuity: Gratuity payable shall be at the rate of 15 days' salary for each completed year of service in accordance with the rules.
 - H. Car / Telephone: Car with driver for use on Company's business and telephone/telefax facility at residence will be provided to the appointee. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee.
3. Mr. Sudhir Gupta shall not be entitled to any sitting fees for attending Board/Committee Meetings of the Company.
4. Minimum Remuneration: Where in any financial year during the currency of the tenure of Mr. Sudhir Gupta as Executive (Whole-time) Director, the Company incurs no profits or its profits are inadequate, the Company shall pay by way of Salary, perquisites and any other allowances in accordance with Section II, Part II of the Schedule XIII of the Act.
5. Memorandum of Interest: None of the Directors of the Company other than Mr. Sudhir Gupta, Mr. Sushil Gupta and Mr. Sandeep Gupta is concerned or interested in this appointment.

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6. Inspection : Copy of the resolution passed by the Board of Directors at its Meeting held on 10th May, 2010 in respect of the above, may be inspected at the Registered Office of the Company between 10.30 a.m. and 12.30 p.m. on all working days except Saturday, Sunday and holidays.

The Board therefore recommends the resolution set out under Item No. 8 as an ordinary resolution.

Item No. 9

1. Mr. Sandeep Gupta has been appointed as Executive (Whole – time) Director of the Company effective from the conclusion of Board Meeting held on 10th May, 2010 to 9th May, 2015. Mr. Sandeep Gupta shall look after the Marketing and Business Development of the Company.
2. Mr. Sandeep Gupta shall be paid remuneration as under:
- SALARY (BASIC) PER MONTH: Rs.3,90,000/- – Rs.20,000/- – Rs. 4,90,000/-(increased scale to be effective every subsequent 1st Day of April)
 - COMMISSION: At a rate not exceeding 2% (Two Percent) of the net profits of the Company, as may be decided by the Board of Directors, for each financial year.
 - PERQUISITES:
 - Housing: The expenditure by the Company on hiring (furnished or otherwise) accommodation will not exceed 60% of Salary. In case no accommodation is provided by the Company, the appointee shall be entitled to house rent allowance @ 60% of salary.
 - Medical Reimbursement: Expenses incurred for the appointee and his family as per the Company policy.
 - Leave Travel Concession: Business Class Air Fare for self and family once in a year to any destination. Family is defined as spouse and two dependent children.
 - Club Fees: Fees and expenses at clubs subject to a maximum of two clubs. This will not include life membership fees.
 - Personal Accident Insurance: As per rules of the Company.
 - Employers' Contribution to Provident Fund/ Superannuation Fund: As per rules of the Company
 - Gratuity: Gratuity payable shall be at the rate of 15 days' salary for each completed year of service in accordance with the rules.
 - Car / Telephone: Car with driver for use on Company's business and telephone/ telefax facility at residence will be provided to the appointee. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the appointee.
3. Mr. Sandeep Gupta shall not be entitled to any sitting fees for attending Board/Committee Meetings of the Company.
4. Minimum Remuneration: Where in any financial year during the currency of the tenure of Mr. Sandeep Gupta as Executive (Whole – time) Director, the Company incurs no profits or its profits are inadequate, the Company shall pay by way of Salary, perquisites and any other allowances in accordance with Section II, Part II of the Schedule XIII of the Act.
5. Memorandum of Interest: None of the Directors of the Company other than Mr. Sandeep Gupta, Mr. Sushil Gupta and Mr. Sudhir Gupta is concerned or interested in this appointment.
6. Inspection : Copy of the resolution passed by the Board of Directors at its Meeting held on 10th May, 2010 in respect of the above, may be inspected at the Registered Office of the Company between 10.30 a.m. and 12.30 p.m. on all working days except Saturday, Sunday and holidays.

The Board therefore recommends the resolution set out under Item No. 9 as an ordinary resolution.

Item No. 10

Under the provisions of Section 309 of the Companies Act, 1956, the Non-Executive Directors may be paid remuneration by way of commission, of an amount not exceeding 1% per annum of the net profits of the Company computed in accordance with the provisions of the Act.

In view of the valuable services being rendered by the said Directors to the Company, it is proposed to pay commission not exceeding 1% per annum of the net profits of the Company to the Non-Executive Directors of the Company for a period of five years effective from the Financial Year ending 31st March, 2010, subject to a limit of Rs. 500,000/- per year per Non-Executive Director, subject to the approval of the Members of the Company in this regard. The amount will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

All the Directors of the Company except the Managing Director (Mr. Sushil Gupta) and the Executive (Whole-time) Directors (Mr. Sudhir Gupta and Mr. Sandeep Gupta) of the Company are deemed to be concerned or interested in the Resolution at Item No. 10 of the accompanying Notice, to the extent of the amount that may be received by them as commission.

The Board therefore recommends the resolution set out under Item 10 as special resolution.

Item No. 11

Mr. Sunil Diwakar was appointed as an Additional Director of the Company w.e.f. 10th August, 2010. Pursuant to Article 106 (a) of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956 (the Act), he holds office up to the date of the ensuing Annual General Meeting. The Company has received notice under section 257 of the Act proposing his candidature for the office of Director of the Company.

Mr. Sunil Diwakar is Managing Partner at IL&FS Investment Managers Limited (IIML) and has over 20 years of experience in the Indian private equity industry. In addition he has also worked in the aeronautical engineering industry for 3.5 years. Over the years, he has gained multi-sector exposure in manufacturing, life sciences, IT, media and retail transactions. Mr. Diwakar holds a Masters degree in Production Technology from IIT, Madras and holds a diploma in International Management from IMI, New Delhi.

Your Directors feel that it will be in the Company's interest to have his association, and therefore, recommend his appointment as a Director.

None of the Directors is directly or indirectly concerned or interested in this resolution.

By order of the Board
For Asian Hotels (West) Limited

Nikhil Sethi
Company Secretary

Place : New Delhi
Date : 10th August, 2010

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Name of Director	Mr. R. K Bhargava	Mr. Sushil Gupta	Mr. Sudhir Gupta	Mr. Sandeep Gupta	Mr. Sunil Diwakar
Date of Birth	26th October, 1935	5th January, 1944	3rd April, 1959	13th August, 1968	22nd May, 1963
Date of Appointment	23rd December, 2008	26th April, 2007	26th April, 2007	26th April, 2007	10th August, 2010
Expertise in specific functional areas	IAS (Retd.) Former Secretary, Ministry of Home Affairs, Government of India	Industrialist/ Hotelier having rich business experience	Industrialist/ Hotelier having rich business experience	Industrialist/ Hotelier having rich business experience	Private Equity, Multi-sector exposure in Manufacturing, Life Sciences, I.T., Media & Retail Transaction
Qualifications	B.A.(Hons); M.A. (History)	F.S.C.; Certified Hotel Administrator (CHA)	B.Com.	B.Com. (Hons.) SRCC; MBA (Finance & Marketing)	Masters degree in Production Technology from IIT, Madras; Diploma in International Management from IMI, New Delhi
Details of shares held in the Company	3,826	2,27,720	71,430	-	-
List of Companies in which outside Directorships held as on 31.03.2010 (excluding private & foreign companies)	Kajaria Ceramics Ltd Duncans Ltd HB Portfolio Ltd Andhra Cements Ltd Noida Toll Bridge Co. Ltd Inovoa Hotels and Resorts Ltd.	Select Holiday Resorts Limited Inovoa Hotels and Resorts Limited	-	-	Arch Pharamalabs Limited Bharat Fritz Werner Limited Eastern Silk Industries Limited Electrosteel Intregtated Limited JBF Industries Limited Malladi Drugs & Pharmaceuticals Limited Prasad Corporation Limited RSB Transmission (I) Limited
Chairman / Member of the *Committees of other Companies on which he is a Director as on 31.03.2010	Audit Committee Noida Toll Bride Co. Ltd. Duncan's Ltd. H. B. Portfolio Ltd. Andhra Cement Ltd. Kajaria Ceramics Ltd. Share Transfer and Investor Grievance Committee Noida Toll Bride Co. Ltd. Duncan's Ltd. H. B. Portfolio Ltd.	-	-	-	Audit Committee Bharat Fritz Werner Limited JBF Industries Limited Malladi Drugs & Pharmaceuticals Limited Prasad Corporation Limited RSB Transmission (I) Limited Investor Grievance Committee JBF Industries Limited

ASIAN HOTELS (WEST) LIMITED

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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 3rd Annual Report and Audited Accounts for the Financial Year ended on 31st March 2010 (from 1st July, 2009 to 31st March, 2010).

OBJECTS, OPERATIONS AND FINANCIAL RESULTS

The Current Financial Year of the Company was for a period of nine months and accordingly, the Annual Accounts have been prepared for a period of nine months ended on 31st March, 2010. (i.e. from 1st July, 2009 to 31st March, 2010). However, the Financial Statements for Financial Year 2009-10 represents operations of Hotel Hyatt Regency, Mumbai for only 5 (five) months period commencing from 1st November, 2009 and ending on 31st March, 2010.

A summarized position of the profits, taxation, dividend, pay-out and transfer to reserves for the year under review is given below:

(Rupees in crores)

PARTICULARS	2009-10*#	2008-09#
	(Nine month period)	(Fifteen month period)
Income	60.58	0.00
Expenditure	41.19	0.76
Profit Before Interest & Depreciation	19.39	(0.76)
Depreciation	4.25	–
Interest	–	–
Profit Before Tax	15.14	(0.76)
Provision for Taxation		
– Current Tax	5.00	–
– Deferred Tax	0.16	–
Net Profit	9.98	(0.76)
Amount Brought Forward	(0.77)	(0.01)
Transferred pursuant to Scheme of Arrangement & Demerger	93.39	–
Profit Available for Appropriation	102.60	(0.77)
Transfer to General Reserve	1.00	–
Proposed Dividend on Equity Shares	3.42	–
Proposed Dividend on Non Convertible Preference Shares	0.02	–
Proposed Dividend on Fully Convertible Preference Shares	0.00	–
Corporate Dividend Tax	0.59	–
Surplus Carried Forward	97.57	(0.77)
Earning Per Share – Diluted & Basic (Rupees)	15.67	(151.30)

* Financial Statements represents operations of Hotel Hyatt Regency, Mumbai for only 5 (five) months period commencing from 1st November, 2009 and ending on 31st March, 2010.

Pursuant to Scheme of Arrangement and Demerger of erstwhile Asian Hotels Limited (Transferor Company) and its Shareholders and Creditors; Chillwinds Hotels Limited (Transferee Company-I/Asian Hotels (West) Limited) and its Shareholders; and Vardhman Hotels Limited (Transferee Company-II) and its Shareholders (the Scheme) becoming effective, the Mumbai undertaking of Transferor Company stand demerged and vested in the Company from the close of 31st October, 2009 being the appointed date. Thus the figures for the Financial Year 2009-10 are not comparable to those of the Financial Year 2008-09.

SCHEME OF ARRANGEMENT AND DEMERGER

During the period under review, the Scheme of Arrangement and Demerger between erstwhile Asian Hotels Limited (Transferor Company) and its Shareholders and Creditors; Chillwinds Hotels Limited (Transferee Company-I) and its Shareholders; and Vardhman Hotels Limited (Transferee Company-II) and its Shareholders (the Scheme) was approved by the Hon'ble High Court of Delhi at New Delhi vide Order dated 13th January, 2010.

The Scheme became effective on 11th February, 2010 i.e. the date of filing of the Order of Hon'ble High Court with the office of the Registrar of Companies, NCT of Delhi and Haryana w.e.f the close of 31st October, 2009, being the Appointed Date.

Pursuant to effectiveness of the Scheme, the following actions, inter alia, came into effect/were undertaken by the Company:

- Demerger and vesting of the Mumbai Undertaking of erstwhile Asian Hotels Limited (Transferor Company) consisting of Hotel Hyatt Regency, Mumbai and investments in the shares of Aria Hotels and Consultancy Services Pvt. Ltd. in Chillwinds Hotels Limited (Transferee Company I).
- Change of name of the Company from Chillwinds Hotels Limited (Transferee Company I) to Asian Hotels (West) Limited w.e.f. 12th February, 2010
- Issuance and allotment of 1,14,01,782 equity shares of Rs. 10/- each (fully paid up) to the equity shareholders of erstwhile Asian Hotels Limited.

The paid-up Equity Share Capital of erstwhile Asian Hotels Limited (Transferor Company) before Demerger was Rs.22,80,35,640/-. Upon the effectiveness of the Scheme, the paid-up Equity Share Capital was deemed to have increased to Rs. 34,20,53,460/- after appropriation of general reserves to the extent of Rs. 11,40,17,820/-. The deemed increased paid up equity capital of the Transferor Company was equally allocated to

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the Asian Hotels (North) Limited (AHL Residual undertaking), Chillwinds Hotels Limited (Transferee Company-I/Asian Hotels (West) Limited) and Vardhman Hotels Limited (Transferee Company -II/ Asian Hotels (East) Limited). Therefore the paid up equity share Capital of the Company increased to Rs. 11,40,17,820/- w.e.f. the Appointed Date.

- iv) Cancellation of original issued and Paid-up equity share capital i.e. 50,000 Equity Shares of Rs. 10/- each held by erstwhile Asian Hotels Limited in the Company.
- v) Reissued 49,00,000 Non-Convertible Redeemable Preference Shares (NCPS) of face value of Rs.10/- each at a premium of Rs. 80/- each to Infrastructure Development Finance Company Limited (IDFC) and 50,000 NCPS of face value of Rs.10/- each at a premium of Rs. 80/- each to Magus Estates and Hotels Limited (MAGUS) credited as fully paid up w.e.f. the Appointed Date.

As per the terms of issue, the aforesaid NCPS were redeemed by the Company on 30th June, 2010.

- vi) Reissued 18,520 Fully-Convertible Redeemable Preference Shares (FCPS) of face value of Rs.10/- each at a premium of Rs. 530/- each to Fineline Holdings Limited, Mauritius and 9,260 FCPS of face value of Rs.10/- each at a premium of Rs. 530/- each to UDT Enterprises Pty. Ltd. Australia credited as fully paid up w.e.f. the Appointed Date.

The aforesaid FCPS shall be convertible, in one or more tranches, into equity shares of face value of Rs. 10/- each of the Company, at a conversion price calculated in accordance with SEBI Guidelines, at any time during the period commencing 4th March, 2011 & ending 30th April, 2011 as may be decided by respective subscribers. In the event any Subscriber does not exercise its option within the time limits prescribed above, the FCPS held by such the subscriber would compulsorily get converted into equity shares on 30th April, 2010.

LISTING OF EQUITY SHARES OF THE COMPANY

During the period under review, the Company executed Listing Agreement with the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) and the Equity Shares of the Company have been listed for trading at BSE and NSE on 5th August, 2010.

CHANGE OF REGISTERED OFFICE OF THE COMPANY

During the period under review, the Registered Office of the Company was shifted from D-4, Clarion Collection - The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi 110016 to E-5, Clarion Collection - The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi 110016

DIVIDEND

Your Directors are pleased to inform that interim dividend on 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of the face value of Rs. 10/- each has been paid for the period under review.

The Board has recommended for approval of shareholders, a dividend of 30% on the equity shares of the Company, aggregating a distribution of Rs. 3.42 Crores for the Financial Year ended 31st March, 2010 and dividend on 1% Cumulative Redeemable Fully-Convertible Preference Shares (FCPS) of the face value of Rs. 10/- each.

SUBSIDIARY COMPANY

As stated above, upon the effectiveness of the Scheme, Aria Hotels and Consultancy Services Private Limited (Aria) became the Subsidiary of the Company.

Aria, is developing a 500+ rooms 5 Star Deluxe Hotel under the Brand J.W. Marriott, at Delhi Aerocity near the Indira Gandhi International Airport at New Delhi which is expected to be operational by 2nd Quarter of year 2012. The total cost of the project is envisaged at approx Rs. 700 crores and the entire funding for the project has been tied up and the Directors are pleased to inform that IL&FS Group has entered into Agreement for taking 32.65% equity stake in Aria for a consideration of Rs. 80 Crores.

As required under Section 212 of the Companies Act, 1956, the audited Annual Accounts along with the Auditors' Report and Directors' Report thereon for the year ended 31st March, 2010 of the Aria Hotels and Consultancy Services Private Limited are annexed to the Annual Report.

FOREIGN EXCHANGE RECEIPTS

The Company's earnings in the foreign exchange for the Financial Year ending 31st March, 2010 was Rs. 34.83 Crores.

FUTURE PROSPECTS

The Company is on the look out for sites having growth potential and your Directors are reasonably confident that the restructuring of the Company will result in expanding our footprint and thereby enhancing the Shareholders' value.

In addition the Company is also exploring the possibility of entering into mid market segment hotels to achieve sustainable and balanced profitable growth.

AUDITORS

M/s. S. S. Kothari Mehta & Co. Chartered Accountants, the present Auditors of the Company, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. They have certified that their appointment, if made, will be in accordance with the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board of Directors of the Company has recommended their re-appointment.

INTERNAL AUDIT

Prior to the effectiveness of the Scheme, M/s. S.S. Kothari Mehta & Co., Chartered Accountants, were undertaking the internal audit of Hotel Hyatt Regency, Mumbai. However after the effectiveness of the Scheme, M/s S. S. Kothari Mehta & Co., being also the Statutory Auditors of the Company, resigned from the office of Internal Auditors and the assignment was handed over to M/s KSMN & Co., Chartered Accountants who have conducted periodic audit of all operations of the Company. The Audit Committee of the Board of Directors has reviewed the findings of Internal Auditors regularly and their reports have been well received by the Audit Committee.

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DIRECTORS

Mr. Sushil Gupta has been appointed as Managing Director for a period of five years with effect from 1st November, 2009 subject to the approval of the Shareholders at the ensuing Annual General Meeting. Mr. Sudhir Gupta & Mr. Sandeep Gupta have been appointed as Executive (Whole-time) Directors of the Company for a period of five years with effect from 10th May, 2010 subject to shareholders' approval in ensuing Annual General Meeting.

During the period under review, Mr. Shiv Kumar Jatia and Mr. Umesh Saraf resigned from the Directorship of the Company w.e.f. 11th February, 2010. The Board placed on records its appreciation of the valuable services rendered by them to the Company.

Mr. Sunil Diwakar was appointed as an Additional Director on 10th August, 2010 who shall hold office up to the date of the ensuing Annual General Meeting. The Company has received notice under section 257 of the Act proposing his candidature for the office of the Director.

In accordance with the requirement of the Companies Act, 1956 and pursuant to the Article 116 of the Articles of Association, one of your Directors viz. Mr. R. K. Bhargava retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

SECRETARY

During the period under review, pursuant to Section 383A of the Companies Act, 1956 Mr. Girdhari Lal Bagaria was appointed as Company Secretary w.e.f. 26th November, 2009. Mr. Bagaria resigned from the post of Company Secretary of the Company w.e.f. 12th February, 2010 and Mr. Nikhil Sethi was appointed as Company Secretary cum Compliance Officer of the Company w.e.f. 15th February, 2010.

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

Pursuant to Section 217 (2AA) of the Act, your Directors confirm as under:

- that in the preparation of annual accounts for the year ended 31st March, 2010, the applicable Accounting Standards have been followed along with proper explanation relating to any material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period under review and of the profit of the Company for that period.
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the annual accounts on a going concern basis;

The significant accounting policies followed by the Company and the required disclosures are detailed in the Schedules to the annual accounts.

The Audit Committee of the Board of Directors reviewed the financial statements for the year under review at its meeting held on 21st May, 2010 and recommended the same for the approval of the Board of Directors.

INFORMATION REGARDING CONSERVATION OF ENERGY ETC.

Information required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to the conservation of energy, technology absorption, foreign exchange earnings and outgo are to the extent possible, in the opinion of your Directors, given in Annexure 'A' annexed hereto.

PERSONNEL

Your Directors wish to appreciate the dedicated efforts and hard work of personnel at all levels that has made the existing results possible.

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of this Report, is given in Annexure 'B'.

DEBENTURE ISSUE

During the period under review, the Company has issued 1000 Rated, Taxable, Secured, Redeemable, Non - Convertible Debentures (NCD's) of the face value of Rs. 10 Lacs each, aggregating to Rs. 100 Crores, on private placement basis to Kotak Mahindra Bank Limited on 25th June, 2010. The NCD's were listed on the Whole-sale Debt Market at the National Stock Exchange of India Limited (NSE) w.e.f. 8th July, 2010.

The Company has appointed M/s IDBI Trusteeship Services Limited, Mumbai as the Debenture Trustee and M/s Karvy Computershare Pvt. Ltd. as Registrar and Transfer Agents in relation to the aforesaid NCD's.

ACQUISITION OF LAND AT PUNE

During the period under review, the Company has acquired immovable property / land, approved for construction of a Hotel, admeasuring approx. 4600 Sq. Mtrs at Pune, Maharashtra at a consideration of Rs.7.43 Crores from M/s Inova Hotels & Resorts Limited.

