



East West Hotels Limited

**36TH
ANNUAL REPORT**

2004 - 2005

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BOARD OF DIRECTORS

PREM KUMAR MENON (EXECUTIVE CHAIRMAN)

CHRISTOPHER GLADSTONE MENON

INDRA PREM MENON

A. MURALI

K. MUNIAPPA (ALTERNATE DIRECTOR TO CHRISTOPHER GLADSTONE MENON)

J. SURI

BANKERS :

STATE BANK OF MYSORE
Lady Curzon Road
Bangalore

AUDITORS :

A. N. JAMBUNATHAN & CO
Chartered Accountants
13, Deivasigamani Road
Lakshmipuram, Royapettah
Chennai - 600 014

REGISTERED OFFICE :

Gateway Hotel on Residency Road
66, Residency Road,
Bangalore - 560 025

ADMINISTRATIVE OFFICE :

3115, 6th 'C' Main, 13th Cross,
HAL 2nd Stage, Indira Nagar,
Bangalore - 560 008

Equity Shares Listed at :

BANGALORE STOCK EXCHANGE
1st Cross, J.C. Road,
Bangalore - 560 002

SHARE TRANSFER AGENTS:

M/s. ALPHA SYSTEMS PRIVATE LIMITED,
30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram,
BANGALORE - 560 003

East West Hotels Limited

Regd.Off : Gateway Hotel On Residency Road, 66, Residency Road, Bangalore - 560 025

Tel : 56604545 Extn 3076

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the shareholders of the company will be held on Wednesday the 28th September, 2005, at 10.30 a.m at the registered office of the company at Gateway Hotel on Residency Road, No.66, Residency Road, Bangalore - 560 025 to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31-03-2005 and the Profit and Loss Account for the year ended on that date, the Report of the auditors thereon and the Report of the Directors together with the Compliance Certificate u/s 383(A) of the Companies Act, 1956.
2. To declare Dividend.
3. To appoint Directors in place of Mr.J.Suri & Mr.A. Murali who retire by rotation under Article 119 of the Articles of Association of the Company and being eligible offer themselves for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors, M/s .A.N.Jambunathan & Co., Chartered Accountants are eligible for reappointment.
5. SPECIAL BUSINESS :

To pass with or without modification the following resolution as ordinary resolution.

Subject to the provisions of section 269, schedule XIII and any other applicable provisions of the Companies Act 1956 approval be and is hereby granted for the reappointment of Mr. Prem Kumar Menon as whole time Director with the designation of Executive Chairman for a period of 5 years w.e.f. 1st July 2005 on the following terms & conditions:

SALARY : NIL

COMMISSION : Such percentage of the Net Profit of the company computed in accordance with section 198, 309 and 349 of the Companies Act, 1956, as may be approved by the Board of Directors for each financial year, so however, that the total commission of the Executive Chairman in any financial year shall not exceed 5% of the Net Profit or such other higher maximum limit as may be prescribed by the Central Government from time to time.

In the event of inadequacy or absence of profit in any financial year during the currency of tenure of Mr.Prem Kumar Menon as Executive Chairman, he will be paid such remuneration not exceeding the limits specified in section II of Part II of Schedule XIII of the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time as minimum remuneration and as may be decided by the Board of Directors of the Company.

DURATION : 5 years from 1st July, 2005

SITTING FEES : The appointee will be eligible for sitting fees as per the regulations of the company for attending any meeting of the Board of Directors or any committee thereof.

Further resolved that the General Management of the company, subject to the control and supervision of the Directors shall be vested in the Executive Chairman Mr. Prem Kumar Menon and he shall have the conduct and management of the business and affairs of the company and without affecting the generality of the foregoing shall exercise all the powers vested by law and by the Articles of Association of the Company in the Board of Directors except those powers which are required to be exercised only by the Board of Directors of the Company.

By Order of the Board
For **EAST WEST HOTELS LTD.**

Sd/-
PREM KUMAR MENON
Executive Chairman

Bangalore
5th August, 2005

NOTES :

1. Any member entitled to attend and vote at the meeting may appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company. Duly completed proxies should however be deposited at the Registered Office of the company not later than 48 hours before the commencement of the meeting.
2. The Register of Members of the Company will be closed from 20th to 28th September, 2005 (both days inclusive).
3. Members/bodies corporate/proxies should bring attendance slip duly filled in for attending the meeting.
4. Members are requested to bring their copies of Annual Report to the meeting.
5. To avail the facility of nomination, members are requested to submit to the Company the Nomination Form, which may be supplied on request.
6. Pursuant to the provisions of section 205A of the Companies Act, 1956, dividend for the financial year ended 31.03.1998 will be transferred to the Investor Education and Protection Fund of the Central Government on or after 16.11.2005. Members who have not encashed dividend warrant for the said financial year are requested to make their claims to the company immediately.
7. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the Special Business as given in the notice annexed.