EXEMPTION FROM DISCLOSING QUANTITY WISE DETAILS

As the turnover of the Company is in respect of Food and Beverages, it is not possible to give quantity-wise details of the turnover. Vide order No. 46/171/2010-CL-III dated 28th June, 2010 issued by the Ministry of Corporate Affairs, the Company has been exempted from giving these particulars for the year ending on 31st March, 2010; 31st March, 2011 and 31st March, 2012 subject to certain disclosures.

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance together with Auditor's Certificate on Corporate Governance is appended to the Annual Report as Annexure 'C' and 'D' respectively.

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MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to clause 49 of the Listing Agreement, the Management Discussion and Analysis Report is given below:

Industry Structure, Development & Outlook

India as a destination has become far more attractive to foreign tourists as evidenced by the fact that tourism demand in India is growing at the rate of 7.9% for the period 2010-2015 and as per reports India is the second fastest growing tourism market in the world. Foreign Tourists arrival in 2009 were 5.11 million with a growth rate of (-) 3.3% as compared to the FTAs of 5.28 million and growth rate of 4% during 2008.

The Hotel Industry is on a strong growth path with key drivers being a buoyant macroeconomic environment, room additions and rolling out of new products and services and geographical expansion seen across the sector. The outlook of the Hotel Industry looks bright in lieu of a healthy GDP Growth and liberalized air links with the other countries.

Opportunities, Threats, Risks and Concerns

India has the potential to cater to the varying interests of the globetrotter whether it be in the form of centers of spirituality, adventure sports or world renowned heritage sites. Thus the current scenario has provided the Indian tourism industry with a golden opportunity to steadily strive towards realizing its true potential to grow.

However the following factors may be a cause of concern and pose a road block in India's tourism industry achieving its true potential;

1. The brand image of India as a tourist destination may be adversely affected due to inadequate development of infrastructure in the form of poorly maintained road network, lack of information booth counters for rail, air and road networks.
2. Peace, security and stability are the prerequisites for the further development of tourism and any threat to peace and stability of the country on account of insurgency and violence could well result in a fall or slow down in tourist arrivals of the tourists. This was amply proved with the happening of Mumbai terror attack and how it affected the Hotel and Tourism industry.
3. Demand Supply disparity may and probably may lead to significant rise in effective room rates which may cause travelers to source more economical destinations.
4. Though American Economy is recovering slowly however there are doubts on fiscal health of European Market which might affect the traffic inflow from Europe in the country.

Review of Operational and Financial Performance

The Company has achieved an aggregate turnover of Rs. 60.58 Crores for the financial year ended on 31st March, 2010.

Profit after taxes for the year under review was Rs. 9.98 Crores.

Segment wise Performance

During the period under review, the Company is engaged in only one segment of Hotel Business at Mumbai, hence segment wise performance is not applicable.

Internal Control Systems and their Adequacy

The Company has standard operating procedures. It has in place adequate reporting systems in respect of financial performance, operational efficiencies and reporting with respect to compliance of various statutory and regulatory matters. The internal auditors of the Company had regularly conducted exhaustive internal audits pertaining to all operational areas and their reports were placed before the Audit Committee for its review and recommendations.

Human Resources and Industrial Relations

Smooth Industrial Relations and effective Human Resource Management are the key factors contributing towards success in the industry. As our company is part of the hospitality industry the importance of efficient and motivated human resources helps in achieving complete customer satisfaction, which in turn has direct impact on the brand image and turnover of the company.

The Company enjoys harmonious relationship with its employees. The employee strength of the Company, as on 31st March, 2010 was 656.

ACKNOWLEDGEMENT

Your Directors would like to express its sincere appreciation and gratitude to the Company's valued customers, the Government of India, Government of Delhi & Maharashtra, various Financial Institution(s) and Banks for their continued support and confidence in the Company.

The Board would also like to place on record its deep sense of appreciation for the continued confidence reposed in the Company by the Shareholders as well as the sincere efforts put in by the executives and staff at all levels for progress of the Company.

For and on behalf of the Board of
Asian Hotels (West) Limited

Place : New Delhi
Dated : 10th August, 2010

Sushil Gupta
Chairman and Managing Director

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ANNEXURE – A FORMING PART OF THE DIRECTORS' REPORT

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A) CONSERVATION OF ENERGY

S.No.	Energy conservation measure taken during the year 2009-10	Impact (savings in Lac Rs. per annum)
1.	Replacement of incandescent lamps with CFL lamps in guest rooms	4.00
2.	Replacement of back areas light fixtures with T5 lights	4.00
3.	Pumps and AHUs connected with VFD controls	10.00

S.No.	Additional Investment – proposal for the year 2010-11	Impact (savings in Lac Rs. per annum)
1.	Recycling of STP water back to flush and cooling tower	20.00
2.	Replacement of guest room door light with LED lights	2.50
3.	Replacement of Halide lamps with T5 lights in car parking areas	2.00
4.	Replacement of corridor lights with LED lights	3.00
5.	HBD pump upgradation	3.00
6.	Replacement of energy efficient heat pipes in TFA 's	3.00

B) TECHNOLOGY ABSORPTION

In the Opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 2 of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable as hotels form part of the service industry and the Company does not have any significant manufacturing operations.

C) FOREIGN EXCHANGE EARNINGS

- The Company has a strong commitment to international business and is continuously exploring avenues to increase its foreign exchange earnings.
- Foreign exchange earnings (on receipt basis) have shown a downfall considering the global meltdown and the recession in the economies across the world. Current period earnings amounted to Rs. 34.83 Crores (Rs. Nil in previous year) against which the outgo in foreign exchange was equivalent to Rs. 7.01 Crores (Rs. Nil in previous year).
- Details of foreign exchange earnings and outgo are given at Note 23 Schedule 16B to the Balance sheet and Profit and Loss Account of the Company for the financial year ended on 31st March, 2010.

ANNEXURE – B FORMING PART OF THE DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956 (Financial Year 2009-2010)

S. No.	NAME	AGE (YRS.)	DESIGNATION/ NATURE OF DUTIES	REMUNERATION (IN RS.)	QUALIFICATION	EXPERIENCE (YRS)	DATE OF COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT HELD / DESIGNATION / PERIOD
EMPLOYED PART OF THE YEAR #								
1	Sushil Gupta	67	Chairman & Managing Director	7,047,036	F.S.C., CHA	47	10.04.1981	Industrialist
2	Amit Gupta	37	General Manager, Finance	1,335,500	F.C.A., ACWAI	14	02.01.2008	City Max Hotels, Landmark Group, Mumbai, AVP Finance, (1 Yr)
3	Aseem Kapoor	41	General Manager, Hyatt Regency Mumbai	4,168,557	Diploma in Hotel Management, IHM Mumbai	21	01.06.2008	Park Hyatt Dubai, Resident Manager (3 Yrs)
4	Alessio Banchemo	29	Italian Chef, Hyatt Regency, Mumbai	1,404,955	Professional Diploma in Culinary	15	22.12.2009	Zeffirino, Las Vegas, Sous Chef (7 Yrs)

The employees were transferred to the Company pursuant to effectiveness of scheme of Arrangement & Demerger w.e.f. appointed date i.e close of Business hours 31st October, 2009. Hence remuneration paid to them in the Company is for the period commencing from 1st November, 2009 to 31st March, 2010. However in terms of the Scheme all employees enjoys with the benefit of continuity of service.

- Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to provident fund, LTA, monetary value of other perquisites, if any, on the basis of Income Tax Rules, Performance incentive, Exgratia payments and Commission to Chairman & Managing Director. Performance incentives and exgratia payments to the executives and commission to Chairman & Managing Directors are included on payment basis.
- All the appointments except that of Mr. Amit Gupta and Mr. Aseem Kapoor are on contractual basis.
- None of the employees is a relative of any Director of the Company except in the following case :
Mr.Sushil Gupta is a relative of Mr. Sudhir Gupta and Sandeep Gupta, Executive (Whole time) Directors of the Company.

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ANNEXURE "C" FORMING PART OF DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

The Company is totally committed to providing the shareholders and other stakeholders with an insight into the working of the Company and acknowledges the importance of practicing good Corporate Governance while conducting its business, for creation of wealth for shareholders.

The status of compliance with Clause 49 of the Standard Listing Agreement for the Financial Year 2009-10 is enumerated herein below:

Board of Directors

As on the date of this report, the Board of Directors of the Company comprises of Eight Directors out of which four are Independent and Non-Executive Directors and one Non-Executive Director and remaining three are Wholetime Directors.

Mr. Sushil Gupta, Managing Director, is the Chairman of the Board. In terms of the requirements of Clause 49 of the Listing Agreement, atleast fifty percent of the Board comprises of Independent Non-Executive Directors.

The Company is following prescribed Board procedures and provided detailed notes in advance on all the businesses proposed to be dealt with at the Board meetings. The Board meets atleast once every quarter. During the period under review, 13 meetings of the Board of Directors took place. These meetings were held on 27th July,2009; 13th August, 2009; 21st September, 2009; 31st October,2009; 13th November, 2009; 26th November, 2009; 30th November,2009; 16th January, 2010; 20th January, 2010; 11th February, 2010; 15th February, 2010; 28th February, 2010 and 11th March, 2010.

Pursuant to the provisions of Clause 49, the composition of the Board, details of Directorships held, committee membership / chairmanship held, and attendance of the Directors at the Board meetings and at the last Annual General Meeting are given below:

S. No.	Name of the Director	Category	No. of Board Meetings Attended	Last AGM attended	No. of Other Directorships held in Private Companies	No. of Other Directorships held in Public Companies	No. of Committee memberships in Public Companies	No. of Chairmanships in such Committees
1.	Mr. Sushil Gupta*	Chairman & Managing Director	13	YES	4	2	–	–
2.	Mr. R.K. Bhargava	Independent Non-Executive	12	YES	3	6	10	2
3.	Mr. S.K. Chhibber	Independent Non-Executive	13	YES	1	3	1	1
4.	Mr. Lalit Bhasin	Independent Non-Executive	13	YES	3	10	8	2
5.	Mr. S. S. Bhandari	Independent Non-Executive	8	YES	–	2	4	1
6.	Mr. Sudhir Gupta [@]	Executive (Whole - time) Director	10	YES	1	–	–	–
7.	Mr. Sandeep Gupta [@]	Executive (Whole - time) Director	6	YES	3	1	–	–
8.	Mr. Shiv Jatia #	Non-Executive	6	YES	N.A.	N.A.	N.A.	N.A.
9.	Mr. Umesh Saraf #	Non-Executive	7	YES	N.A.	N.A.	N.A.	N.A.
10.	Mr. Sunil Diwakar \$	Non-Executive	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* Appointed as Managing Director for a term of five years ending 31st October, 2014

[@] Appointed as Executive (Whole-time) Director for a term of five years ending 9th May, 2015

During the period under review, Mr. Shiv Jatia, Director and Mr. Umesh Saraf, Director resigned from the Directorship of the Company w.e.f. 11th February, 2010.

\$ Appointed as Additional Director of the Company w.e.f 10th August, 2010.

Committee of Directors

The following Committees of the Board of Directors of the Company have been constituted: -

a) Audit Committee:

During the period under review, the Board of Directors of the Company had constituted an Audit Committee of the Board of Directors comprising of three Independent & Non – Executive Directors, namely Mr. S.S. Bhandari, Mr. R. K. Bhargava, and Mr. Lalit Bhasin on 15th February, 2010.

The Committee functions under the chairmanship of Mr. R. K. Bhargava, a Retired IAS Officer, who has held various portfolios during his tenure in the Central Government and has adequate knowledge of the finance and accounts function.

The terms of reference and the powers of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 (the Act).

The Chairman and Managing Director is the permanent invitee to the Committee meetings. The Company Secretary acts as Secretary to the Committee.

During the period under review no meeting of the Audit Committee was held, since the committee was constituted on 15th February, 2010.

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b) Share Transfer & Shareholders Grievance Committee:

During the period under review, the Board of Directors had constituted a Share Transfer & Shareholders Grievance Committee of the Board of Directors comprising of three Independent Non-Executive Directors, namely, Mr. R. K. Bhargava, Mr. S. K. Chhibber, and Mr. Lalit Bhasin on 15th February, 2010. The Company Secretary is the Compliance Officer of the Company and acts as Secretary to the Committee.

The Committee functions under the Chairmanship of Mr. R. K. Bhargava.

Besides monitoring and approving bulk transfers, transmissions, splits and consolidation of shares and issuance of duplicate shares, it also pursues status of redressal of shareholders' grievances.

In Pursuance of the Scheme of Arrangement and De-merger, the equity shares of the Company were allotted on February 28, 2010. As part of listing procedure, no transfer/ trading in the equity shares was permitted till the listing of the shares i.e till 5th August, 2010 and therefore during the period under review no meeting of the Share Transfer & Shareholders Grievance Committee was held, since the committee was constituted on 15th February, 2010.

c) Remuneration Committee

During the period under review, the Board of Directors had Constituted a Remuneration Committee of the Board of Directors comprising of three Independent Non-Executive Directors, namely, Mr. Lalit Bhasin, Mr. R. K. Bhargava and Mr. S. S. Bhandari on 15th February, 2010.

The terms of reference of the Committee is to determine, on behalf of the Board, the Company's policy governing remuneration payable to Whole-Time Directors, and recommend their remuneration subject to requisite approvals. On the recommendations of the Committee, the Board, subject to requisite approvals, decides the remuneration of the Whole-Time Directors. The Remuneration package of the Whole-Time Directors comprises of a fixed component viz. salary, perquisites and allowances and a variable component viz. commission on profits.

The Committee functions under the chairmanship of Mr. Lalit Bhasin a senior Lawyer of repute with over 48 years of experience in Legal matters.

During the period under review no meeting of the remuneration Committee was held, since the committee was constituted on 15th February, 2010.

Subject to the approval of the shareholder at the ensuing Annual General Meeting, the Non-Executive Directors are collectively entitled to commission at the rate of 1% of the net profits of the Company (computed under Section 349 and 350 of the Act) subject to a maximum of Rs. 5,00,000/- (Rupees five lacs only) per year per Non-Executive Director. In addition to the above, Non-Executive Directors are entitled to sitting fees for the meetings of the Board and the Committees thereof attended by them. No stock options were offered to the Directors or Executives of the Company.

Details of remuneration paid / payable to the Directors for the Financial Year under review are given below:

(Amount in Rs.)

Name of the Directors	Salary including perquisites	Commission# (payable)	Sitting Fees@	Total
Mr. Sushil Gupta*	38,69,976	31,77,060	0	70,47,036
Mr. S.K. Chhibber	–	2,64,688	36,000	3,00,688
Mr. R.K. Bhargava	–	2,64,688	24,000	2,88,688
Mr. Lalit Bhasin	–	2,64,688	36,000	3,00,688
Mr. S.S. Bhandari	–	2,64,688	24,000	2,88,688
Mr. Sudhir Gupta**	–	2,64,688	36,000	3,00,688
Mr. Sandeep Gupta**	–	2,64,688	24,000	2,88,688
TOTAL	38,69,976	47,65,188	1,80,000	88,15,164

The Salary paid to Mr. Sushil Gupta as well as Commission payable to the Directors of the Company is subject to the approval of Shareholders at the ensuing Annual General Meeting of the Company.

* Appointed for a term of five years ending 31st October, 2014 and has been paid salary for the period of five months during the financial year under review.

** Appointed for a term of five years ending 9th May, 2015

@ The Board of Directors at their meeting held on 15th February, 2010 approved payment of sitting fee to Non-Executive Director for attending meetings of the Board or any committee thereof.

Details of shareholdings of the Non-Executive Directors of the Company as on 31st March, 2010 are as under:

Name of Director	Category	Shareholding as on 31st March, 2010	% age of Total Shareholding
Mr. R.K. Bhargava	Independent Non- Executive	3826	0.033
Mr. S.K. Chhibber	Independent Non- Executive	70	0.000
Mr. Lalit Bhasin	Independent Non- Executive	NIL	NIL
Mr. S.S. Bhandari	Independent Non- Executive	NIL	NIL

General Body Meetings: -

The details of the Annual General Meetings held since the date of incorporation of the Company are given below:

Financial Year	Venue	Date	Time
2007-08	Hotel Hyatt Regency, Bhikaiji Cama Place, Mahatma Gandhi Marg, New Delhi – 110607	04.07.2008	11.30 A.M.
2008-09	Hotel Hyatt Regency, Bhikaiji Cama Place, Mahatma Gandhi Marg, New Delhi – 110607	03.10.2009	1.00 P.M.

No Special resolution was passed in any of the AGM held by the Company. Moreover, no resolution is required to be put through a postal ballot at the ensuing Annual General Meeting.

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

Code of Conduct

The Board of Directors of the Company has laid down a Code of Conduct applicable to all Board Members and Senior Management Personnel and they have affirmed their compliance with the said Code during the year under review. As required, a declaration to this effect by the Managing Director of the Company is annexed to this report.

Material Disclosures

• Related Party Transaction

In compliance with the Accounting Standard – 18, transactions pertaining to related parties are given under Note 13 of Schedule 16 (Significant Accounting Policies, Contingent Liabilities and Notes) to the Balance Sheet as at 31st March, 2010, and the Profit & Loss Account for the period ended on that date.

• Legal Compliances

There has been no significant non-compliance by the Company since its incorporation. The Company has an elaborate reporting system on compliances of all major laws applicable to the Company.

• Risk Assessment and Minimisation Procedures

As part of the risk assessment and minimisation procedures, the Company had identified certain major risk areas with regard to the operations of the Company and initiated steps, wherever possible, for risk minimisation. The Company's Board is conscious of the need to review the risk assessment and minimisation procedures on regular intervals and therefore, proposes to do the needful.

• Conflict of Interest

Based on the disclosures received by the Board from the Company's Senior Management Personnel, none of the Senior Management Personnel had any material financial or commercial transactions wherein they had personal interest that could have a potential conflict with the interest of the Company.

• CEO/CFO Certification

A certificate, in accordance with the requirements of Clause 49 V of the Listing Agreement, duly signed by the Chairman and Managing Director in respect of the year under review was placed before the Board and taken on record by it.

Means of Communication

The Equity shares of the Company have been listed with BSE and NSE on 5th August, 2010. The quarterly financial results for current financial year shall be generally published in Business Standard. All other official news releases shall be first forwarded to the Stock Exchanges and subsequently released to the media. Further, all periodic statutory reports and other official news releases shall also be uploaded on the Company's official website www.asianhotelswest.com

- Half-Yearly report sent to each shareholder:

No. The financial results shall be displayed on the Company's website.

- Publication of Quarterly results

Yes.

Which newspaper normally published in:

1) Business Standard (English)

2) Business Standard (Hindi)

- Any website where displayed

As mentioned above, the financial results and other statutory reports shall be uploaded on the Company's website. Further, in compliance of Clause 52 of the Listing Agreement, the above information and other communication sent to the Stock Exchange shall be filed under Corporate Filing and Dissemination System (CFDS) and shall be available at website: www.corpfilling.co.in

Yes

Whether it also displays official news Releases;

Shall be displayed as and when it happens

Presentation made to the institutional investors or the analysts

- Management Discussion and Analysis is part of Annual Report.

Yes, it is a part of the Directors' Report.

Shareholder Information

Annual General Meeting

Day, Date & Time:

Saturday, 18th September, 2010 at 3.30 p.m.

Venue:

Air Force Auditorium, Subroto Park, New Delhi 110010

Financial Calendar

The financial calendar for the Financial Year 2010-11 is proposed as under:

Financial Reporting for the quarter ending 30th June, 2010	2nd Week of August, 2010
Financial Reporting for the half year ending 30th September, 2010	End October, 2010
Financial Reporting for the third quarter ending 31st December, 2010	End January, 2011
Financial Reporting for the year ending 31st March, 2011	End May, 2011
Book Closure	Tuesday, 14th September, 2010 to Saturday, 18th September, 2010 (Inclusive of both days)

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

Dividend Payment Date	:	Around 2nd week of October, 2010.
Listing on Stock Exchanges	:	Bombay Stock Exchange Ltd, National Stock Exchange of India Ltd, and The Company has paid Annual Listing Fees to the Stock Exchanges.
Stock Code	:	BSE - 533221, NSE - AHLWEST

Stock Market Data

The equity shares of the Company have been listed on BSE and NSE on 5th August, 2010. Therefore, the monthly high and low quotations, as well as the volume of shares traded at BSE and NSE cannot be reported.

Further, Share Price Performance in comparison to BSE SENSEX and NSE S&P CNX NIFTY cannot be reported for the aforesaid reason.

Distribution of shareholders

Number of equity shares held	As on 31st March, 2010				As on 31st March, 2009			
	No. of Share-holders	% of Total Share-holders	Number of shares held	% Share-holding	No. of Share-holders	% of Total Share-holders	Number of shares held	% share-holding
Upto 500	17923	97.21	1034212	9.07	6	85.71	60	0.12
501 - 1000	286	1.55	203251	1.78				
1001 - 2000	109	0.59	149759	1.31				
2001 - 3000	33	0.18	78859	0.69				
3001 - 4000	22	0.12	76612	0.67				
4001 - 5000	10	0.05	43387	0.39				
5001 - 10000	16	0.09	114580	1.01				
10001 - above	39	0.21	9701122	85.08	1	14.29	49940	99.88
TOTAL	18438	100.00	11401782	100.00	7	100.00	50000	100.00

Category wise shareholding

CATEGORY	As on 31st March, 2010		As on 31st March, 2009	
	No. of shares held	% age of shareholding	No. of shares held	% age of shareholding
A. Promoters Shareholding				
– Indian	1910657	16.76	50000	100.00
– Foreign	5336880	46.81	Nil	Nil
Total Promoters shareholding	7247537	63.56	50000	100.00
B. Public Shareholding				
– Mutual Funds/Financial Institutions/Banks and Insurance Companies	438899	3.85	Nil	Nil
– FI's	91391	0.80	Nil	Nil
– NRI's	273608	2.40	Nil	Nil
– Bodies Corporate (Domestic)	2065912	18.12	Nil	Nil
– Individuals (Indian Public)	1283326	11.26	Nil	Nil
– Clearing Members	1109	0.01	Nil	Nil
Total Public shareholding	4154245	36.44	Nil	Nil
GRAND TOTAL	11401782	100.00	50000	100.00

Share Transfer System

To expedite the transfer of shares in physical form, authority has been delegated to Share Transfer and Shareholders Grievances Committee comprising of Directors.

In compliance with the Listing Agreement, the transfer of shares received in physical form shall be approved and given effect to every fortnight.

Share Transfer Agent

Karvy Computershare Pvt Ltd.
"Karvy House"
Plot no. 17 to 24, Viithalrao Nagar,
Madhapur, Hyderabad-500081
Website : www.karvy.com
Tel No. 040-23312454/23320751
Fax No. 040-23311968
e-mail : mailmanager@karvy.com

Karvy Computershare Pvt Ltd
105-108 Arunachal Building, 1st Floor
19, Barakhamba Road
New Delhi-110001
Telephone No. 011-23324401/23324409
e-mail : delhi@karvy.com

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

Dematerialisation of Shares

1,09,11,989 equity shares (equivalent to 95.70 %) of the total equity shares of the Company are held in dematerialized form as on 31st March, 2010. The Company's shares were listed at BSE as well as NSE on 5th August, 2010.

Dividend Information:

The Company has not declared any dividend(s) during the previous years, hence no amount is required to be deposited with the Investor Education and Protection Fund during the period under review nor any amount is required to be transferred to the Investor Education and Protection Fund during the current financial year.

Plant Locations

Upon the effectiveness of the Scheme of Arrangement & Demerger, the Mumbai Undertaking comprising, inter alia, of Hyatt Regency, Mumbai, a five star deluxe Hotel, as per details given below, has been vested with the Company.

HYATT REGENCY, MUMBAI

A-1, Ascot Centre,
Sahar Airport Road,
Andheri East, Mumbai-400099.

Address for Correspondence

The investors may address their queries directly to the Share Department located at the registered office of the Company (as detailed below) or to the Share Transfer Agent at the addresses mentioned herein above.

Registered Office

ASIAN HOTELS (WEST) LIMITED

E-5, Clarion Collection, The Qutab Hotel,
Shaheed Jeet Singh Marg,
New Delhi – 110016
Telephone No.011-46101234 / 46101207/46101210

Fax No. 011-46101202

Email Id. nikhil.sethi@asianhotelswest.com

Adoption of Non-Mandatory Requirements: Besides constituting the Remuneration Committee, the Company has so far not implemented other non-mandatory requirements of the Code of Corporate Governance.

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

10th August, 2010

The Board of Directors
Asian Hotels (West) Limited
E-5, Clarion Collection - The Qutab Hotel,
Shaheed Jeet Singh Marg,
New Delhi – 110016

Subject: Code of Conduct – Declaration under Clause 49 (I) (D)

Dear Sirs,

This is to certify that pursuant to Clause 49(I)(D) of the Listing Agreement, the Board of Directors has adopted a Code of Conduct for its members and Senior Management personnel w.e.f. 15th February, 2010 and that they have affirmed having complied with the said Code of Conduct.

SUSHIL GUPTA
CHAIRMAN AND MANAGING DIRECTOR

ANNEXURE 'D' TO DIRECTORS' REPORT

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

The Members of Asian Hotels (West) Limited.

We have examined the compliance of the mandatory conditions of Corporate Governance by Asian Hotels (West) Limited during the nine months period ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India.

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 the compliance of the conditions of Corporate Governance. It is neither an audit, nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We state that in respect of investor grievance received during the year ended 31st March, 2010 no investor grievances are pending for a period exceeding one month against the Company as per the records available with the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D.S. Associates
Company Secretaries

Place : New Delhi
Date : 10th August, 2010

Dhawal Kant Singh
Proprietor
CP No.: 7347

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

AUDITORS' REPORT

TO THE MEMBERS OF

ASIAN HOTELS (WEST) LIMITED (FORMERLY CHILLWINDS HOTELS LIMITED)

1. We have audited the attached Balance Sheet of **Asian Hotels (West) Limited (Formerly Chillwinds Hotels Limited)**, as at 31 March, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 (Collectively the Order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 purposes 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors, as on 31 March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March, 2010, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) Without qualifying our opinion, attention is invited to Note 17 of Schedule 16, wherein the Company has applied to the Ministry of Corporate Affairs, Government of India under section 211(4) of the Companies Act, 1956 for getting exemption with regard to disclosures in respect of quantitative details of turnover, opening and closing stock, purchases, production and consumption of raw material. The final approval is awaited pending which the said disclosures are not being furnished.
 - g) Without qualifying our opinion, we invite reference to Note 3 of schedule 16 regarding treatment of excess of assets over liabilities, and consideration payable in the form of equity shares, as general reserves, has been carried out pursuant to the Scheme of Arrangement and Demerger sanctioned by the Hon'ble High Court of Delhi, New Delhi, implementation whereof is binding on the Company though strictly not in line with generally accepted accounting practices and the Accounting Standards issued by the Institute of Chartered Accountants of India.
 - h) Read with the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. In the case of Balance Sheet, of the state of affairs of the Company as at 31 March, 2010;
 - ii. In the case of Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii. In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Registration No. 00756N

ARUN K. TULSIAN
Partner
Membership No.: 89907

Place : New Delhi
Dated : 21st May, 2010

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

ANNEXURE TO AUDITORS' REPORT (Referred to in paragraph 3 of our report of even date)

- i. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a programme of physically verifying its fixed assets in a phased manner designed to cover all assets, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. In accordance with this programme, the Management had carried out a physical verification some of its fixed assets during the year and the discrepancies noted on such verification were not material and have been suitably dealt with in the books.
 - c. No substantial part of the fixed assets was disposed off during the year
- ii. In respect of its inventories:
 - a. As explained to us, all inventories have been physically verified during the year by the Management at reasonable intervals.
 - b. In our opinion, 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, the Company has maintained proper inventory records. The discrepancies noticed between the physical stocks and book records were not material and the same have been properly dealt with in the books of account.
- iii. The Company has not granted or taken any loans, secured or unsecured, to or from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of a continuing failure to correct major weaknesses in the aforesaid internal control systems
- v. Based on our examination of the books of account and related records and according to the information and explanations provided to us, there are no contracts or arrangements with companies, firms or other parties which need to be listed in the register maintained under Section 301 of the Companies Act, 1956.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, within the meaning of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- vii. In our opinion the Company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
- viii. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the Company's activities. Hence, the provisions of clause 4(viii) of the Order are not applicable to the Company.
- ix.
 - a. According to the records of the Company examined by us and the information and explanations given to us, the Company has generally deposited its statutory dues including Employees Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues within the prescribed time with the appropriate authorities during the year and there are no undisputed amounts payable in respect of these dues which have remained outstanding as at 31 March, 2010 for a period of more than six months from the date they became payable.
 - b. We are informed that there are no dues in respect of Sales Tax, Income Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute.
- x. Since the Company has been registered for less than five years, reporting on accumulated losses at the end of the year and cash loss is not required.
- xi. According to the information and explanations given to us and records of the Company examined by us, the Company has not taken loans from financial institutions or banks.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by the way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records and making timely entries for all transactions and contracts in shares and other investments. All shares have been held by the Company in its own name.
- xv. The Company has provided security, by way of pledge of its investments and pari passu charge on its immovable properties, to the lenders who have advanced loans to the Subsidiary Company. The terms and conditions of the security provided do not seem to be, prima facie, prejudicial to the interest of the Company owing to the Company's long term involvement with its Subsidiary Company.

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

- xvi. The Company has not taken any term loans during the year.
- xvii. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have prima facie, not been utilised for long term investment.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us, the Company has not issued any debentures nor has any outstanding debentures.
- xx. According to the information and explanations given to us, the Company has not raised any money by way of public issues during the year.
- xxi. During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Registration No. 00756N

Place : New Delhi
Dated : 21st May, 2010

ARUN K. TULSIAN
Partner
Membership No.: 89907

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

BALANCE SHEET AS AT 31 MARCH 2010

	Schedule		As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SOURCES OF FUNDS				
1 SHAREHOLDER'S FUND				
a	Share Capital	1	1,637.96	5.00
b	Reserves and Surplus	2	30,467.06	–
2 DEFERRED TAX LIABILITY (Refer note 16)			2,887.84	–
			34,992.86	5.00
APPLICATION OF FUNDS				
3 FIXED ASSETS				
a	Gross Block		36,391.63	–
b	Less: Depreciation		6,869.99	–
c	Net Block		29,521.64	–
4 INVESTMENTS				
			2,651.09	–
5 CURRENT ASSETS, LOANS AND ADVANCES				
a	Inventories	5	270.45	–
b	Sundry Debtors	6	670.83	–
c	Cash & Bank Balances	7	343.40	0.06
d	Loans and Advances	8	3,821.26	–
			5,105.94	0.06
LESS: CURRENT LIABILITIES AND PROVISIONS				
a	Current Liabilities	9	1,569.81	71.93
b	Provisions	10	716.00	–
			2,285.81	71.93
Net Current Assets			2,820.13	(71.87)
6 Profit and Loss Account				
			–	76.87
			34,992.86	5.00
Significant Accounting Policies and Notes on Accounts	16			

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

	Schedule	Year ended 31.03.2010 Rs. in Lacs (9 Months*)	Year ended 30.06.2009 Rs. in Lacs (15 Months)
1 INCOME			
a Rooms, Food, Beverages and Other Services (Gross)	11	6,020.58	—
Less:Excise Duty Paid		2.16	—
b Net Sales		6,018.42	—
c Other Income	12	40.02	—
		<u>6,058.44</u>	<u>—</u>
2 EXPENDITURE			
a Consumption of Provisions, Beverages, Smokes & Others	13	462.85	—
b Payment to and Provision for Employees	14	1,277.29	—
c Operating and General Expenses	15	2,379.64	75.65
		<u>4,119.78</u>	<u>75.65</u>
3 PROFIT BEFORE INTEREST, DEPRECIATION		<u>1,938.66</u>	<u>(75.65)</u>
Depreciation	3	425.07	—
4 PROFIT BEFORE TAX		<u>1,513.59</u>	<u>(75.65)</u>
5 Provision for Taxation			
a Current Tax		500.12	—
b Deferred Tax		15.86	—
		<u>515.98</u>	<u>—</u>
6 PROFIT AFTER TAX		<u>997.61</u>	<u>(75.65)</u>
7 Amount brought forward from previous year		(76.87)	(1.22)
8 Transferred pursuant to the Scheme of Arrangement & Demerger		9,339.40	—
9 Profit available for appropriation		<u>10,260.14</u>	<u>(76.87)</u>
10 APPROPRIATIONS			
a. Transfer to General Reserve		100.00	—
b. Proposed Dividend on Equity Shares		342.05	—
c. Proposed Dividend on Non-Convertible Preference Shares		2.47	—
d. Proposed Dividend on Fully Convertible Preference Shares		0.01	—
e. Corporate Dividend Tax		58.55	—
		<u>9,757.06</u>	<u>(76.87)</u>
SURPLUS CARRIED FORWARD TO BALANCE SHEET			
Earning per share-Basic and Diluted (Rupees) (See note 20 of Schedule 16)		15.67	(151.30)
Significant Accounting Policies and Notes on Accounts	16		

* Contains operations of Hotel Hyatt Regency, Mumbai for five months period (refer note 3 and 26 of Schedule 16)

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	(Rupees in Lacs)			
	Year ended March 31, 2010 (9 Months)		Year ended June 30, 2009 (15 Months)	
	Rs.	Rs.	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES				
[a] Net Profit before Tax	1,513.59		(75.65)	
<u>Adjustment for:</u>				
Depreciation	425.07		-	
Diminution in the value of investment	0.02		-	
Loss on sale of fixed assets	18.14		-	
Dividend Income on Investment	(1.82)		-	
Interest Earned	(8.63)		-	
[b] Operating profit before working capital charges	1,946.37		(75.65)	
<u>Adjustments for:</u>				
(Increase)/Decrease in inventories	(48.82)		-	
(Increase)/Decrease in Sundry Debtors	238.51		-	
(Increase)/Decrease in Loans and Advances	108.04		-	
Increase/(Decrease) in Trade Payables	(1,592.69)		71.66	
Increase/(Decrease) in Provisions	6.97		-	
[c] Cash generated from operations	658.38		(3.99)	
Direct taxes paid (Net)	(402.91)		-	
Net cash from Operating Activities (A)	-	255.46		(3.99)
B CASH FLOW FROM INVESTING ACTIVITIES				
Payment for Fixed Assets	(14.93)		-	
Sale of Fixed Assets	0.66		-	
Purchase of Investments	(150.09)		-	
Dividend Income on Investment	1.82		-	
Net Cash from Investing Activities (B)		(162.54)		-
C CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of secured loans	(345.34)		-	
Interest Received	8.63		-	
Net Cash from Financing activities [C]		(336.71)		-
Net Increase/ (Decrease) in Cash Equivalent [A+B+C]		(243.79)		(3.99)
Cash and Cash equivalent (beginning of the year) (Refer Schedule 7)*		587.19		4.05
Cash and Cash equivalent (end of the year) (Refer Schedule 7)		343.40		0.06

* Include Rs. 587.13 lacs acquired pursuant to the Scheme of Arrangement and Demerger.

Notes:

- Figures in bracket represent Cash Outflow.
- Previous Year's figures have been regrouped/rearranged wherever necessary.
- Figures in the statement have been worked out considering the opening balances in the beginning of the financial year, those transferred to & vested in the Company pursuant to the Scheme of Arrangement & Demerger and closing balances at the end of the financial year. The statement contains business operations of Hotel Hyatt Regency, Mumbai for five months.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS PERIOD ENDED ON THAT DATE

	As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SCHEDULE 1		
SHARE CAPITAL		
a AUTHORISED		
14,000,000 (Previous Year 14,000,000) Equity Shares of Rs.10/- each	1,400.00	1,400.00
11,000,000 (Previous Year 11,000,000) Preference Shares of Rs.10/- each	1,100.00	1,100.00
	<u>2,500.00</u>	<u>2,500.00</u>
b ISSUED, SUBSCRIBED AND PAID UP		
11,401,782 (Previous Period 50,000) Equity Shares of Rs.10/- each fully paid up*	1,140.18	5.00
4,950,000 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs.10 each*	495.00	—
Fully Convertible Preference Shares of Rs. 10 each*	2.78	—
	<u>1,637.96</u>	<u>5.00</u>
* Shares have been issued pursuant to the Scheme of Arrangement and Demerger approved by the Hon'ble High Court of Delhi vide Order dated 13 January, 2010.		
SCHEDULE 2		
RESERVES & SURPLUS		
a Capital Reserve *	1.41	—
b Capital Redemption Reserve *		
For redeemed NCPS	495.00	—
For redeemable NCPS	820.36	—
c Securities Premium Account*		
On 1% Cumulative Redeemable Non-Convertible Preference Share (NCPS)	3,960.00	—
On Fully Convertible Preference Share Capital (FCPS)	147.23	—
d Tourism Development Utilised Reserves*	5,332.02	—
e General Reserve*	2,556.61	—
Add: Transfer of excess of assets over liabilities *	7,297.37	—
Add: Transferred during the current year	100.00	—
f Profit and Loss Account Balance	<u>9,757.06</u>	<u>—</u>
	<u>30,467.06</u>	<u>—</u>
* Transferred to the Company pursuant to the Scheme of Arrangement & Demerger approved by the Hon'ble High Court of Delhi vide Order dated 13 January, 2010.		

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SCHEDULE 3

FIXED ASSETS

(Rupees in Lacs)

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01.07.2009	Addition pursuant to Scheme of Arrange- ment and Demerger	Additions	Deduc- tions	As at 31.03.2010	As at 01.07.2009	Addition pursuant to Scheme of Arrange- ment and Demerger	For the Year	Deductions	Total	As at 31.03.2010	As at 30.06.2009
Land – freehold	–	9,287.31	–	–	9,287.31	–	–	–	–	–	9,287.31	–
Buildings	–	14,808.78	–	17.68	14,791.10	–	1,574.06	100.42	1.87	1,672.61	13,118.49	–
Furniture Fixture & Furnishings	–	2,750.83	2.14	–	2,752.97	–	1,605.45	109.00	–	1,714.45	1,038.52	–
Plant & Machinery	–	9,099.67	23.59	5.29	9,117.97	–	3,058.58	189.38	1.36	3,246.60	5,871.37	–
Vehicles	–	444.39	–	2.11	442.28	–	210.34	26.27	0.28	236.33	205.95	–
Total	–	36,390.98	25.73	25.08	36,391.63	–	6,448.43	425.07	3.51	6,869.99	29,521.64	–
Previous year	–	–	–	–	–	–	–	–	–	–	–	–

Note:

1. Aria Hotels and Consultancy Services Private Limited, a Subsidiary Company has taken a term loan from banks and financial institutions for which a security is mortgaged by way of first pari passu charge created by the Company on its immovable property situated at Mumbai namely Hyatt Regency, Mumbai.

Rs. in Lacs

2. Building includes leasehold improvement

Gross Block	12.66
Net Block	12.66

As at	As at
31.03.2010	30.06.2009
Rs. in Lacs	Rs. in Lacs

SCHEDULE 4

INVESTMENTS

Long -Term

Trade, Unquoted

In Subsidiary Companies

25,010,000 (Previous Year Nil) Equity shares of Rs.10/- each of Aria Hotels and Consultancy Services Private Limited (100% Subsidiary Company)

2,501.00 –

The investment is pledged as security for certain term loans taken from banks and financial institution by Aria Hotels and Consultancy Services Private Limited, (a Subsidiary Company)

Short Term

Non-Trade, Quoted

1,497,214.91 (Previous Year Nil) units of Rs. 10 each of HDFC Cash Management Fund-TAP-Retail (Market value Rs. 150.09 lacs (Previous Year Nil))

150.11 –

Less: Provision for deminution in the value of investment

0.02 –

150.09 –

2,651.09 –

Note :

Detail of investment bought/ subscribed and sold/ redeemed during the period
89.89 lacs units aggregating to Rs. 901.71 lacs of HDFC Cash Management Fund-TAP-Retail (Previous Year Nil)

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	As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SCHEDULE 5		
INVENTORIES		
(as taken, valued and certified by the management)		
Wines & Liquor	95.90	–
Food, Provisions, Other Beverages and Smokes	20.18	–
Crockery, Cutlery, Silverware, Linen	90.43	–
General Stores and Spares	53.16	–
Shares in Trade	10.78	–
	<u>270.45</u>	<u>–</u>
SCHEDULE 6		
SUNDRY DEBTORS		
Outstanding for over six months	77.58	–
Others	598.84	–
	<u>676.42</u>	<u>–</u>
Less: Provision for Doubtful Debts	5.59	–
	<u>670.83</u>	<u>–</u>
Unsecured considered good	670.83	–
Unsecured considered doubtful	5.59	–
SCHEDULE 7		
CASH AND BANK BALANCES		
Cash in hand	10.18	0.01
Cheques in hand	71.74	–
Balances with scheduled banks in		
– Current Accounts	11.48	0.05
– Fixed Deposits*	250.00	–
	<u>343.40</u>	<u>0.06</u>
*Includes:		
– under lien against overdraft facilities	200.00	–
– pledged with Government Authorities	50.00	–
SCHEDULE 8		
LOANS & ADVANCES		
Loan to Subsidiary Company		
Aria Hotels & Consultancy Services Private Limited (interest free)	12.17	–
Advances recoverable in cash or in kind or for value to be received	3,778.55	–
Security Deposits	28.62	–
Interest accrued on fixed deposits	1.92	–
	<u>3,821.26</u>	<u>–</u>
- Considered good	3,821.26	–
- Considered doubtful	–	–

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	As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SCHEDULE 9		
CURRENT LIABILITIES		
Sundry Creditors		
Due to Micro, Small and Medium Enterprises	1.53	-
Others Creditors*	1,054.96	0.25
Advance from Customers	166.48	-
Overdraft in Current A/c	182.53	-
Security Deposits	0.80	-
Amount Payable to erstwhile Holding Company**	-	71.66
Dividend on Preference Shares Payable	6.23	-
Other Liabilities	157.28	0.02
	<u>1,569.81</u>	<u>71.93</u>