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

Re-appointment of Whole Time Director Mr.Prem Kumar menon:

Mr.Prem Kumar Menon was appointed as Whole Time Director with the designation of Executive Chairman for 5 years from 1st July, 2000 and the said appointment has come to an end on 30th June, 2005. The Board of Directors of your Company at its meeting on 18th April, 2005, considered this and after due deliberations reappointed him, subject to approval of the members, as Whole Time Director with the designation as Executive Chairman for a further period of 5 years w.e.f. 1st July, 2005, on the terms and conditions as detailed in the said resolution given in the notice.

Abstract of the terms and conditions of the reappointment of Mr. Prem Kumar Menon as Executive Chairman along with Memorandum of interest of Directors has been already sent to all the members on 19th April, 2005.

Apart from Mr.Prem Kumar Menon, Mrs. Indra Prem Menon and Mr.Christopher Gladstone Menon, who are relatives of Mr.Prem Kumar Menon, are also deemed to be interested to this resolution.

Since the appointment has been made subject to the provisions of schedule XIII r.w.s 269 of the Companies Act, 1956, consent of members for the reappointment of Mr.Prem Kumar Menon as Executive Chairman is required.

Your Directors recommend the resolution for approval.

By Order of the Board
For **EAST WEST HOTELS LTD.**

Sd/-
PREM KUMAR MENON
Executive Chairman

Bangalore
5th August, 2005

EAST WEST HOTELS LIMITED

DIRECTORS' REPORT TO SHAREHOLDERS :

Your Directors have pleasure in presenting the 36th Annual Report along with the Audited Accounts of your Company for the year ended 31st March, 2005.

OPERATIONS :

The year under review i.e. 2004-05 was a good year for Tourism and Hospitality Industries in India. Consequently your Company's revenue from Licence Fee registered a growth of 98.95% during the year.

OUTLOOK FOR THE CURRENT YEAR:

The outlook for the current year 2005-06 in the opinion of the industry sources continues to be encouraging.

FINANCIAL RESULTS :

(Rs. in lakhs)

Income from Operation	3,59,88,998.00	
Other Income	<u>13,56,009.00</u>	
Total Income		3,73,45,007.00
Expenditure	61,01,584.00	
Depreciation	<u>7,08,004.00</u>	<u>68,09,588.00</u>
Profit before Tax		3,05,35,419.00
Provision for Tax (including Tax on Dividend)		<u>1,20,00,725.00</u>
Profit after Tax		1,85,34,694.00
Balance brought forward		1,51,51,377.00
Add : Net Deferred Tax liability		<u>60,278.00</u>
Profit available for appropriation		3,37,46,349.00
Less : Transfer to General Reserve	25,00,000.00	
Provision for Dividend including Interim Dividend	<u>54,00,000.00</u>	<u>79,00,000.00</u>
Balance carried to Balance Sheet		2,58,46,349.00 =====

DIVIDEND

Since your Directors have already declared and paid an Interim Dividend of 150%, no final dividend is recommended. The Interim Dividend of 150% already paid will be treated as final dividend for the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 217 (2AA) of the Companies Act, 1956, your Directors hereby confirm that they have:

- i. followed the applicable accounting standards in the preparation of the financial accounts.
- ii. selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit for the year under review.
- iii. taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company for preventing and detecting fraud and other irregularities.
- iv. prepared the accounts for the financial year in question on a "going concern" basis.

DIRECTORATE :

Mr. J.Suri and Mr.A. Murali retire by rotation under Article 119 of the Company's Articles of Association and being eligible offer themselves for re-appointment.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public during the year.

AUDITORS :

M/s A.N. Jambunathan & Co., the retiring statutory auditors are eligible for re-appointment.

PARTICULARS OF EMPLOYEES.:

The Company had no employee in the category specified under section 217(2A) of the Companies Act, 1956, during the year under review.

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo.

The Company has no such activity as will necessitate adoption of measures for conservation of energy or technology absorption.

Foreign Exchange earnings during the year	-	Nil
Foreign Exchange outgo during the year (Representing Expenditure in foreign currency)	-	Rs.5,48,850.00

CORPORATE GOVERNANCE

According to the schedule of implementation as per guidelines issued by SEBI, the provisions relating to Corporate Governance are not applicable to the company as yet.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation extended to the Company by the shareholders, the bankers and the Gateway Hotels and Gateway Resorts Limited during the year under review.

By Order of the Board
For **EAST WEST HOTELS LIMITED**

Sd/-
PREM KUMAR MENON
Executive Chairman

Bangalore
5th August, 2005

ADDENDUM TO THE DIRECTORS' REPORT

With regard to certain points raised by the Statutory Auditors in their report to the share holders, your Directors wish to state as follows:

1. PARA 6(a) OF AUDITORS' REPORT :

Note No.8 of Notes forming part of the accounts are self-explanatory and since the company is confident of settling the issue shortly, no provision has been made in the accounts.

2. PARA 6(b) OF THE AUDITORS' REPORT

Note No.9 of Notes forming part of accounts are self-explanatory and since the company is confident of settling the issue shortly, no provision has made in the accounts.