* Includes commission payable to Directors Rs.67.66 lacs

** Represents amount payable to Asian Hotels Limited (erstwhile Holding Company)

SCHEDULE 10

PROVISIONS

Provision for Gratuity (refer note 12 of Schedule 16)	182.77	-
Provision for Leave Encashment (refer note 12 of Schedule 16)	34.78	-
Provision for Taxation (net of Advance Income Tax and TDS Rs. 402.91 lacs (previous year Rs Nil))	97.21	-
Proposed Dividend (including Corporate Dividend Tax)	<u>401.24</u>	<u>-</u>

	As at 31.03.2010 Rs. in Lacs (9 Months)	As at 30.06.2009 Rs. in Lacs (15 Months)
--	--	---

SCHEDULE 11

ROOMS, FOOD, BEVERAGES & OTHER SERVICES

Rooms	3,953.18	-
Wines and Liquor	248.30	-
Food, Other Beverages, Smokes and Banquets	1,319.32	-
Communication	71.04	-
Others*	428.74	-
	<u>6,020.58</u>	<u>-</u>
	7.93	-

*Includes gain/(loss) on account of foreign currency translation

SCHEDULE 12

OTHER INCOME

Interest Earned*	8.63	-
Dividend on Investment	1.82	-
Miscellaneous Income	0.01	-
Excess Provision Written back	29.56	-
	<u>40.02</u>	<u>-</u>
	0.98	-

*Tax deducted at source

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	As at 31.03.2010 Rs. in Lacs (9 Months)	As at 30.06.2009 Rs. in Lacs (15 Months)
SCHEDULE 13		
CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES AND OTHERS		
Wine & Liquor		
Opening Stock*	56.07	—
Add : Purchases	110.77	—
	<u>166.84</u>	<u>—</u>
Less : Closing Stock	95.90	—
	<u>70.94</u>	<u>—</u>
Food, Provisions, Other Beverages and Smokes		
Opening Stock*	11.88	—
Add : Purchases	400.21	—
	<u>412.09</u>	<u>—</u>
Less : Closing Stock	20.18	—
	<u>391.91</u>	<u>—</u>
	<u>462.85</u>	<u>—</u>
Indigenous	438.71	—
Imported	24.15	—
* Transferred pursuant to the Scheme of Arrangement & Demerger		
SCHEDULE 14		
PAYMENT TO AND PROVISION FOR EMPLOYEES		
Salaries, Wages & Exgratia	964.97	—
Contribution to Provident & other funds	46.17	—
Gratuity	23.98	—
Workmen and Staff Welfare*	85.26	—
Staff Relocation Expenses	3.54	—
Recruitment & Training	7.66	—
Contract Labour & Services	145.71	—
	<u>1,277.29</u>	<u>—</u>
*Workmen & Staff Welfare includes :		
Cost of provisions consumed in Staff Cafeteria	51.49	—
Realisation on sale of food coupons to Staff	(4.92)	—

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SCHEDULES FORMING PART OF THE ACCOUNTS

	Year ended 31.03.2010 Rs in Lacs (9 Months)	Year ended 30.06.2009 Rs. in Lacs (15 Months)
SCHEDULE 15		
OPERATING AND GENERAL EXPENSES		
Linen, Room, Catering & other supplies	89.11	—
Operating equipments & supplies written off	27.88	—
Fuel, Power & Light	358.79	—
Repairs, Maintenance & Refurbishing*	381.03	—
Rent	13.76	—
Rates & Taxes	191.19	—
Insurance	18.80	—
Directors' Sitting Fees	4.41	—
Legal & Professional Expenses	386.08	—
Artist Fee	5.16	—
Printing & Stationery	24.78	—
Travelling & Conveyance	141.93	—
Communication Expenses	57.52	—
Technical Services	317.90	—
Advertisement & Publicity	90.91	—
Commission & Brokerage	210.17	—
Charity & Donation	19.04	—
Bank charges and commitment fees	1.95	—
Gain/Loss on trading of shares/derivatives	3.11	—
Provision for deminution in value of investment	0.02	—
Loss/ (Gain) on Fixed Assets sold/discarded (net)	18.14	—
Miscellaneous	17.96	—
	<u>2,379.64</u>	<u>—</u>
*Repairs, Maintenance & Refurbishing includes:		
Repairs & Maintenance-Buildings	100.12	—
Repairs & Maintenance-Plant & Machinery	141.60	—
Repairs & Maintenance-Others	77.44	—

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SCHEDULE: 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of Accounting

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 under the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

b. Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles requiring management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.

c. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
- ii. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. Dividend income from investments is recognized when the Company's right to receive payment is established.
- iv. Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

d. Income in Foreign Exchange

The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.

e. Interest on Income Tax Refunds / Demands

It is accounted for as income in the year when granted and as tax expense when determined by the Department.

f. Claims Recoverable

Claims recoverable are accrued only to the extent as admitted by the parties.

g. Expenses remittable in foreign exchange

These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.

h. Foreign Exchange Transactions

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year-end are translated at the year-end rates resulting in exchange differences being recognized as income / expenses (net).

Foreign Currency balances at the year-end are converted at the year-end rate of exchange except those covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.

i. Employee Benefits

- i. Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet.
- ii. All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

j. Taxation

- i. Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- ii. Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).

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- iii. Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.
- iv. Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

k. Fixed Assets and Depreciation

i. Fixed Assets

Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.

ii. Depreciation

- a. Depreciation as per straight line method has been charged in the accounts.
- b. The charge is on the basis of rates as prescribed under Schedule XIV to the Companies Act, 1956 pro rata from the month of purchase. If the asset is purchased on or before the 15th of month depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.
- c. No depreciation is charged on the assets sold/ discarded during the year.

l. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments or short-term investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Profit and Loss Account. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Profit and Loss Account. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

m. Inventory

- i. Inventory is valued at cost or net realizable value, whichever is lower.
- ii. Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.
- iii. Shares held as Stock-in-trade are valued at cost or market value whichever is lower.

n. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

o. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

p. Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and cash/ cheques in hand and short-term deposits with Banks less short-term advances from Banks.

q. Dividend

Dividend proposed on equity shares, if any, is accounted for pending approval at the Annual General Meeting.

r. Provisions and Contingent liabilities

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

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B. NOTES TO ACCOUNTS

1. Contingent Liabilities not provided for in respect of:
 - a. Export obligation in respect of EPCG Licenses: Rs. 1,172.96 lacs (Previous year Rs Nil).
 - b. For stamp duty for Mumbai Undertaking: Rs. 1,500 lacs (Previous year Rs. Nil)
2. Estimated amount of contracts remaining to be executed on capital account (net of advances): Rs. 27.78 lacs (Previous year Rs Nil).
3. Pursuant to the Scheme of Arrangement and Demerger ('the Scheme') of trifurcation of Asian Hotels Limited ('AHL') approved by the Hon'ble High Court of Delhi at New Delhi on 13 January, 2010, Mumbai Undertaking of AHL comprising of Hotel Hyatt Regency, Mumbai along with shares held in Aria Hotels & Consultancy Services (P) Limited, and others stands transferred to and vested in the Company.

Features of the Scheme as applicable to the Company are as under:

- a. Appointed date for the Scheme is 31 October, 2009.
- b. Effective date for the Scheme is 11 February, 2010, being the date when the Order of Hon'ble High Court has been filed with the Office of the Registrar of Companies, NCT of Delhi and Haryana.
- c. In terms of the scheme, on the effectiveness of the Scheme, the paid-up equity share capital of the Transferor Company (AHL) before Demerger, amounting to Rs.22,80,35,640/- was deemed to have increased to Rs. 34,20,53,460/- as a result of appropriation of the general reserves to the extent of Rs. 11,40,17,820/- and the deemed increased paid up equity capital of the AHL was equally allocated to the three undertakings at demerger so that each of AHL Residual undertaking, **Transferee Company-1** and Transferee Company -II would have a paid up equity share Capital of Rs. 11,40,17,820/- as at 31st October, 2009, being the Appointed Date. As a result thereof, for every 2 equity shares of Rs. 10/- held in AHL as on the Record Date, every equity shareholder of AHL is entitled to receive 1 equity share of face value of Rs. 10/- each of the Company.
- d. As per terms of the Scheme, the Company is required to re-issue 49,50,000 1% Non Convertible Preference Shares (NCPS) as per the following:
 - i. 50,000 1%NCPS of face value of Rs 10/- each of the Company to Magus Estate and Hotels Limited credited as fully paid up.
 - ii. 49,00,000 1% NCPS of face value of Rs 10/- each of the Company to Infrastructure Development Finance Company Limited credited as fully paid up.
- e. As per terms of the Scheme, the Company is required to re-issue 27,780 1% Fully Convertible Preference Share (FCPS) as per the following:
 - i. 18,520 FCPS of face value of Rs 10/- each of the Company to Fineline Holdings Limited credited as fully paid.
 - ii. 9,260 FCPS of face value of Rs 10/- each of the Company to Global Operations Pte. Ltd. (thru its nominee UDT Enterprises Pty. Ltd.) credited as fully paid.
- f. Detail of various assets and liabilities transferred to the Company pursuant to the Scheme are as under:

Particulars	Rs. in Lacs
FIXED ASSETS	
Gross Block	36,390.98
Less: Depreciation	6,448.43
Net Block	29,942.55
Capital Work-in-Progress	10.80
	29,953.35
INVESTMENTS (Including Subsidiaries)	2,506.00
CURRENT ASSETS, LOANS & ADVANCES	
- Inventories	221.64
- Sundry Debtors	909.34
- Cash and Bank Balances	587.13
- Loans and Advances	3,929.30
	5,647.41
TOTAL ASSETS	38,106.76
Less:	
LOAN FUNDS	
- Secured Loans	345.34
NET DEFERRED TAX LIABILITY	2,871.98
CURRENT LIABILITIES AND PROVISIONS	
- Current Liabilities	3,090.87
- Provisions	211.21
Total	6,519.40

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Particulars	Rs. in Lacs
NET ASSETS	31,587.36
REPRESENTED BY:	
SHAREHOLDERS' FUND	
Equity Share Capital	1,140.18
1% Cumulative Redeemable Non Convertible Preference Shares (NCPS) Capital	495.00
Fully Convertible Preference Shares	
– Representing Capital	2.78
– Representing Share Premium	147.23
Sub Total	1,785.19
RESERVES AND SURPLUS	
Capital Reserve	1.41
Share Premium on NCPS	3,960.00
General Reserve Allocated	2,556.61
Transfer of excess of assets over liabilities	7,297.37
Tourism Development Utilised Reserve	5,332.02
Capital Redemption Reserve for Redeemed NCPS	495.00
Capital Redemption Reserve for Redeemable NCPS	820.36
Surplus in Profit & Loss Account	9,339.40
Sub Total	29,802.17
Total	31587.36

The procedural formalities consequential to the demerger are still in progress.

- The Company had filed necessary application for listing of equity shares of the Company alongwith necessary documents and annexure with Bombay Stock Exchange Limited and the National Stock Exchange of India Limited on 6th April, 2010. Subsequently to Company's application BSE being the designated Stock Exchange has given its approval of Listing and forwarded the application to SEBI for relaxation under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957.
- Capital Work in Progress includes advances for capital contracts aggregating to Rs. 31.02 lacs (previous year Rs Nil).
- The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books. In respect of subsidiaries, such decision is based on the management accounts/ audited accounts of the subsidiaries, as available and on the basis of the information and explanations given.
- Loans and advances include a claim in respect of stamp duty lodged with Maharashtra Tourism Development Corporation Limited (MTDCL) by Asian Hotels Limited in earlier years of Rs 528.32 Lacs relating to land at Mumbai, considered to be fully recoverable on the basis of the refund approved by MTDCL vide letter issued on 31 October 2009.
- Out of Service Tax demand raised and paid during the earlier years for Rs. 146.11 Lacs, Rs. 95.94 Lacs had been paid under protest. In the opinion of the management, amount paid under protest is not liable to be paid and hence has been included under "Loans & Advances" as "Claims Recoverable" based on progress made in the matter so far.
- As the company is engaged in only one segment of Hotel business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.
- Auditors Remuneration* (Amount in Rupees)

Particulars	Year ended 31.03.2010 (9 Months)	Year ended 30.06.2009 (15 Months)
a. Statutory audit fee	Rs. 500,000	Rs. 25,000
	Rs. 500,000	Rs. 25,000

* Exclusive of Service Tax

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11. Managerial Remuneration

a. Computation of net profits as per section 349 of the Companies Act, 1956:

Particulars	Year ended 31.03.2010 (9 Months) (Rs. in Lacs)	Year ended 30.06.2009 (15 Months) (Rs. in Lacs)
Profit before tax as per Profit and Loss account	1,513.59	–
Add: Managerial remuneration	86.36	–
Add: Loss on sale of fixed assets	18.14	–
	1,618.09	–
Less: Liabilities no longer required, written back	29.55	–
Net profit for the year	1,588.52	–
Maximum remuneration payable to Whole-time Director under section 309 of the Companies Act, 1956 @ 5% of net profit	79.43	–
Salaries and benefits paid to Whole-time Director	38.70	–
Commission payable to Whole-time Director within the overall ceiling of 5%	40.73	–
Commission payable to Chairman and Managing Director pending approval at the Annual General Meeting	31.77	–
Commission approved to six non executive Directors pending approval at the Annual General Meeting	15.89	–

b. Remuneration paid/payable to Directors:

Particulars	Year ended 31.03.2010 (9 Months) (Rs. in Lacs)	Year ended 30.06.2009 (15 Months) (Rs. in Lacs)
Chairman and Managing Director		
1. Salaries and perquisites	36.00	–
2. Contributions to provident and superannuation fund	2.70	–
3. Commission	31.77	–
	70.47	–
Non-Executive Directors		
Sitting fees	4.40	–
Commission	15.89	–

Note: Contribution to group gratuity scheme has not been considered, as person-wise details are not available.

12. The Company has classified the various benefits provided to employees as under:–

- a) Defined contribution plans
 - i. Provident fund
- b) Defined benefits plans
 - i. Contribution to Gratuity funds
 - ii. Compensated absences – Earned leave

In accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: –

Economic Assumptions

The discount rate and salary increases assumed are key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 8 % p.a. compound, has been used in consultation with the employer.

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS PERIOD ENDED ON THAT DATE

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long-term view as to the trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

a. The following tables set out the unfunded status of the gratuity plan and earned leaves and amounts recognised in the Company's financial statements as at 31 March, 2010:

i. Change in benefit obligations:

Particulars	Gratuity (Unfunded)		Compensated absences Earned leave (unfunded)	
	2009-10 (Rupees)	2008-09 (Rupees)	2009-10 (Rupees)	2008-09 (Rupees)
Present value of obligations as at the beginning of the year	-	-	-	-
Transferred pursuant to the Scheme of Arrangement and Demerger	17,505,352	-	3,176,551	-
Current service cost	1,339,092	-	619,344	-
Interest cost	700,214	-	127,062	-
Benefit Paid	(1,626,477)	-	(496,954)	-
Actuarial (gain)/ loss on obligation	358,632	-	51,650	-
Present value of obligations as at the year end	18,276,813	-	3,477,653	-

ii. Expenses recognised in the profit and loss account:

Current Service cost	1,339,092	-	619,344	-
Interest cost	700,214	-	127,062	-
Actuarial (gain)/loss recognised during the year	358,632	-	51,650	-
Net charge/(credit)	23,97,938	-	7,98,056	-

iii. Principal actuarial assumptions:

Particulars	Refer Note below	Year ended 31.03.2010	Year ended 30.06.2009
Discount rate (p.a.)	1	8.00%	-
Salary escalation rate (p.a.)	2	7.00%	-

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.
- The gratuity plan and earned leave is unfunded.

Demographic assumptions:

- Retirement age 58 years
- Mortality rate Published rates under LIC (1994-96) mortality table.

13. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows: -

Related Party Disclosures

a. List of related parties

(i) Subsidiary Company

- Aria Hotels and Consultancy Services Pvt Ltd

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(ii) Key Management Personnel

- Mr. Sushil Gupta (Chairman & Managing Director)

(iii) Relative of Key Management Personnel

- Mr. Sudhir Gupta (Brother of Mr. Sushil Gupta)
- Mr. Sandeep Gupta (Son of Mr. Sushil Gupta)

(iv) Entities over which directors and their relatives can exercise significant influence

- Eden Park Hotels Private Limited
- Inovia Hotels & Resorts Limited
- Choice Hospitality India Limited (till 08 January, 2010)
- CLG Hotels and Resorts Private Limited
- Asian Hotels (North) Limited
- M/s Bhasin & Co.

Balances outstanding/transactions with related parties

(Amount in Rupees)

Particulars	Subsidiary Company	Key Management Personnel	Entities Controlled By Directors & their relatives	Total
(i) Transactions during the year				
Purchases/Services availed during the year				
Bhasin & Co	–	–	79,200	79,200
	(–)	(–)	(–)	(–)
Asian Hotels (North) Limited	–	–	68,280	68,280
	(–)	(–)	(–)	(–)
Expenses Paid				
Eden Park Hotels Private Ltd	–	–	1,435,850	1,435,850
	(–)	(–)	(–)	(–)
Asian Hotels (North) Limited	–	–	6,059,845	6,059,845
	(–)	(–)	(3,165,676)	(3,165,676)
Aria Hotels & Consultancy Services Private Limited	11,340	–	–	11,340
	(–)	(–)	(–)	(–)
Advances Given	700,000	–	–	700,000
	(–)	(–)	(–)	(–)
Advances Received	–	–	–	–
	(–)	(–)	(40,000,000)	(40,000,000)
(ii) Managerial remuneration				
Chairman and Managing Director	–	7,047,000	–	7,047,000
	(–)	(–)	(–)	(–)
(iii) Balances outstanding at the end				
Account Receivable				
Aria Hotels & Consultancy Services (P) Limited	1,217,234	–	–	1,217,234
	(–)	(–)	(–)	(–)
Account Payable				
Asian Hotels (North) Limited	–	–	970,896	970,896
	(–)	(–)	(7,166,180)	(7,166,180)
(iv) Investment in Subsidiary Company	250,100,000	–	–	–
	(–)	(–)	(–)	(–)

Figures in brackets relate to the previous year.

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14. Future commitments in respect of minimum lease payments payable for non cancellable operating leases (other than land) entered into by the Company:

(Rupees in Lacs)

S. No.	Particulars	As at 31.03.2010	As at 30.06.2009
a.	Not later than one year	33.00	–
b.	Later than one year and not later than five years	24.75	–

15. a. 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) issued by Asian Hotels Limited were redeemable in three installments of 25%, 25% and 50% (including redemption premium) on 30th June 2008, 30th June 2009 and 30th June 2010 respectively.

Amount of Redemption Pending			(Rupees in Lacs)
Date of Redemption	IDFC	MAGUS	
30 June, 2010	4,735.36	45.00	

(The amounts are in accordance with the ratios of allocation mentioned in the Scheme of Arrangement & Demerger).

- b. **Terms of Redemption of Fully Convertible Preference Shares (FCPS)**

The FCPS are convertible into equity shares of face value of Rs. 10/- each any the during the period commencing seven months after the commencement of the trading of the equity shares of the Company by the Bombay Stock Exchange, being the designated stock exchange, and ending on the expiry of eighteen months from the date of issuance thereof, as may be decided by the respective subscriber to the FCPS from time to time.

16. Deferred Tax

Break up of deferred tax assets/liabilities and reconciliation of current year deferred tax credit:

(Rupees in Lacs)

Particulars	Balance as on 1.07.2009	Transferred pursuant to the Scheme of Arrangement and Demerger	Credit/ (Charge) during the year	Balance as on 31.03.2010
A. Deferred tax liability				
Tax impact of difference between Written Down Value (WDV) of fixed assets in the financial statements and income tax return (A)	–	2,944.67	(54.92)	2,999.59
B. Deferred tax assets				
i. Tax impact of expenses for retirement benefits charged in financial statements but allowable as deductions in future years	–	70.30	3.66	73.96
ii. Tax impact of provision for doubtful advances/debtors	–	2.39	(0.49)	1.90
iii. Tax impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	–	–	35.89	35.89
Sub Total (B)	–	72.69	39.06	111.75
Net Deferred Tax Liability (A–B)	–	2,871.98	(15.86)	2,887.84

17. The Company has applied to the Ministry of Corporate Affairs, Government of India under section 211(4) of the Companies Act, 1956 for getting exemption with regard to disclosures in respect of quantitative details of turnover, opening and closing stock, purchases, production and consumption of raw material. The final approval is awaited pending which the said disclosures are not being furnished.

18. Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006.

ASIAN HOTELS (WEST) LIMITED

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The Company had sent letters to its suppliers for confirmation of their registration under MSMED Act, 2006 and on the basis of replies received from the suppliers, the disclosure is given below:-

(Rupees in Lacs)

S. No.	Particulars	As at 31.03.2010	As at 30.06.2009
a)	Principal amount remaining unpaid to any supplier as at date	1.53	0.00
b)	Interest due thereon	0.00	0.00
c)	Amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of the payment made to supplier beyond the appointed day	0.00	0.00
d)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	0.00	0.00
e)	Amount of interest accrued and remaining unpaid	0.00	0.00

19. Term Loans taken by Aria Hotels and Consultancy Services Private Limited, a subsidiary company, from a financial institution and bank are secured by way of:-

- Mortgage by way of first pari passu charge created by the Company on its immovable property situated at Mumbai namely Hotel Hyatt Regency, Mumbai.
- First pari passu charge on all existing and future current assets and movable fixed assets of Hyatt Regency, Mumbai
- Pledge of Investment of the Company in Aria Hotels and Consultancy Services Private Limited, a subsidiary company.
- Personal Guarantees of three of the directors of the Company.

20. Earning Per Share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

S.No.	Particulars	Units	Year ended 31.03.2010	Year ended 30.06.2009
a.	Net profit/ (loss) after tax	Rs.	9,9761,052	(7,565,000)
b.	Less: Dividend on preference shares (including Corporate dividend tax)	Rs.	290,918	-
c.	Profit available for equity shareholders	Rs.	99,470,134	(7,565,000)
d.	Weighted average of number of equity shares used in computing basic earnings per share	No.	6,347,339	50,000
e.	Basic / diluted earnings per share*	Rs.	15.67	(151.30)

* Fully convertible preference shares are convertible into equity shares at a value to be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 at the time when preference shareholders opt for conversion of the same into equity shares. Number of equity shares arising out of such conversion being not determinable at this stage, diluted earning per share cannot be computed.

21. Details of share held as Stock- in- trade as at 31 March, 2010 is as under :

Name of the Company	No of Shares	Cost (Rs. in Lacs)	
		As at	As at
		31.03.2010	30.06.2009
Bartronics India Limited	2,500	3.68	-
Hindustan Oil Exploration Limited	3,000	7.10	-
		10.78	-

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2010 AND PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS PERIOD ENDED ON THAT DATE

22. Unhedged Foreign Currency Exposures

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency (FC)	Amount in FC	Amount in Rupees
Accounts payable	USD	467,301	21,201,438

23. a. C.I.F. Value of Imports

(Amount in Rupees)

S.No.	Particulars	Year ended 31.03.2010	Year ended 30.06.2009
a.	Food & Beverages – through canalising agencies	2,644,790	–
b.	Stores & Spares	2,517,842	–
c.	Capital Goods	1,010,381	–
d.	Beverages – through canalizing agencies	8,655,620	–

b. Expenditure in Foreign Currency – On payment basis

a.	Technical services	28,610,803	–
b.	Advertisement & Publicity	–	–
c.	Commission & Brokerage	6,273,159	–
d.	Training & Recruitment	717,828	–
e.	Travelling Expenses	–	–
f.	Others	19,754,895	–

c. Earnings in Foreign Exchange

– on Receipt basis	348,337,525	–
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24. The name of the Company has been changed from Chillwinds Hotels Limited to Asian Hotels (West) Limited effective 12 February, 2010.
25. Schedules 1 to 16 form an integral part of the Balance Sheet as at 31 March, 2010 and the Profit and Loss Account for the nine months period ended 31 March, 2010.
26. Previous year financial statements are for fifteen months whereas current year financial statements are for nine months (it contains operations of Hotel Hyatt Regency, Mumbai for five months period).
27. Previous year figures have been regrouped/ reclassified wherever necessary to conform to current year classification.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. U55101DL2007PLC157518

Balance Sheet date 31st March, 2010

State Code 055

II. Capital raised during the year (Amount in Rs. thousands)

Public Issue	Rights Issue	Bonus Issue	Private Placement
NIL	NIL	NIL	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities	Total Assets
34,99,286	34,99,286

Sources of Funds

Paid Up Capital	Reserves & Surplus	Secured Loans	Unsecured Loans
1,63,796	30,46,706	NIL	NIL

Application of Funds

Net Fixed Assets	Investments	Net Current Assets (after adjustment of deferred tax liability)	Misc. Expenditure	Accumulated Losses
29,52,164	2,65,109	(67.71)	NIL	NIL

IV. Performance of Company (Amount in Rs. thousands)

Turnover	Total Expenditure	Earnings per share in Rs.
6,05,844	4,54,485	15.67
+/- Profit/ Loss Before Tax	+/- Profit/ Loss After Tax	Dividend Rate %
1,51,359	99,761	30

V. Genetic Names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	Products Description
NIL	NIL

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY		
1	Name of the Subsidiary	Aria Hotels and Consultancy Services Private Limited.
2	Financial Year of the Subsidiary ended on	March 31st, 2010
3	Date from which it became Subsidiary	31st October, 2009
4	a) No. of shares of the Subsidiary held by the Holding Company in its own name / name of nominee at the end of the financial year of the Subsidiary. b) Extent of interest of the Holding Company at the end of the financial year of the Subsidiary.	2,50,10,000 (Equity shares of Rs. 10 each) 100.00%
5	The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the members of the Holding Company and is not dealt with in the Holdings Company's Accounts; i. for the Subsidiary's financial year ended on March 31st, 2010 ii. for prior years since becoming subsidiary	Rs. 599,578 Rs.11,920,223
6	The net aggregate amount of the Subsidiary's Profit/(Loss) so far it concerns the member of the Holding Company and has been dealt with in the Holdings Company's Accounts: i. for the subsidiary's financial year ended on March 31st, 2010 ii. for prior years since becoming subsidiary	NIL NIL
7.	Changes if any, in the Holding Company's interest in the subsidiary between the end of previous financial year of the subsidiary and the end of previous financial year of holding Company.	Not applicable as it has become subsidiary Company during the current year only.
8.	Details of material changes, if any, which occurred between the end of previous financial of the subsidiary and the end of previous financial year of the Holding company, in respect of : a) The subsidiary's Fixed Assets b) The subsidiary's Investments c) The moneys lent by d) The moneys borrowed by if for any purpose other than that of meeting current liabilities	Not applicable as it has become subsidiary Company during the current year only.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

Place : New Delhi
Dated : 21st May, 2010

NIKHIL SETHI
Company Secretary

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

THIRD ANNUAL REPORT 2009-2010

BOARD OF DIRECTORS

SUSHIL GUPTA
S K CHHIBBER
SUDHIR GUPTA
SANDEEP GUPTA

AUDITORS

M/s A. PURI & ASSOCIATES, CHARTERED ACCOUNTANTS

BANKERS

KOTAK MAHINDRA BANK LIMITED
AXIS BANK LIMITED
IDBI BANK LIMITED

REGISTERED OFFICE

E – BASEMENT, CLARION COLLECTION – THE QUTAB HOTEL,
SHAHEED JEET SINGH MARG, NEW DELHI-110016

DIRECTORS' REPORT

TO THE MEMBERS

The Directors have pleasure in presenting their Third Annual Report of the Company together with the Audited Statements of Account for the period ended 31st March, 2010.

OBJECT, OPERATIONS AND FINANCIAL RESULTS

The previous financial year of the Company was extended by a period of 3 months and accordingly, the Annual Accounts for the current financial year have been prepared for a period of 9 months ended on 31st March, 2010 (i.e. from 1st July, 2009 to 31st March, 2010)

During the period under review, the Company made a Profit Before Tax of Rs. 8.28 Lacs and after providing for tax of Rs. 1.80 Lacs and deferred tax of Rs. 0.48 Lacs, the profit after tax worked out to Rs. 6.00 Lacs. The Directors propose no appropriation to the credit of general reserves or towards dividend.

As the members are aware the Company had been awarded a Project (Asset Area 4) from Delhi International Airport Private Limited (DIAL) at the upcoming Hospitality District near the Indira Gandhi International Airport, New Delhi and on 4th July, 2009 the Company entered into Development Agreement and Infrastructure Development and Services Agreement with DIAL. Further during the period under review the Company has entered into a detailed Operating Agreement with Marriott Hotels India Private Limited for construction of approx. 525 Rooms Five Star Deluxe Hotel under the Brand - J.W. Marriott on this plot and this Hotel would be operational by mid of 2012. The project work at the site has commenced in February, 2010 and the Company is in the process of finalization of Loan Agreements with various Banks / Financial Institutions for syndication of Loan for financing the Project.

HOLDING COMPANY

The Company was a subsidiary of M/s Asian Hotels Limited (AHL). The Board of Directors of AHL, during the prior years had approved the Scheme of Arrangement and Demerger (The Scheme) between AHL (Transferor Company) and its shareholders and Creditors; Chillwinds Hotels Limited (Transferee Company I) and its shareholders and Vardhman Hotels Limited (Transferee Company II) and its shareholders in accordance with Section 391 – 394 of the Companies Act, 1956. The Scheme envisaged trifurcation of AHL into three undertakings namely, Delhi Undertaking, Mumbai Undertaking and Kolkata undertaking. In terms of the Scheme the Company was a part of Mumbai undertaking. The Hon'ble High Court at Delhi vide its order dated 13th January, 2010 approved the Scheme and directed that the Scheme shall be effective the day Hon'ble High Court order is filed with the Registrar of Companies, NCT of Delhi & Haryana (ROC) with retrospective effect from the Appointed Date i.e. 31st October, 2009. Pursuant to filing of the Hon'ble High Court order with the ROC on 11th February, 2010 the Company became part of the Mumbai undertaking and in turn a wholly owned subsidiary of M/s Chillwinds Hotels Limited (Transferee Company I) as per the Scheme. Further as per the Scheme, the name of the Transferee Company I changed from M/s Chillwinds Hotels Limited to Asian Hotels (West) Limited.

BORROWING POWERS

The Company with the intention to arrange the funds for the purpose of setting up a 5 Star Delux Hotel at Asset Area 4 (DIAL Project) under the Brand JW Marriott, enhanced the borrowing powers of the Board of Directors to Rs. 600 Crores by passing ordinary resolution at the Extra Ordinary General Meeting of the Company held on 13th April, 2010.

DIRECTORS/MANAGER

Mr. Sushil Gupta, Director was appointed as Chairman of the Board of Directors of the Company w.e.f. 29th September, 2009.

During the year, Mr. Umesh Saraf resigned from the Directorship of the Company w.e.f. 25th February, 2010.

In accordance with the provisions of Section 255 & Section 256 of the Companies Act, 1956, Mr. S. K. Chhibber, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his appointment to the Board in the ensuing Annual General Meeting.

During the period under review Mr. Rakesh Kumar Aggarwal was appointed as Manager of the Company pursuant to provisions of Section 269 read with other provisions of the Companies Act, 1956 for a period of three years w.e.f. 1st April, 2010.

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Act, your Directors confirm as under:

- that in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profits of the Company for that year;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- that the Directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

The information pursuant to Section 217(2A) of the Act, read with Companies (Particulars of Employees) Rules, 1975, and forming part of this report is given in Annexure A.

AUDIT COMMITTEE

In Compliance with the provisions of section 292A of the Companies Act, 1956 an Audit Committee of the Board of Directors comprising of Mr. Sushil Gupta, Mr. Umesh Saraf and Mr. S. K. Chhibber was constituted during the year. Consequent to the resignation of Mr. Umesh Saraf from the Directorship of the Company, he ceased to be a member of the Audit Committee.

AUDITORS

M/s A. Puri & Associates, Chartered Accountants, the present auditors of the Company, retire at the ensuing Annual General Meeting of the Company and are eligible for re-appointment. The Company has received a certificate under section 224(1B) of the Companies Act, 1956, to the effect that their appointment, if made, will be in accordance with the limits specified in the said section.

During the period under review, M/s S. S. Kothari Mehta & Co., Chartered Accountants were appointed as internal auditors of the Company for Financial Year 2010-2011.

INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The prescribed information relating to conservation of energy and technology absorption as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is not given, as the same is not applicable to your Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned:

USED	:	Rs. 3,45,67,935/-
EARNED	:	NIL

ACKNOWLEDGEMENT

The Board desires to place on record its appreciation of the services rendered by the employees of the Company during the year under review.

By order of the Board of Directors
of ARIA HOTELS AND CONSULTANCY SERVICES PVT. LTD.

Date : 10th May, 2010
Place : New Delhi

SUSHIL GUPTA
CHAIRMAN

ANNEXURE A – FORMING PART OF DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 217 (2A) OF THE COMPANIES ACT, 1956.

Sr. No.	Name	Age	Designation/ Nature of Duties	Remuneration (in Rs.)	Qualification	Experience (In years)	Date of commencement of employment	Last employment held/ Designation/ Period
1.	Rakesh Kumar Aggarwal	57	Vice President - Finance	5,52,839/-	C.A., LL.B.	32	11th January, 2010	Choice Hospitality India Limited, Executive Director, 4 years 8 months

Notes:

Total remuneration comprises Basic Salary, HRA, Special Allowance, Company's contribution to provident fund, LTA, Exgratia Payments and monetary value of perquisites, if any, on the basis of Income Tax Rules. LTA and Exgratia payments to the executive are included on payment basis.

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

Auditor's Report

to the Members of

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED.

We have audited the attached Balance Sheet of ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED, as at 31st March 2010, the Profit and Loss Account annexed thereto and also the Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order to the extent applicable to the Company.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) 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;
- (iii) The Balance Sheet, Profit and Loss Account and also the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and also the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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, 2010; and
 - b) in the case of the Profit and Loss Account of the Profit for the period ended on that date.
 - c) in the case of Cash Flow Statement, of the cash flows for the period ended on that date.

For A.PURI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 009203N

RAJESH KUMAR JAIN
Partner
Membership No.: 095764

Place : New Delhi
Dated : 10th May, 2010

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

ANNEXURE TO THE AUDITOR'S REPORT OF ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED, FOR THE PERIOD ENDED 31ST MARCH, 2010

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
c) During the year, the Company has not disposed off a substantial part of the fixed assets. Based on the information and explanation given by the management and on the basis of audit procedures performed by us, we are of the opinion that the sale of the fixed assets, if any, has not affected the going concern status of the Company.
2. As the Company does not have any inventory, the provisions of clause 4 (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
3. As informed to us, the Company has not taken/ granted any loan, secured or unsecured, from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control systems.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 and hence the provisions of clause 4 (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
7. *The Company does not have internal audit system commensurate with the size and nature of its business.* However, subsequent to the current period, the Company has appointed an independent firm of chartered accountants as internal auditor of the Company.
8. The Central Government has not prescribed for the Company the maintenance of cost records under clause (d) of Sub Section (1) of Section 209 of the Companies Act, 1956 and hence the provisions of clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
9. a) According to the records of the Company examined by us, the Company is regular in depositing with appropriate authorities 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 and other material statutory dues applicable to it .
b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess were in arrears as at the balance sheet date for a period of more than six months from the date they became payable.
c) According to the records of the Company examined by us and according to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
10. Since the Company has been registered for a period of less than five years, the provisions of clause 4 (x) of Companies (Auditor 's Report) Order 2003, are in our opinion, not applicable to the Company.
11. As the Company has no amount due to any financial institution, bank or debenture holder the provisions of clause 4(xi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
12. As the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities the provisions of clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
13. In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund / society hence the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments and hence the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions and hence the provisions of clause 4 (xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

16. In our opinion, the term loans were applied for the purposes for which there were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long- term investment.
18. As the Company made no preferential allotment of shares to any parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, the provisions of clause 4 (xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
19. As the Company has not issued any debentures the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
20. As the Company has not raised any money by public issue the provisions relating to end use thereof as per clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
21. Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : New Delhi
Dated : 10th May, 2010

For A.PURI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 009203N

RAJESH KUMAR JAIN
Partner
Membership No.: 095764s

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

BALANCE SHEET AS AT 31 MARCH 2010

	Schedule	Current Period (Rupees)	Previous Period (Rupees)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	250,100,000	250,100,000
RESERVES & SURPLUS			
Surplus being the Balance in Profit & Loss Account		12,519,801	11,920,223
SECURED LOANS			
DEFERRED TAX LIABILITY (NET)	3	34,502	–
		<u>1,712,654,303</u>	<u>262,020,223</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	1,925,121	–
Depreciation		15,298	–
Net Block		<u>1,909,823</u>	–
Capital Work in Progress		730,849,616	2,941,635
		<u>732,759,439</u>	<u>2,941,635</u>
SECURITY DEPOSIT TO DIAL			
(Refer Note 14 of Schedule 10)		955,669,539	–
DEFERRED TAX ASSET			
	3	–	13,609
CURRENT ASSETS, LOANS & ADVANCES			
Cash & Bank Balances	5	31,278,894	258,411,310
Other Current Assets		1,064,000	2,379,661
Loans & Advances		1,059,267	–
		<u>33,402,161</u>	<u>260,790,971</u>
Less:CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	6	(9,176,837)	(585,779)
Provisions		–	(1,140,213)
NET CURRENT ASSETS		<u>24,225,324</u>	<u>259,064,979</u>
		<u>1,712,654,303</u>	<u>262,020,223</u>
SIGNIFICANT ACCOUNTING POLICIES & CONTINGENT LIABILITIES AND NOTES			
	10		

As per our report attached

**FOR AND ON BEHALF OF
A PURI & ASSOCIATES**
Chartered accountants

ON BEHALF OF THE BOARD OF DIRECTORS

RAJESH KUMAR JAIN
Partner

RAKESH KUMAR AGGARWAL
Vice President- Finance

SUSHIL KUMAR GUPTA
Director

SANDEEP GUPTA
Director

Place : New Delhi
Dated : 10th May, 2010

KISHORE KUMAR VERMA
Company Secretary

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

	Schedule	Current Period (Rupees)	Previous Period (Rupees)
INCOME			
Gain on redemption of short term investments		23,932	-
Interest Income from bank	7	1,953,857	18,332,248
		<u>1,977,789</u>	<u>18,332,248</u>
EXPENDITURE			
Administrative & Other Expenses	8	1,100,396	326,485
Finance Charges	9	49,705	12,705
		<u>1,150,101</u>	<u>339,190</u>
PROFIT BEFORE TAX		827,689	17,993,058
Provision for Taxation		(180,000)	(6,300,000)
Deferred Tax Asset/(Liability) Created		(48,111)	(4,387)
PROFIT AFTER TAX		599,578	11,688,671
Profit brought forward from Prior Year		11,920,223	231,552
PROFIT CARRIED OVER TO BALANCE SHEET		12,519,801	11,920,223
Earnings per share - basic		0.02	0.47
Earnings per share - diluted		0.02	0.47
SIGNIFICANT ACCOUNTING POLICIES & NOTES	10		

As per our report attached

**FOR AND ON BEHALF OF
A PURI & ASSOCIATES**
Chartered accountants

ON BEHALF OF THE BOARD OF DIRECTORS

RAJESH KUMAR JAIN
Partner

RAKESH KUMAR AGGARWAL
Vice President- Finance

SUSHIL KUMAR GUPTA
Director

SANDEEP GUPTA
Director

Place : New Delhi
Dated : 10th May, 2010

KISHORE KUMAR VERMA
Company Secretary

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	Current Period (Rupees)	Previous Period (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	827,689	17,993,058
Adjustments for:		
Gain on redemption of short term investments	(23,932)	–
Interest Income	(1,953,857)	(18,332,248)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	(1,150,101)	(339,190)
Adjustments for changes in working capital :		
– (Increase)/Decrease in Other Receivables	(922,196)	33,262
– Increase/(Decrease) in Trade and Other Payables	8,591,058	529,599
CASH GENERATED FROM OPERATIONS	6,518,762	223,671
– Taxes (Paid) / Refund Received {Net of withholding taxes (TDS)}	(830,000)	(1,864,660)
NET CASH FROM OPERATING ACTIVITIES	5,688,762	(1,640,989)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,925,121)	–
Capital Work in Progress (increase)/ decrease	(727,892,683)	(2,941,635)
Security Deposit for right to use land	(955,669,539)	–
Investments Purchased	(6,000,000)	–
Investments Sold	6,023,932	–
Interest Received (Revenue)	2,642,233	14,885,915
NET CASH USED IN INVESTING ACTIVITIES	(1,682,821,178)	11,944,280
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	–	–
Proceeds from loans taken	1,450,000,000	–
NET CASH USED IN FINANCING ACTIVITIES	1,450,000,000	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(227,132,416)	10,303,291
CASH AND CASH EQUIVALENTS - OPENING	258,411,310	248,108,019
CASH AND CASH EQUIVALENTS - CLOSING	31,278,894	258,411,310

NOTES:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on Cash Flow Statement.
- Cash and Cash Equivalents at the end of the year consist of cash in hand and Balance with Banks as follows:

	As at 31st March 2010	As at 30th June 2009
Cash in hand	–	1,041
Balance with Scheduled Banks	31,278,894	258,410,269
	31,278,894	258,411,310

ON BEHALF OF THE BOARD OF DIRECTORS

RAKESH KUMAR AGGARWAL
Vice President- Finance

SUSHIL KUMAR GUPTA
Director

SANDEEP GUPTA
Director

Place : New Delhi
Dated : 10th May, 2010

KISHORE KUMAR VERMA
Company Secretary

AUDITORS CERTIFICATE

"This is the Cash Flow Statement referred to in our report of even date."

As per our report attached
FOR AND ON BEHALF OF
A PURI & ASSOCIATES
Chartered accountants

RAJESH KUMAR JAIN
Partner

Place : New Delhi
Dated : 10th May, 2010

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

	Current Period (Rupees)	Previous Period (Rupees)
SCHEDULE 1		
SHARE CAPITAL		
AUTHORISED		
7,50,00,000 Equity Shares of Rs 10 each	750,000,000	750,000,000
ISSUED, SUBSCRIBED AND PAID UP		
25,010,000 Equity Shares of Rs 10 each fully paid up*	250,100,000	250,100,000
* out of the above 25,009,990 Equity Shares are held by Asian Hotels (West) Limited, the Holding Company and 10 Equity Shares are held by Asian Hotels (West) Limited, the Holding Company jointly with a nominee.		
	<u>250,100,000</u>	<u>250,100,000</u>

SCHEDULE 2

SECURED LOANS

Term Loans From

- Housing Development Finance Company Limited (Refer Note No 13 of Schedule 10)	500,000,000	-
- Kotak Mahindra Bank Limited (Refer Note No 13 of Schedule 10)	950,000,000	-
	<u>1,450,000,000</u>	<u>-</u>
Term loans due within one year	<u>586,145,834</u>	<u>-</u>

SCHEDULE 3

NET DEFERRED TAX LIABILITY/ (ASSET)

	Created Liability/(Asset)		
Deferred Tax Liability/ (Asset) due to timing difference in respect of :			
- Depreciation	43,500	43,500	-
- Preliminary Expenses	4,611	(8,998)	(13,609)
	<u>48,111</u>	<u>34,502</u>	<u>(13,609)</u>

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

SCHEDULE 4

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.07.2009	Additions during the Period	As on 31.03.2010	Upto 30.06.2009	For the Period	Upto 31.03.2010	As on 31.03.2010	As on 30.06.2009
Computers	–	51,956	51,956	–	3,484	3,484	48,472	–
Vehicles	–	1,873,165	1,873,165	–	11,814	11,814	1,861,351	–
Total	–	1,925,121	1,925,121	–	15,298	15,298	1,909,823	–
Previous Year	–	–	–	–	–	–		
Capital Work In Progress							730,849,616	2,941,635
							732,759,439	2,941,635

Capital Work-in Progress represents:

Building under construction	27,168,599	–
Technical/ Consultancy Fees	44,058,977	–
Payment to Delhi International Airport Private Limited (DIAL) (Refer Note No 14 of Schedule 10)		
– Advance Development Costs	476,850,000	–
– Licence Fees	59,639,809	–
Advance For Capital Goods	3,129,942	–
Incidental expenditure during construction (Refer Schedule 4A)	120,002,290	2,941,635
	730,849,616	2,941,635

4A. STATEMENT OF INCIDENTAL EXPENDITURE DURING CONSTRUCTION (Refer Note 15 of Schedule 10)

– Salary & Wages	2,105,228	–
– Legal & Professional Charges	10,709,825	1,281,500
– Payments to auditors		
– As Certification Charges	25,000	–
– As reimbursement of service tax	2,575	–
– Rent	413,625	–
– Rates & Taxes	415,100	–
– Meeting & Conference	158,480	–
– Travelling Directors	140,218	–
– Travelling Others	1,556,236	–
– Vehicle Upkeep	68,725	–
– Electricity Gas & Water Charges	20,340	–
– Communication expenses	12,069	–
– Depreciation	15,298	–
– Loan Processing and arranging fees	15,473,305	–
– Bank Guarantee and other charges	1,660,135	1,660,135
– Finance Charges	267,321	–
– Interest on Loans	86,905,341	–
– Miscellaneous Expenses	53,469	–
	120,002,290	2,941,635

Note:

It is the Company's intension to capitalise the major part of this expenditure when commercial operations begin in accordance with the accepted accounting principles.

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010

	Current Period (Rupees)	Previous Period (Rupees)
SCHEDULE 5		
CURRENT ASSETS, LOANS & ADVANCES		
CASH & BANK BALANCES		
Cash in hand	–	1,041
With Scheduled Bank		
– In Current Account	2,078,894	178,913
– Fixed Deposits	29,200,000	258,231,356
	<u>31,278,894</u>	<u>258,411,310</u>
OTHER CURRENT ASSETS		
Interest accrued on fixed deposits	1,064,000	2,379,661
	<u>1,064,000</u>	<u>2,379,661</u>
LOANS & ADVANCES		
(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	697,195	–
Security Deposit - Others*	225,000	–
Advance Income Tax	137,072	–
	<u>1,059,267</u>	<u>–</u>
*includes		
Due from Edenpark Hotels Private Limited, a Company under the same management	225,000	–
Maximum Balance due during the period	225,000	–
SCHEDULE 6		
CURRENT LIABILITIES		
Sundry Creditors		
– For Capital Goods	5,004,591	–
Interest Accrued but not due	2,659,452	–
Other Liabilities*	1,512,794	585,779
	<u>9,176,837</u>	<u>585,779</u>
*includes		
Due to Asian Hotels (West) Limited, the Holding Company	1,217,234	505,894
PROVISIONS		
For Income Tax	–	1,140,213
	<u>–</u>	<u>1,140,213</u>

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON MARCH 31, 2010

	Current Period (Rupees)	Previous Period (Rupees)
SCHEDULE 7		
INTEREST INCOME		
From: Bank*		
	<u>1,953,857</u>	<u>18,332,248</u>
	<u>1,953,857</u>	<u>18,332,248</u>
* Tax deducted at source	<u>627,285</u>	<u>4,359,787</u>
SCHEDULE 8		
ADMINISTRATIVE AND OTHER EXPENSES		
– Legal & Professional Charges	53,655	159,033
Payments to auditors		
– As Audit Fee	250,000	75,000
– As Certification Charges	110,000	–
– As reimbursement of service tax	37,080	7,725
Insurance	4,000	–
Communication Expenses	39,877	355
Donation	500,000	–
Contractual Services	17,143	–
Conveyance Expenses	8,349	593
Travelling Expenses	–	4,214
Entertainment Expenses	627	1,295
Tender Fees	–	75,500
Miscellaneous Expenses	79,665	2,770
	<u>1,100,396</u>	<u>326,485</u>
SCHEDULE 9		
FINANCE CHARGES		
Bank Charges	49,584	12,705
Interest – Bank	121	–
	<u>49,705</u>	<u>12,705</u>

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

10. SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES & NOTES

I. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation

The financial statements have been prepared to comply in all material respects with the Notified Accounting Standards by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income is accounted for on a time proportion basis taking into account the amount outstanding and the rate applicable.

4. Retirement benefits

There being no employee eligible for retirement benefit in the Company, no charge has been made to Profit and Loss account on account of Retirement benefit costs.

5. Taxation

(i) Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflects the impact of current period timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

(ii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

(iii) At each balance sheet date the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

6. Fixed Assets, Depreciation and Capital Work in progress

(i) Fixed Assets

Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortisation. Costs include financing cost of borrowed funds attributable to acquisition or construction of fixed assets, upto the date the assets are put to use. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any, recognised.

(ii) Depreciation/Amortisation

Depreciation has been charged on written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956 on pro rata basis. Assets individually costing Rs.5,000 or less are depreciated fully in the year when such assets are put to use.

(iii) Capital Work in Progress

Capital work in progress represents

Expenditure directly relating to construction activity to be capitalized. All indirect expenditure including interest incurred during construction period to be capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto.

7. Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

8. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

9. Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

10. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

11. Cash and Cash Equivalents

Cash and cash equivalents in the cash flow comprise cash at bank and cash /cheques in hand and short term deposits with Banks.

II. CONTINGENT LIABILITIES AND NOTES

12. (a) As per information available with the management and as certified by them, there is no contingent liability as at March 31, 2010.

(b) Outstanding capital expenditure commitments: Rs 3,661.84 lakhs (Previous Period Rs Nil).

13. Term Loans taken from HDFC Limited and Kotak Mahindra Bank Limited are secured by :-

(a) Mortgage by way of first pari passu charge created by Asian Hotels (West) Limited, the Holding Company on its movable fixed assets and immovable property situated at Mumbai namely Hotel Hyatt Regency, Mumbai.

(b) First pari passu charge created by Asian Hotels (West) Limited, the Holding Company on all current assets of Hotel Hyatt Regency, Mumbai.

(c) Pledge of Investment of Asian Hotels (West) Limited, the Holding Company in the Company.

(d) Personal Guarantees of three directors of the Company.

14. (i) The Company had made a bid to Delhi International Airport (P) Limited (DIAL) for the proposal of development of asset area 4 (Upscale and Mid Market Hotel) at the Delhi International Airport site. The bid was awarded to the Company by issuing Letter of Award dated May 5, 2009 and thereafter Company entered into with DIAL, a Development Agreement dated 4th July, 2009.

Under the said Agreement the Company has the right to operate the hotel constructed on DIAL site till May 02, 2036 extendable upto May 02, 2066 in terms of the Agreement for which the Company has to pay an annual License Fee as stipulated in the Agreement. In addition to the License Fee and in order to secure the payment of the annual Licence Fee in accordance with this Agreement, and the performance of all other obligations under the Development Agreement, the Company hereby agrees to pay to DIAL an interest free Security Deposit aggregating Rs. 1,274,226,052 in three stipulated tranches within first year of the Agreement, refundable at the expiry of the term of the said Agreement unless extended. In addition to above the Company also entered into an 'Infrastructure Development and Service Agreement with DIAL on 4th July, 2009, for the use of infrastructure facilities and services being developed by DIAL, for which the Company has to pay an Advance Development Cost aggregating to Rs. 635,800,000 in three stipulated tranches within first year of the Agreement.

(ii) Capital Work in Progress includes amounts paid by the Company to DIAL on account of Advance Development Cost aggregating to Rs 476,850,000 and License fees up to 31st March 2010 amounting to Rs 59,639,809 as mentioned above.

(iii) The Company has also paid Rs 955,669,539 on account of an Interest Free Refundable Security Deposit to DIAL as per terms of the above mentioned Development Agreement, these have been shown as a separate long term assets.

15. All indirect expenses incidental to construction has been accounted as expenditure during construction. The Company has prepared the Statement of Incidental Expenditure during Construction also. The necessary disclosure as per requirement of Part II of Schedule VI of the Companies Act, 1956 have also been disclosed in the said statement.

16. As per the information available and explanations provided to us and as certified by the Management there are no amounts due to any Micro, Small and Medium Enterprises which are outstanding for more than 45 days together with interest at the Balance Sheet date as defined under the Micro, Small and Medium Enterprise Development Act, 2006.

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

17. The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on " Impairment of Assets " since in the opinion of the management there is no reduction in value of any assets.
18. Provision for income tax liability is estimated at the income tax rate applicable as per provisions of the Income Tax Act, 1961.
19. The Company has appointed a manager as required under provisions of Section 269 of the Companies Act, 1956 subsequent to the Balance Sheet Date.
20. The Company was a subsidiary of Asian Hotels Limited (AHL). The Board of Directors of AHL, during the prior years, had approved a Scheme of Arrangement and Demerger (the Scheme) between AHL (Transferor Company) and its shareholders and creditors; Chillwinds Hotels Limited (Transferee Company-I) and its shareholders; and Vardhman Hotels Limited (Transferee Company-II) and its shareholders in accordance with Section 391 to 394 of the Companies Act, 1956. The Scheme envisaged trifurcation of AHL into three undertakings namely, the Delhi Undertaking, Mumbai Undertaking and Kolkata Undertaking. In terms of the Scheme the Company was a part of the Mumbai Undertaking. The Hon'ble High Court at Delhi vide its order dated 13th January 2010 approved the Scheme and directed that the Scheme shall become effective the day Hon'ble High Court's order is filed with the Registrar of Companies, NCT of Delhi and Haryana with retrospective effect from the Appointed Date October 31, 2009. Pursuant to the filing of the Hon'ble High Court's order with the Registrar of Companies, NCT of Delhi and Haryana on 11th February, 2010, the Company became a part of the Mumbai Undertaking and in turn a subsidiary of Chillwinds Hotels Limited as per the Scheme. Further as per the Scheme the name of the Chillwinds Hotels Limited have been changed to Asian Hotels (West) Limited.
21. Future commitments in respect of minimum payments (License Fees) payable in case of non cancellable development agreement entered in to by the Company with Delhi International Airport Private Limited (DIAL) :-

	Current Period (Rupees)	Previous Period (Rupees)
(i) Not later than one year	69,363,613	-
(ii) Later than one year and not later than five years	317,761,023	-
(iii) Later than five years	3,449,912,915	-

22. Details of Investments purchased and sold during the period

Particulars	Current Period		Previous Period	
	Units (Nos.)	Face Value Rupee	Units (Nos.)	Face Value Rupee
Units of Face Value of Rs.10/- each of				
HSBC Ultra Short term Bond Fund- Regular Growth	489,416	4,894,164	-	-

23. Related Party Disclosure

- a) Parties which significantly influence the Company (either individually or with others)

- (i) Asian Hotels (West) Limited, the Holding Company
- (ii) Enterprises owned by directors or their relatives
 - CLG Hotels and Resorts Private Limited
 - Edenpark Hotels Private Limited
 - Invoa Hotels & Resorts Limited

- b) Details of Related Party Transactions during the period :

Particulars	Holding Company		Enterprise owned by directors with their relatives	
	Current Period (Rupees)	Previous Period (Rupees)	Current Period (Rupees)	Previous Period (Rupees)
Purchase of Fixed Assets	-	-	678,667	-
Advances given	-	-	-	200,000,000
Security Deposit given	-	-	225,000	-
Loans/ Advances received	700,000	500,000	-	200,000,000
Rent paid	-	-	413,625	-
Other expenses paid	-	-	611,929	-
Expenses/Payment on behalf of the Company	11,340	5,894	-	-
Receivables	-	-	225,000	-
Payables	1,217,234	505,894	-	-

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

(c) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type during the Year

Particulars	Current Year (Rupees)	Previous Year (Rupees)
Purchase of Fixed Assets		
– Inovia Hotels & Resorts Limited	678,667	–
Advances given		
– CLG Hotels and Resorts Private Limited	–	200,000,000
Security Deposit given		
– Edenpark Hotels Private Limited	225,000	–
Loans/ Advances received		
– CLG Hotels and Resorts Private Limited	–	200,000,000
– Asian Hotels (West) Limited	700,000	500,000
Rent paid		
– Edenpark Hotels Private Limited	413,625	–
Other expenses paid		
– Edenpark Hotels Private Limited	611,929	–
Expenses/Payment on behalf of the Company		
– Asian Hotels (West) Limited	11,340	5,894
Receivables		
– Edenpark Hotels Private Limited	225,000	–
Payables		
– Asian Hotels (West) Limited	1,217,234	505,894

24. Expenditure in foreign currency-on payment basis

	Current Period (Rupees)	Previous Period (Rupees)
Purchase of Capital goods	17,754,917	–
Technical/ Consultancy Service fees	9,972,008	–
Travelling Expenses	138,136	–

25. Unhedged foreign currency exposure

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Current Period		Previous Period	
	Foreign Currency	Amount (Rs.)	Foreign Currency	Amount (Rs.)
Foreign Creditors:				
USD	50,000	2,287,500	–	–

Closing rates considered are as under:-

Currency	Current Period	Previous Period
USD	45.75	-

26. Computation of earnings per share

		Current Period (Rupees)	Previous Period (Rupees)
Profit after tax as per Profit & Loss A/c	Rs	599,578	11,688,671
No of equity shares outstanding	Nos	25,010,000	25,010,000
Nominal value per share	Rs	10	10
Earnings per share - basic	Rs	0.02	0.47
Earnings per share - diluted	Rs	0.02	0.47

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

27. Current period figures are for nine months i.e. from July 1, 2009 to March 31, 2010, hence not comparable with previous period figures, which are for fifteen months i.e. from April 1, 2008 to June 30, 2009.
28. Previous period figures have been regrouped and rearranged wherever necessary.

Schedule 1 to 10 form an integral part of the Balance Sheet as at March 31, 2010 and the Profit & Loss Account for the period ended on that date.

ON BEHALF OF THE BOARD OF DIRECTORS

RAKESH KUMAR AGGARWAL
Vice President- Finance

SUSHIL KUMAR GUPTA
Director

SANDEEP GUPTA
Director

Place : New Delhi
Dated : 10th May, 2010

KISHORE KUMAR VERMA
Company Secretary

ARIA HOTELS & CONSULTANCY SERVICES PRIVATE LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. U74140DL2007PTC163275

Balance Sheet date 31st March 2010

State Code 055

II. Capital raised during the year (Amount in Rs. thousands)

Public Issue	Rights Issue	Bonus Issue	Private Placement
NIL	NIL	NIL	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities	Total Assets
1712654	1712654

Sources of Funds

Paid Up Capital	Reserves & Surplus	Secured Loans	Unsecured Loans	Deferred Tax Liability
250100	12520	1450000	NIL	34

Application of Funds

Net Fixed Assets	Investments	Security Deposit	Net Current Assets (includes deffered tax)	Misc. Expenditure	Accumulated Losses
732759	NIL	955670	24225	NIL	NIL

IV. Performance of Company (Amount in Rs. thousands)

Turnover	Total Expenditure in Rs.	Earnings per share
1978	1150	0.02
+/- Profit/ Loss Before Tax	+/- Profit/ Loss After Tax	Dividend Rate %
828	600	NIL

V. Genetic Names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	Products Description
NIL	SETTING UP AND OPERATING HOTEL

ON BEHALF OF THE BOARD OF DIRECTORS

RAKESH KUMAR AGGARWAL
Vice President- Finance

SUSHIL KUMAR GUPTA
Director

SANDEEP GUPTA
Director

Place : New Delhi
Dated : 10th May, 2010

KISHORE KUMAR VERMA
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

AUDITORS' REPORT

TO THE MEMBERS OF ASIAN HOTELS (WEST) LIMITED (FORMERLY CHILLWINDS HOTELS LIMITED)

1. We have audited the attached Consolidated Balance Sheet of Asian Hotels (West) Limited (Formerly Chillwinds Hotels Limited) and its subsidiary Company as at 31 March, 2010, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the Company's subsidiary, whose financial statements reflect total assets of Rs 17,218.30 lacs as at 31 March, 2010 and total revenues of Rs. 19.78 lacs and cash flow of (-) Rs. 2,271.32 lacs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the Company's subsidiary, is based solely on the report of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard AS-21, 'Consolidated Financial Statements' notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate audited financial statements of the subsidiary company included in the Consolidated Financial Statements.
5. Based on our audit and on consideration of the report of other auditors on separate financial statements and on the other information of the subsidiary company and to the best of our information and according to the explanations given to us, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the Accounting Principles generally accepted in India
 - i. In the case of Consolidated Balance Sheet, of the Consolidated state of affairs of Asian Hotels (West) Limited and its subsidiary as at 31 March, 2010;
 - ii. In the case of Consolidated Profit and Loss Account, of the profit of Asian Hotels (West) Limited and its subsidiary for the year ended on that date; and
 - iii. In the case of Cash Flow Statement, of the Consolidated cash flows of Asian Hotels (West) Limited and its subsidiary for the year ended on that date.

Place : New Delhi
Dated : 21st May, 2010

For S.S. KOTHARI MEHTA & CO.
Chartered Accountants
Firm Registration No. 00756N

ARUN K. TULSIAN
Partner
Membership No.: 89907

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2010

	Schedule		As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SOURCES OF FUNDS				
1 SHAREHOLDER'S FUNDS				
a Share Capital	1	1,637.97		5.00
b Reserves and Surplus	2	30,592.26	32,230.23	–
2 SECURED LOANS				
	3		14,500.00	
3 DEFERRED TAX LIABILITY (Refer note 7 of Schedule 18)				
			2,888.18	–
			<u>49,618.41</u>	<u>5.00</u>
APPLICATION OF FUNDS				
4 FIXED ASSETS				
a Gross Block		36,410.88		–
b Less: Depreciation		6,870.14		–
c Net Block			<u>29,540.74</u>	–
d Capital work in Progress			7,308.50	–
			<u>36,849.24</u>	–
5 SECURITY DEPOSIT TO DIAL				
			9,556.69	–
6 INVESTMENTS				
	5		150.09	–
7 CURRENT ASSETS, LOANS AND ADVANCES				
a Inventories	6	270.45		–
b Sundry Debtors	7	670.83		–
c Cash & Bank Balances	8	656.19		0.06
d Loans and Advances	9	3,828.96		–
			<u>5,426.43</u>	<u>0.06</u>
LESS: CURRENT LIABILITIES AND PROVISIONS				
a Current Liabilities	10	1,649.40		71.93
b Provisions	11	714.64		–
			<u>2,364.04</u>	<u>71.93</u>
Net Current Assets			3,062.39	(71.87)
8 PROFIT AND LOSS ACCOUNT				
			–	76.87
			<u>49,618.41</u>	<u>5.00</u>
Significant Accounting Policies and Notes on Accounts	18			

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

	Schedule	Year ended 31.03.2010 Rs. in Lacs (9 Months)	Year ended 30.06.2009 Rs. in Lacs (15 Months)
1 INCOME			
a Rooms, Food, Beverages and Other Services (Gross)	12	6,020.59	—
Less:Excise Duty Paid		2.16	—
b Net Sales		6,018.43	—
c Other Income	13	59.80	—
		<u>6,078.23</u>	<u>—</u>
2 EXPENDITURE			
a Consumption of Provisions, Beverages,Smokes & Others	14	462.85	—
b Payment to and Provision for Employees	15	1,277.29	—
c Operating and General Expenses	16	2,390.65	75.65
d Finance Charges	17	0.49	—
		<u>4,131.28</u>	<u>75.65</u>
3 PROFIT BEFORE INTEREST, DEPRECIATION		1,946.95	(75.65)
Depreciation	4	425.07	—
4 PROFIT BEFORE TAX		1,521.88	(75.65)
5 Provision for Taxation			
a Current Tax		501.92	—
b Deferred Tax		16.34	—
		<u>518.26</u>	<u>—</u>
6 PROFIT AFTER TAX		1,003.62	(75.65)
7 Amount brought forward from previous year		42.32	(1.22)
8 Transferred pursuant to the Scheme of Arrangement & Demerger		9,339.40	—
9 PROFIT AVAILABLE FOR APPROPRIATION		<u>10,385.34</u>	<u>(76.87)</u>
10 APPROPRIATIONS			
Transfer to General Reserve		100.00	—
Proposed Dividend on Equity Shares		342.05	—
Proposed Dividend on Preference Shares (FCPS)		0.01	—
Proposed Dividend on Preference Shares (NCPS)		2.47	—
Corporate Dividend Tax		58.55	—
SURPLUS CARRIED FORWARD TO BALANCE SHEET		<u>9,882.26</u>	<u>(76.87)</u>
Earning per share– Basic and Diluted (Rupees) (See note 19 of Schedule 18)		15.77	(151.30)
Significant Accounting Policies and Notes on Accounts	18		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

Place : New Delhi
Dated : 21st May, 2010

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

Consolidated Cash Flow Statement for the year ended 31 March, 2010

(Rupees in Lacs)

	Year ended March 31,2010		Year ended June 30, 2009	
	(9 Months)		(15 Months)	
	Rs.	Rs.	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES				
[a] Net Profit before Tax	1,521.88		(75.64)	
Adjustment for:				
Depreciation	425.07		—	
Deminution in the value of investment	0.02		—	
Loss on sale of fixed assets	18.14		—	
Gain on redemption of sale of Investment	(0.24)		—	
Dividend Income on Investment	(1.82)		—	
Interest Earned	(28.17)		—	
[b] Operating profit before working capital charges	1,934.89		(75.64)	
Adjustments for:				
(Increase)/Decrease in inventories	(48.82)		—	
Sundry Debtors	238.51		—	
Loans and Advances	100.34		—	
Trade Payables	(1,513.10)		71.65	
[c] Cash generated from operations	711.81		(3.99)	
Direct taxes paid (Net)	(406.08)		—	
Net cash from Operating Activities (A)		305.73		(3.99)
B CASH FLOW FROM INVESTING ACTIVITIES				
Payment for purchase of Fixed Assets	(34.18)		—	
Advance for Purchase of Property	3.44		—	
Capital Work in Progress Increase/ decrease	(7,279.00)		—	
Security Deposit for right to use Land	(9,543.67)		—	
Purchase of Investments	(150.09)		—	
Dividend Income on Investment	(1.82)		—	
Net Cash from Investing Activities (B)		(17,005.32)		—
C CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of loans	(345.34)		—	
Proceeds from Loan	14,500.00		—	
Loan Repayment	1.82		—	
Interest Paid	28.17		—	
Net Cash from Financing activities [C]		14,184.65		—
Net Increase/ Decrease in Cash Equivalent [A+B+C]		(2,514.94)		(3.99)
Cash and Cash equivalent (Beginning of the year) *		3,171.13		4.05
Cash and Cash equivalent (End of the year) (Refer Sch.8)		656.19		0.06

* Includes Rs. 587.13 Lacs acquired pursuant to Scheme of Arrangement & Demerger.

Notes:

- 1 Figures in bracket represent Cash Outflow.
- 2 Previous Year's figures have been regrouped/rearranged wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010 AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE NINE MONTH PERIOD ENDED ON THAT DATE

	As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SCHEDULE 1		
SHARE CAPITAL		
a AUTHORISED		
14,000,000 (Previous Year 14,000,000) Equity Shares of Rs.10/- each	1,400.00	1,400.00
11,000,000 (Previous Year 11,000,000) Preference Shares of Rs.10/- each	1,100.00	1,100.00
	<u>2,500.00</u>	<u>2,500.00</u>
b ISSUED, SUBSCRIBED AND PAID UP		
11,401,782 (Previous Period 50,000) Equity Shares of Rs.10/- each fully paid up*	1,140.18	5.00
4,950,000 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) of Rs.10 each*	495.00	-
Fully Convertible Preference Shares of Rs. 10 each*	2.78	-
	<u>1,637.96</u>	<u>5.00</u>
* Shares have been issued pursuant to the Scheme of Arrangement and Demerger approved by the Hon'ble High Court of Delhi vide Order dated 13 January, 2010.		

SCHEDULE 2

RESERVES & SURPLUS

a Capital Reserve *	1.41	-
b Capital Redemption Reserve *		
For redeemed NCPS	495.00	-
For redeemable NCPS	820.36	-
c Securities Premium Account*		
On 1% Cumulative Redeemable Non-Convertible Preference Share (NCPS)	3,960.00	-
On Fully Convertible Preference Share Capital (FCPS)	147.23	-
d Tourism Development Utilised Reserves*	5,332.02	-
e General Reserves*	2,556.61	-
Add: Transfer of excess of assets over liabilities *	7,297.37	-
Add: Transferred during the current year	100.00	-
f Profit and Loss Account Balance	9,882.26	-
	<u>30,592.26</u>	<u>-</u>

* Transferred to the Company pursuant to the Scheme of Arrangement & Demerger approved by the Hon'ble High Court of Delhi vide Order dated 13 January 2010.

SCHEDULE 3

SECURED LOANS

Term Loans From		
- Housing Development Finance Company Limited (Refer Note No 18 of Schedule 18)	5,000.00	-
- Kotak Mahindra Bank Limited (Refer Note No 18 of Schedule 18)	9,500.00	-
	<u>14,500.00</u>	<u>-</u>
Term Loan due within one year	5,861.45	-

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010 AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE NINE MONTH PERIOD ENDED ON THAT DATE

SCHEDULE 4

(Rupees in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK		
	As at 01.07.2009	Addition pursuant to Scheme of Arrangement and Demerger	Additions	Deductions	As at 31.03.2010	As at 01.07.2009	Addition pursuant to Scheme of Arrangement and Demerger	For the Year	Deductions	Total	As at 31.03.2010	As at 30.06.2009
Land – Freehold	–	9,287.31	–	–	9,287.31	–	–	–	–	–	9,287.31	–
Buildings	–	14,808.78	–	17.68	14,791.10	–	1,574.06	100.42	1.87	1,672.61	13,118.49	–
Furniture Fixture & Furnishings	–	2,750.83	2.14	–	2,752.97	–	1,605.45	109.00	–	1,714.45	1,038.52	–
Plant & Machinery	–	9,099.67	24.11	5.29	9,118.49	–	3,058.58	189.43	1.36	3,246.63	5,871.86	–
Vehicles	–	444.39	18.73	2.11	461.01	–	210.34	26.38	0.28	236.44	224.56	–
Total	–	36,390.98	44.98	25.08	36,410.88	–	6,448.43	425.23	3.51	6,870.14	29,540.74	–
Capital Work In Progress											7,308.50	29.42
Total	–	36,390.98	44.98	25.08	36,410.88	–	6,448.43	425.23	3.51	6,870.14	36,849.24	–
Previous Year	–	–	–	–	–	–	–	–	–	–	–	–

Note:

- Aria Hotels and Consultancy Services Private Limited, a subsidiary company has taken a term loan from banks and financial institutions for which a security is mortgaged by way of first pari passu charge created by the Company on its immovable property situated at Mumbai namely Hyatt Regency, Mumbai.

Rs in Lacs

2. Building includes leasehold improvement	Gross Block	12.66
	Net Block	12.66

(Rupees in Lacs)

As at 31.03.2010

As at 30.06.2009

(a) Capital Work-in Progress includes:

Building under construction	271.69	–
Technical Fees/ Consultancy Fees	440.59	–
Payment to Delhi International Airport Private Limited (DIAL)	–	–
– Advance Development Costs	4,768.50	–
– Licence Fees	596.40	–
Advance for Capital Goods	31.30	–
Incidental Expenses during construction	1,200.02	29.42
	<u>7,308.50</u>	<u>29.42</u>

4A. STATEMENT OF INCIDENTAL EXPENSES DURING CONSTRUCTION

Salary & wages	21.05	–
Legal & Professional Charges	107.10	12.82
Payments to auditors	–	–
– As Certification Charges	0.25	–
– As reimbursement of service tax	0.03	–
Rent	4.14	–
Rates & Taxes	4.15	–
Meeting & Conference	1.59	–
Travelling Directors	1.40	–
Travelling Others	15.56	–
Vehicle Upkeep	0.69	–
Electricity Gas & Water Charges	0.20	–
Communication expenses	0.12	–
Depreciation	0.15	–
Loan Processing and other arranging fees	154.73	–
Bank Guarantee and other charges	16.60	16.60
Finance Charges	2.67	–
Interest on Loans	869.05	–
Miscellaneous Expenses	0.54	–
	<u>1,200.02</u>	<u>29.42</u>

Note:

- It is the company's intension to capitalise the major part of this expenditure when commercial operations begin in accordance with the accepted accounting principles.

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	As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SCHEDULE 5		
INVESTMENTS		
Short Term		
Non-Trade, Quoted		
1,497,214.91 (Previous Year Nil) units of Rs. 10 each of HDFC Cash Management Fund–TAP–Retail	150.11	–
(Market value Rs. 150.09 lacs (Previous Year Nil))		
Less: Provision for Deminution in the value of investment	0.02	–
	<u>150.09</u>	<u>–</u>
Note :		
1. Detail of investment bought/ subscribed and sold/ redeemed during the period 89.89 lacs units aggregating to Rs. 901.71 lacs of HDFC Cash Management Fund–TAP–Retail (Previous Year Nil)		
2. 4.89 lacs units aggregating to Rs. 48.94 lacs of HSBC Ultra Short Term Bond Fund (Previous Year Nil)		
SCHEDULE 6		
INVENTORIES		
(as taken, valued and certified by the management)		
Wines & Liquor	95.90	–
Food, Provisions, Other Beverages and Smokes	20.18	–
Crockery, Cutlery, Silverware, Linen	90.43	–
General Stores and Spares	53.16	–
Shares in Trade	10.78	–
	<u>270.45</u>	<u>–</u>
SCHEDULE 7		
SUNDRY DEBTORS		
Outstanding for over six months	77.58	–
Others	598.84	–
	<u>676.42</u>	<u>–</u>
Less: Provision for Doubtful Debts	5.59	–
	<u>670.83</u>	<u>–</u>
Unsecured considered good	670.83	–
Unsecured considered doubtful	5.59	–
SCHEDULE 8		
CASH AND BANK BALANCES		
Cash in hand	10.18	0.01
Cheques in Hand	71.74	–
Balances with scheduled banks in		
– Current Accounts	32.27	0.05
– Fixed Deposits*	542.00	–
	<u>656.19</u>	<u>0.06</u>
*Includes:		
– under lien against overdraft facilities	200.00	–
– pledged with Government Authorities	50.00	–

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	As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SCHEDULE 9		
LOANS & ADVANCES		
Loan to subsidiary company		
Advances recoverable in cash or in kind or for value to be received	3,785.53	–
Security Deposits	30.87	–
Interest accrued on fixed deposits	12.56	–
	<u>3,828.96</u>	<u>–</u>
– Considered good	3,828.96	–
– Considered doubtful	–	–
* includes		
Due from Edenpark Hotels Private limited, a company under the same management	2.25	–
Maximum balance due during the year	2.25	–
SCHEDULE 10		
CURRENT LIABILITIES		
Sundry Creditors		
Due to Micro, Small and Medium Enterprises	1.53	–
Others Creditors*	1,104.46	0.25
Advance from customers	166.48	–
Overdraft in Current A/c	182.53	–
Security Deposits	0.80	–
Interest Accrued But Due	14.42	–
Dividend on Preference Shares Payable	6.23	–
Other Liabilities	172.95	0.03
	<u>1,649.40</u>	<u>0.28</u>
* Includes commission payable to directors Rs.67.66 lacs		
SCHEDULE 11		
PROVISIONS		
Provision for Gratuity (refer note 12 of Schedule 18)	182.77	–
Provision for Leave Encashment (refer note 12 of Schedule 18)	34.78	–
Provision for Taxation (net of Advance Income Tax and TDS Rs. 479.72)	95.84	–
Proposed Dividend (including Corporate Dividend Tax)	401.25	–
	<u>714.64</u>	<u>–</u>

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	Year ended 31.03.2010 Rs. in Lacs	Year ended 30.06.2009 Rs. in Lacs
SCHEDULE 12		
ROOMS, FOOD, BEVERAGES & OTHER SERVICES		
Rooms	3,953.18	-
Wines and Liquor	248.30	-
Food, Other Beverages, Smokes and Banquets	1,319.33	-
Communication	71.04	-
Others*	428.74	-
	<u>6,020.59</u>	<u>-</u>
*Includes gain/(loss) on account of foreign currency translation	7.93	-
SCHEDULE 13		
OTHER INCOME		
Interest Earned*	28.17	-
Dividend on Investment	1.82	-
Miscellaneous Income	0.01	-
Gain on redemption of short term investments	0.24	-
Excess Provision Written back	29.56	-
	<u>59.80</u>	<u>-</u>
*Tax deducted at source	7.25	-
SCHEDULE 14		
CONSUMPTION OF PROVISIONS, BEVERAGES, SMOKES AND OTHERS		
Wine & Liquor		
Opening Stock*	56.07	-
Add : Purchases	110.77	-
	<u>166.84</u>	<u>-</u>
Less : Closing Stock	95.90	-
	<u>70.94</u>	<u>-</u>
Food, Provisions, Other Beverages and Smokes		
Opening Stock*	11.88	-
Add : Purchases	400.21	-
	<u>412.09</u>	<u>-</u>
Less : Closing Stock	20.18	-
	<u>391.91</u>	<u>-</u>
	<u>462.85</u>	<u>-</u>
Indigenous	438.71	-
Imported	24.15	-
* Transferred pursuant to the Scheme of Arrangement & Demerger		
SCHEDULE 15		
PAYMENT TO AND PROVISION FOR EMPLOYEES		
Salaries, Wages & Exgratia	964.97	-
Contribution to Provident & other funds	46.17	-
Gratuity	23.98	-
Workmen and Staff Welfare*	85.26	-
Staff Relocation Expenses	3.54	-
Recruitment & Training	7.66	-
Contract Labour & Services	145.71	-
	<u>1,277.29</u>	<u>-</u>
*Workmen & Staff Welfare includes :		
Cost of provisions consumed in Staff Cafeteria	51.49	-
Realisation on sale of food coupons to Staff	4.92	-

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	As at 31.03.2010 Rs. in Lacs	As at 30.06.2009 Rs. in Lacs
SCHEDULE 16		
OPERATING AND GENERAL EXPENSES		
Linen, Room, Catering & other supplies	89.11	-
Operating equipments & supplies written off	27.88	-
Fuel, Power & Light	358.79	-
Repairs, Maintenance & Refurbishing*	381.03	-
Rent	13.76	-
Rates & Taxes	191.19	-
Insurance	18.84	-
Directors' Sitting Fees	4.41	-
Legal & Professional Expenses	386.61	-
Artist Fee	5.16	-
Printing & Stationery	24.78	-
Travelling & Conveyance	144.43	-
Communication Expenses	58.62	-
Technical Services	318.27	-
Advertisement & Publicity	90.91	-
Commission & Brokerage	210.17	-
Charity & Donation	24.04	-
Bank charges and commitment fees	2.35	-
Gain/Loss on trading of shares/derivatives	3.11	-
Provision for diminution in value of investment	0.02	-
Loss/(Gain) on Fixed Assets sold/discarded (net)	18.14	-
Miscellaneous	19.03	-
	<u>2,390.65</u>	<u>-</u>
*Repairs, Maintenance & Refurbishing includes:		
Repairs & Maintenance—Buildings	100.12	-
Repairs & Maintenance—Plant & Machinery	141.60	-
Repairs & Maintenance—Others	77.44	-
SCHEDULE 17		
FINANCE CHARGES		
Bank Charges	0.49	-
	<u>0.49</u>	<u>-</u>

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SCHEDULE: 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of Accounting

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 under the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

b. Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles requiring management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.

c. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Revenue from rendering of hospitality services is recognized when the related services are performed and billed to the customer.
- ii. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii. Dividend income from investments is recognized when the Company's right to receive payment is established.
- iv. Income from hiring of vehicles is recognized on accrual basis on the basis of agreed rate.

d. Income in Foreign Exchange

The bills for services rendered are raised in Indian Rupees. The payment received in foreign currency against these bills is credited and accounted for at the rate / rates prevalent on the date of receipt of payment. The gains / losses arising out of fluctuation in the exchange rates are accounted for on realization.

e. Interest on Income Tax Refunds / Demands

It is accounted for as income in the year when granted and as tax expense when determined by the Department.

f. Claims Recoverable

Claims recoverable are accrued only to the extent as admitted by the parties.

g. Expenses remittable in foreign exchange

These are charged based on invoices (including for earlier years) as approved and accepted by the appropriate authorities as applicable.

h. Foreign Exchange Transactions

Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction, while those remaining unsettled at the year-end are translated at the year-end rates resulting in exchange differences being recognized as income / expenses (net).

Foreign Currency balances at the year-end are converted at the year-end rate of exchange except those covered by forward cover contracts in respect of foreign currency loans, which are converted at the contracted forward rates.

i. Employee Benefits

- i. Provision for gratuity and leave encashment are based on actuarial valuation as on the date of the Balance Sheet.
- ii. All employees are covered under contributory provident fund benefit of a contribution of 12% of salary. It is a defined contribution scheme and the contribution is charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contributions payable to the respective fund.

j. Taxation

- i. Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- ii. Deferred Tax is provided during the year, using the liability method on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes in accordance with mandatory Accounting Standard (AS-22).
- iii. Deferred Tax asset is recognized only to the extent that there is a reasonable certainty that sufficient taxable profit will be available against which such deferred tax asset can be realized.

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- iv. Deferred Tax asset and liability are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

k. Fixed Assets and Depreciation

i. Fixed Assets

Fixed assets are stated at cost of acquisition or construction or at revalued amounts, net of impairment loss if any, less depreciation/ amortization. Cost represents the direct expenses incurred on acquisition /construction of the assets and the relative share of indirect expenses relating to construction allocated in proportion to the direct costs involved.

ii. Depreciation

- a. Depreciation as per straight line method has been charged in the accounts.
- b. The charge is on the basis of rates as prescribed under Schedule XIV to the Companies Act, 1956 pro rata from the month of purchase. If the asset is purchased on or before the 15th of month depreciation is charged from the month of purchase, otherwise depreciation is charged from the month following the month of purchase.
- c. No depreciation is charged on the assets sold/ discarded during the year.

iii. Capital Work in Progress (CWIP)

CWIP represents expenditure directly relating to construction activity is capitalized. All indirect expenditure including interest incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to the construction or is incidental thereto.

l. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments or short-term investments. All other investments are classified as long-term investments. Current investments are valued at the lower of cost and fair value. Changes in the carrying amount of current investments are recognised in the Profit and Loss Account. Long-term investments are valued at cost, less any provision for diminution, other than temporary, in the value of such investments; decline, if any, is charged to the Profit and Loss Account. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

m. Inventory

- i. Inventory is valued at cost or net realizable value, whichever is lower.
- ii. Operating equipment in circulation is valued at weighted average cost less estimated diminution in value on account of usage.
- iii. Shares held as Stock- in -trade are valued at cost or market value whichever is lower.

n. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

o. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

p. Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash at bank and cash/ cheques in hand and short-term deposits with Banks less short-term advances from Banks.

q. Dividend

Dividend proposed on equity shares, if any, is accounted for pending approval at the Annual General Meeting.

r. Provisions and Contingent liabilities

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

s. Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

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t. Principles of Consolidation

The Consolidated financial statements has been prepared in accordance with Accounting Standard 21 (AS-21) – “ Consolidated Financial Statements”.

The Consolidated financial statements comprise the financial statements of Asian Hotels (West) Limited and its 100% subsidiary Company Aria Hotels & Consultancy Services Private Limited, a Company incorporated in India.

B. NOTES TO ACCOUNTS

1. Contingent Liabilities not provided for in respect of:
 - a. Export obligation in respect of EPCG Licenses: Rs. 1,172.96 lacs (Previous year Rs Nil).
 - b. For stamp duty for Mumbai Undertaking: Rs. 1,500 lacs (Previous year Rs.Nil)
2. Estimated amount of contracts remaining to be executed on capital account (net of advances): Rs.3,689.62 lacs (Previous year Nil).
3. Pursuant to the Scheme of Arrangement and Demerger ('the Scheme') of trifurcation of Asian Hotels Limited ('AHL') approved by the Hon'ble High Court of Delhi at New Delhi on 13th January, 2010, Mumbai Undertaking of AHL comprising of Hotel Hyatt Regency, Mumbai along with shares held in Aria Hotels & Consultancy Services (P) Limited, and others stands transferred to and vested in the Company.

Features of the Scheme as applicable to the Company are as under:

- a. Appointed date for the Scheme is 31 October, 2009.
- b. Effective date for the Scheme is 11 February, 2010, being the date when the Order of Hon'ble High Court has been filed with the Office of the Registrar of Companies, NCT of Delhi and Haryana.
- c. In terms of the scheme, on the effectiveness of the Scheme, the paid- up equity share capital of the Transferor Company (AHL) before Demerger, amounting to Rs.22,80,35,640/- was deemed to have increased to Rs. 34,20,53,460/- as a result of appropriation of the general reserves to the extent of Rs. 11,40,17,820/- and the deemed increased paid up equity capital of the AHL was equally allocated to the three undertakings at demerger so that each of AHL Residual undertaking, **Transferee Company-1** and Transferee Company -II would have a paid up equity share Capital of Rs. 11,40,17,820/- as at 31st October, 2009, being the Appointed Date. As a result thereof, for every 2 equity shares of Rs. 10/- held in AHL as on the Record Date, every equity shareholder of AHL is entitled to receive 1 equity share of face value of Rs. 10/- each of the Company.
- d. As per terms of the Scheme, the Company is required to re-issue 49,50,000 1% Non Convertible Preference Shares (NCPS) as per the following:
 - i. 50,000 1%NCPS of face value of Rs 10/- each of the Company to Magus Estate and Hotels Limited credited as fully paid up.
 - ii. 49,00,000 1% NCPS of face value of Rs 10/- each of the Company to Infrastructure Development Finance Company Limited credited as fully paid up.
- e. As per terms of the Scheme, the Company is required to re-issue 27,780 1% Fully Convertible Preference Share (FCPS) as per the following:
 - i. 18,520 FCPS of face value of Rs 10/- each of the Company to Finline Holdings Limited credited as fully paid.
 - ii. 9,260 FCPS of face value of Rs 10/- each of the Company to Global Operations Pte. Ltd. (thru its nominee UDT Enterprises Pty. Ltd.) credited as fully paid.
- f. Detail of various assets and liabilities transferred to the Company pursuant to the Scheme are as under:

Particulars	(Rupees in Lacs)
Fixed Assets	
Gross Block	36,390.98
Less: Depreciation	6,448.43
Net Block	29,942.54
Capital Work- in- Progress	10.80
	29,953.35
Investments (Including Subsidiaries)	2,506.00
CURRENT ASSETS, LOANS & ADVANCES	
– Inventories	221.64
– Sundry Debtors	909.34
– Cash and Bank Balances	587.13
– Loans and Advances	3,929.30
	5,647.41
TOTAL ASSETS	38,106.76

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Particulars	(Rupees in Lacs)
Less:	
LOAN FUNDS	
Secured Loans	345.34
NET DEFERRED TAX LIABILITY	2,871.98
CURRENT LIABILITIES AND PROVISIONS	
– Current Liabilities	3,090.87
– Provisions	211.21
Total	6,519.40
NET ASSETS	31,587.36
REPRESENTED BY:	
SHAREHOLDERS' FUND	
Equity Share Capital	1,140.18
1% Cumulative Redeemable Non Cumulative Preference Shares (NCPS) Capital	495.00
Fully Convertible Preference Shares	
– Representing Capital	2.78
– Representing Share Premium	147.23
Sub Total	1,785.19
RESERVE AND SURPLUS	
Capital Reserve	1.41
Share Premium on NCPS	3,960.00
General Reserve Allocated	2,556.61
Transfer of excess of assets over liabilities	7,297.37
Tourism Development Utilised Reserve	5,332.02
Capital Redemption Reserve for Redeemed NCPS	495.00
Capital Redemption Reserve for Redeemable NCPS	820.36
Surplus in Profit & Loss Account	9,339.40
Sub Total	29,802.17
Total	31587.36

The procedural formalities consequential to the demerger are still in progress.

4. The Company had filed necessary application for listing of equity shares of the Company alongwith necessary documents and annexeure with Bombay Stock Exchange Limited and the National Stock Exchange of India Limited on 6th April, 2010. Subsequently to Company's application BSE being the designated Stock Exchange has given its approval of Listing and forwarded the application to SEBI for relaxation under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957.
5. Capital Work in Progress consists of :

	Rs. in Lacs
i. Advances for capital contracts	31.02
ii. Other work in progress	4,799.52
	4,830.54
6. The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on "Impairment of Assets" since in the opinion of the Management, the reduction in value of any asset, to the extent required, has already been provided for in the books. In respect of subsidiaries, such decision is based on the management accounts/ audited accounts of the subsidiaries, as available and on the basis of the information and explanations given.
7. Loans and advances include a claim in respect of stamp duty lodged with Maharashtra Tourism Development Corporation Limited (MTDCL) by Asian Hotels Limited in earlier years of Rs 528.32 Lacs relating to land at Mumbai, considered to be fully recoverable on the basis of the refund granted by MTDCL vide letter issued on 31 October 2009.
8. Out of Service Tax demand raised and paid during the earlier years for Rs. 146.11 Lacs, Rs. 95.94 Lacs had been paid under protest. In the opinion of the management, amount paid under protest is not liable to be paid and hence has been included under "Loans & Advances" as "Claims Recoverable", based on progress made in the matter so far.
9. As the company is engaged in only one segment of Hotel business, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting" are not applicable.

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10. Auditors Remuneration*

(Amount in Rupees)

Particulars	Year ended 31.03.2010 (9 Months)	Year ended 30.06.2009 (15 Months)
a. Statutory audit fee	750,000	25,000
	750,000	25,000

* Exclusive of Service Tax

11. Managerial Remuneration (excluding provision for gratuity) to Directors:

Particulars	Year ended 31.03.2010 (9 Months) (Rs. in Lacs)	Year ended 30.06.2009 (15 Months) (Rs. in Lacs)
Chairman and Managing Director		
1. Salaries and perquisites	36.00	—
2. Contributions to provident and superannuation fund	2.70	—
3. Commission	31.77	—
	70.47	—

12. The Company has classified the various benefits provided to employees as under:-

- a) Defined contribution plans
 - i. Provident fund
- b) Defined benefits plans
 - i. Contribution to Gratuity funds
 - ii. Compensated absences – Earned leave

In accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined plans based on the following assumptions: -

Economic Assumptions

The discount rate and salary increases assumed are key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is based on the gross redemption yield on medium to long-term risk free investments. For the current valuation a discount rate of 8 % p.a. compound, has been used in consultation with the employer.

Salary Escalation Rate

The salary escalation rate usually consists of at least three components, viz. Regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again a long- term view as to the trend in salary increase rates has to be taken rather than be guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

The following tables set out the unfunded status of the gratuity plan and earned leaves and amounts recognised in the Company's financial statements as at 31 March, 2010:

i. Change in benefit obligations:

Particulars	Gratuity (Unfunded)	Compensated absences Earned leave (unfunded)
	2009–10 (Rupees)	2009–10 (Rupees)
Present value of obligations as at the beginning of the year	—	—
Transferred pursuant to the Scheme of Arrangement and Demerger	17,505,352	3,176,551
Current service cost	1,339,092	619,344
Interest cost	700,214	127,062
Benefit Paid	(1,626,477)	(496,954)
Actuarial (gain)/ loss on obligation	358,632	51,650
Present value of obligations as at the year end	18,276,813	3,477,653

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ii. Expenses recognised in the profit and loss account:

Particulars	Gratuity (Unfunded)	Compensated absences Earned leave (unfunded)
	2009-10 (Rupees)	2009-10 (Rupees)
Current Service cost	1,339,092	619,344
Interest cost	700,214	127,062
Actuarial (gain)/loss recognised during the year	358,632	51,650
Net charge/(credit)	23,97,938	7,98,056

iii. Principal actuarial assumptions:

Particulars	Refer Note below	Year ended 31.03.2010
Discount rate (p.a.)	1	8.00%
Salary escalation rate (p.a.)	2	7.00%

Notes:

1. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
2. The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.
3. The gratuity plan and earned leave is unfunded.

Demographic assumptions:

- a. Retirement age 58 years
- b. Mortality rate Published rates under LIC (1994-96) mortality table.

13. In accordance with the Accounting Standard on "Related Party Disclosures" (AS-18), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the management, are as follows:

Related Party Disclosures

a. List of related parties

(i) Key Management Personnel

- Mr. Sushil Gupta (Chairman & Managing Director)

(ii) Relative of Key Management Personnel

- Mr. Sudhir Gupta (Brother of Mr. Sushil Gupta)
- Mr. Sandeep Gupta (Son of Mr. Sushil Gupta)

(iii) Entities over which directors and their relatives can exercise significant influence

- CLG Hotels and Resorts Private Limited
- Eden Park Hotels Private Limited
- Inovia Hotels & Resorts Limited
- Choice Hospitality India Limited (till 08 January, 2010)
- Asian Hotels (North) Limited
- M/s Bhasin & Co.

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

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ENDED ON THAT DATE

b. Balances outstanding/transactions with related parties

(Rupees in Lacs)

Particulars	Key Management Personnel	Entities Controlled By Directors & their relatives	Total
(i) Transactions during the year			
Purchases/Services availed during the year			
Bhasin & Co	–	79,200	79,200
	(–)	(–)	(–)
Asian Hotels (North) Limited	–	68,280	68,280
	(–)	(–)	(–)
Inovoa Hotels & Resorts Ltd	–	678,667	678,667
	(–)	(–)	(–)
Expenses Paid			
Eden Park Hotels Private Ltd	–	2,461,404	2,461,404
	(–)	(–)	(–)
Asian Hotels (North) Limited	–	6,059,845	6,059,845
	(–)	(3,165,676)	(3,165,676)
Security Deposit given	–	225,000	225,000
	(–)	(–)	(–)
Advances Received	–	–	–
	(–)	(40,000,000)	(40,000,000)
(ii) Managerial remuneration			
Chairman and Managing Director	7,047,000	–	7,047,000
	(–)	(–)	(–)
(iii) Balances outstanding at the end			
Account Payable			
Asian Hotels (North) Limited	–	970,896	970,896
	(–)	(7,166,180)	(7,166,180)

Figures in brackets relate to the previous year.

14. i. Future commitments in respect of minimum lease payments payable for non cancellable operating leases (other than land) entered into by the Company:

(Rupees in Lacs)

S. No.	Particulars	As at 31.03.2010
a.	Not later than one year	33.00
b.	Later than one year and not later than five years	24.75

- ii. Future commitments in respect of minimum lease payments (License Fees) in case of non cancellable development agreement entered into by the Company with Delhi International Airport Private Limited (DIAL):-

(Rupees in Lacs)

S. No.	Particulars	As at 31.03.2010
a.	Not later than one year	693.63
b.	Later than one year and not later than five years	3,177.61
c.	Later than five years	34,499.12

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15. a. 1% Cumulative Redeemable Non-Convertible Preference Shares (NCPS) issued by Asian Hotels Limited were redeemable in three installments of 25%, 25% and 50% (including redemption premium) on 30th June 2008, 30th June 2009 and 30th June 2010 respectively.

Amount of Redemption Pending		(Rupees in Lacs)	
Date of Redemption	IDFC	MAGUS	
30 June, 2010	4,735.36	45.00	

(The amounts are in accordance with the ratios of allocation mentioned in the Scheme of Arrangement & Demerger).

b. **Terms of Redemption of Fully Convertible Preference Shares (FCPS)**

The FCPS are convertible into equity shares of face value of Rs. 10/- each any time during the period commencing seven months after the commencement of the trading of the equity shares of the Company by Bombay Stock Exchange, being the designated stock exchange, and ending on the expiry of eighteen months from the date of issuance thereof, as may be decided by the respective subscriber to the FCPS from time to time.

16. The Company had made a bid to Delhi International Airport (P) Limited (DIAL) for the proposal of development of assets area 4 (Upscale and Mid Market Hotel) at the Delhi International Airport site. The bid was awarded to the Company by issuing letter of award dated May 5, 2009 and thereafter the Company entered into DIAL, a development agreement dated 4 July, 2009.

Under the said agreement, the Company has right to operate the hotel constructed on DIAL site till May 02, 2036 extendable upto May 02, 2066. In the terms of agreement for which the Company has to pay an annual license fee as stipulated in the agreement. In addition to the license fee and in order to secure the payment of annual license fee in accordance with the agreement, and the performance of all other obligations under the development agreement, Company hereby agrees to pay to DIAL an interest free security deposit aggregating Rs. 12,742.26 lacs in three stipulated tranches within first year of agreement, refundable at the expiry of the terms of the said agreement unless extended. In addition to above, the Company has entered into an Infrastructure Development and Service Agreement with DIAL on 04 July, 2009, for the use of infrastructure facilities and services being developed by DIAL, for which the Company has to pay an advance development cost aggregating to Rs. 6,358 lacs, in three stipulated tranches within first year of agreement.

17. **Deferred Tax**

Break up of deferred tax assets/liabilities and reconciliation of current year deferred tax credit:

Particulars		Balance as on 1.07.2009	Transferred pursuant to the Scheme of Arrangement and Demerger	Credit/ (Charge) during the year	Balance as on 31.03.2010
(Rupees in Lacs)					
A.	Deferred tax liability				
	Tax impact of difference between Written Down Value (WDV) of fixed assets in the financial statements and income tax return (A)	–	2,944.67	(55.34)	3,000.01
B.	Deferred tax assets				
i.	Tax impact of expenses for retirement benefits charged in financial statements but allowable as deductions in future years	–	70.30	3.65	73.95
ii.	Tax impact of provision for doubtful advances/ debtors	–	2.39	(0.49)	1.90
iii.	Tax impact of expenditure allowable u/s 35DD of the Income Tax Act, 1961	–	–	35.89	35.89
iv.	Tax impact of expenditure allowable u/s 35D of the Income Tax Act, 1961	–	0.14	(0.05)	0.09
	Sub Total (B)	–	72.83	39.00	111.83
	Net Deferred Tax Liability (A–B)	–	2,871.84	(16.34)	2,888.18

18. Term Loans taken by Aria Hotels and Consultancy Services Private Limited, a subsidiary company, from a financial institution and bank are secured by way of:-

- Mortgage by way of first pari passu charge created by the Company on its immovable property situated at Mumbai namely Hotel Hyatt Regency, Mumbai.
- First pari passu charge on all existing and future current assets and movable fixed assets of Hyatt Regency, Mumbai.
- Pledge of Investment of the Company in Aria Hotels and Consultancy Services Private Limited, a subsidiary company.
- Personal Guarantees of three of the directors of the Company.

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19. Earning Per Share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

(Rupees in Lacs)

S.No.	Particulars	Units	Year ended 31.03.2010	Year ended 30.06.2009
a.	Net profit/ (loss) after tax	Rs.	100,362,000	(7,565,000)
b.	Less: Dividend on preference shares (including Corporate dividend tax)	Rs.	290,918	–
c.	Profit available for equity shareholders	Rs.	100,071,082	(7,565,000)
d.	Weighted average of number of equity shares used in computing basic earnings per share	No.	6,347,339	50,000
e.	Basic / diluted earnings per share*	Rs.	15.77	(151.30)

* Fully convertible preference shares are convertible into equity shares at a value to be determined in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 at the time when preference shareholders opt for conversion of the same into equity shares. In the absence of number of equity shares arising out of such conversion being not determinable at this stage, diluted earning per share cannot be computed.

20. The Company has applied to the Ministry of Corporate Affairs, Government of India under section 211(4) of the Companies Act, 1956 for getting exemption with regard to disclosures in respect of quantitative details of turnover, opening and closing stock, purchases, production and consumption of raw material. The final approval is awaited pending which the said disclosures are not being furnished.

21. Disclosure of Sundry Creditors under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006.

The Company had sent letters to its suppliers for confirmation of their registration under MSMED Act, 2006 and on the basis of replies received from the suppliers, the disclosure is given below:-

(Rupees in Lacs)

S.No.	Particulars	As at 31.03.2010	As at 30.06.2009
a)	Principal amount remaining unpaid to any supplier as at date	1.53	0.00
b)	Interest due thereon	0.00	0.00
c)	Amount of interest paid by the Company in terms of section 16 of the MSMED, along with amount of the payment made to supplier beyond the appointed day	0.00	0.00
d)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	0.00	0.00
e)	Amount of interest accrued and remaining unpaid	0.00	0.00

22. a. C.I.F. Value of Imports

(Amount in Rupees)

S.No.	Particulars	Year ended 31.03.2010	Year ended 30.06.2009
a.	Food & Beverages – through canalising agencies	2,644,790	–
b.	Stores & Spares	2,517,842	–
c.	Capital Goods	1,010,381	–
d.	Beverages – through canalizing agencies	8,655,620	–

b. Expenditure in Foreign Currency – On payment basis

a.	Technical services	28,610,803	–
b.	Advertisement & Publicity	–	–
c.	Commission & Brokerage	6,273,159	–
d.	Training & Recruitment	717,828	–
e.	Travelling Expenses	–	–
f.	Others	19,754,895	–

c. Earnings in Foreign Exchange

– on Receipt basis	348,337,525	–
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23. Details of shares held as stock-in-trade as at 31 March, 2010 is as under:

Name of the Company	No of Shares	Cost (Rs/Lacs)	
		As at 31.03.2010	As at 30.06.2009
Bartronics India Limited	2,500	3.68	—
Hindustan Oil Exploration Limited	3,000	7.10	—
		10.78	—

24. Unhedged Foreign Currency Exposures

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency (FC)	Amount in FC	Amount in rupees
Accounts payable	USD	517,301	23,488,938

25. The name of the Company has changed from Chillwinds Hotels Limited to Asian Hotels (West) Limited w.e.f. 12 February, 2010.
26. Schedules 1 to 16 form an integral part of the Balance Sheet as at 31 March, 2010 and the Profit and Loss Account for the nine months period ended 31 March, 2010.
27. The Company does not have any subsidiary in the previous years. Hence, comparative figures for the previous year represents figures of standalone financial statement of Asian Hotels (West) Limited only.
28. Previous year financial statements are for fifteen months, whereas current year financial statements are for nine months (it contains operations of Hotel Hyatt Regency, Mumbai for five months period).
29. Previous year figures have been regrouped/ reclassified wherever necessary to conform to current year classification.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants

ARUN K. TULSIAN
Partner
Membership No. 89907

Place : New Delhi
Dated : 21st May, 2010

SUSHIL GUPTA
Chairman &
Managing Director

SANDEEP GUPTA
Executive
(Whole Time) Director

NIKHIL SETHI
Company Secretary

ASIAN HOTELS (WEST) LIMITED

(formerly Chillwinds Hotels Limited)

Regd. Office: E-5, Clarion Collection, The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016

PROXY FORM

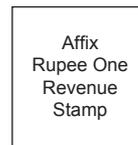
I / We.....resident(s) ofbeing a Member / Members of Asian Hotels (West) Limited, hereby appoint Mr./Mrs.resident of..... as my / our proxy to attend and vote for me / us, on my / our behalf, at the 3rd Annual General Meeting of the Company to be held on Saturday, 18th September, 2010, and at any adjournment thereof in the following manner:

Item No. of the notice convening this meeting	Vote 'FOR'	Vote 'AGAINST'	NOTE
	(Tick in the appropriate column)		
Item No. 1.			In case the member does not exercise his option instructing the proxy to vote in a specific manner, the proxy would be free to exercise his options.
Item No. 2.			
Item No. 3.			
Item No. 4.			
Item No. 5.			
Item No. 6.			
Item No. 7.			
Item No. 8.			
Item No. 9.			
Item No. 10.			
Item No. 11.			

As witness my / our hands this day of, 2010.
(Date) (Month)

Registered Folio No./ DP ID No. and Client ID No.....

No. of shares held.....



Signature(s)

Note: This proxy form must be deposited at the Registered Office of the Company not less than forty eight hours before the time of holding the meeting.

TEAR HERE

ASIAN HOTELS (WEST) LIMITED

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Regd. Office: E-5, Clarion Collection, The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016

ATTENDANCE SLIP

Name of the person (s) attending (1) (2)

Father / Husband's Name (1) (2)

Registered Folio No./ Client ID No. and DP ID No. No. of shares held

If proxy or second / third joint holders, name of first shareholder

I / We hereby record my / our presence at the 3rd Annual General Meeting of the Company held at Air Force Auditorium, Subroto Park, New Delhi - 110 010 on this 18th September, 2010 at 3.30 P.M.

Signature(s)

IMPORTANT

- This attendance slip duly filled in and signed may please be handed over at the entrance of the meeting hall.
- If the particulars contained herein are incorrect / missing, the Company reserves the right to withhold entry.
- Accompanying children / non-members will not be allowed.
- Shareholders are requested not to carry any briefcase, carry bag, shopping bag and the like to the venue since these will not be allowed inside for security reasons.**

ASIAN HOTELS (WEST) LIMITED
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Regd. Office : E-5, Clarion Collection, The Qutab Hotel, Shaheed Jeet Singh Marg, New Delhi – 110016
Telephone No.011-46101234 / 46101207 / 46101210, Fax No. 011-46101202
Website : www.asianhotelswest.com