By Order of the Board
For **EAST WEST HOTELS LIMITED**

Sd/-
PREM KUMAR MENON
Executive Chairman

Bangalore
5th August, 2005

K. Madhavan Nair
Practising Company Secretary
C P No. 3936

No. 917, "Prashanthi"
2nd Cross, Kirloskar Colony
Basavesharanagar
Bangalore - 560 079
Ph : 23220745 Cell : 9341249255

SECRETARIAL COMPLIANCE CERTIFICATE

Registration No. of the Company : 08/1795/1969
Nominal Capital : Rs.1,50,00,000/-

To:

The Members,
East West Hotels Limited,
66, Residency Road,
BANGALORE -560 025

I have examined the registers, records, books and papers of M/s. East West Hotels Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31-03-2005 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per the Provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The company has filed the forms and/or returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Karnataka. There was no occasion for the company to file any document with Regional Director, Central Government, Company Law Board or other authorities during the year under review
3. The company, being a public limited company, comments as to its paidup capital, number of members etc, are not required.
4. The Board of Directors duly met 7 times respectively on 26-04-2004, 7-06-2004, 30-07-2004, 20-08-2004, 27-10-2004, 16-12-2004 & 27-1-2005 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No Circular Resolution was passed during the year under review.
5. The company closed its Register of Members from 20th September, 2004 to 29th September, 2004 (both days inclusive) and necessary compliance of section 154 of the Act has been made.

6. The Annual General Meeting for the financial year ended on 31-03-2004 was held on 29-09-2004 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General meeting was held during the financial year.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company was not required to make any entries in the register maintained under section 301 of the Act in respect of transactions falling under the purview of section 297. The company has, however made entries to the extent required in respect of transactions coming within the purview of section 299 where Directors of the company may be directly or indirectly interested.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Board of Directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates
13. The company has :
 - (i) has delivered all the certificates on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) has instructed its Bankers vide its letter dt 8th June, 2004 to transfer an amount of Rs. 54,00,000/- from its Current Account to the Interim Dividend Account 2004-05 which was within 5 days from the date of declaration, i.e. 7th June, 2004 of such Interim Dividend.
 - (iii) has paid/posted warrants for interim dividend 2004-05 to all the members except a very few cases relating to Share holders outside Karnataka where the SBI or SBM have no branches, within the period of 30 (thirty) days from the date of declaration and that all unclaimed or unpaid dividend has been transferred to Unclaimed Dividend Account of the Company with State Bank of Mysore, Lady Curzon Road Branch, Bangalore-560 001.
 - (iv) has transferred, during the year under review, unpaid or unclaimed equity dividend for 1996-97 to Investor Education and Protection Fund. Apart from the above, the company has no amounts in application money due for refund, matured deposits, matured debentures and the interest accrued thereon remaining unclaimed or unpaid as at 31.3.2005 to be transferred to Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is duly constituted. There was no appointment of additional Directors, alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/whole time Director/Manager during the financial year.
16. The company has not appointed any Sole Selling Agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities as prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has not issued any preference shares and hence there was no redemption of preference shares during the financial year. The company has not at all issued any debentures.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the company from financial institutions/banks during the financial year ended on 31.3.2005 was within the borrowing limits of the company; i.e. aggregate of paidup capital and free reserves.
25. The company has given inter-corporate deposits to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.

28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notice received by the company and no fine or penalty or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The employees of the company are covered under the Employees Provident Fund Act/Scheme 1952 and the company has deposited both employees' and employer's contribution to the Provident Fund with the prescribed authorities under the EPF Act.

Signature

Sd/-
(K.Madhavan Nair)

Place : Bangalore
Date : 3rd August, 2005

ANNEXURE 'A'**Registers as maintained by the Company**

1. Register of Members u/s 150
2. Index to Register of Members u/s 151
3. Register of Contracts u/s 301
4. Register of Directors u/s 303
5. Register of Directors shareholding u/s 307
6. Register of Investments/Loans etc. u/s 372A.
7. Register of renewed and duplicate certificate under Rule 7 of Companies Act (Issue of Share Certificates) Rule 1960.
8. Minute Book of Meetings u/s 193:
 - (i) Board Meeting
 - (ii) General Body Meeting
 - (iii) Committee Meeting
9. Books of Accounts u/s 209
10. Register of Directors' Attendance
11. Register of Shareholders' Attendance
12. Register of transfers

ANNEXURE 'B'

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31-03-2005

S.No.	Form No./ Return	Filed under section	For	Date of filing	Whether filed within prescribed	If delay in filing whether requis- ite additional fee paid
1.	Balance Sheet & Profit & Loss Account	220	Year ended 31-03-2004 for which Annual General Meeting was held on 29-09-2004	5-10-2004	Yes	No
2.	Annual Return as per Schedule V	159	Year ended 31-03-2004 for which Annual General Meeting was held on 29.9.2004	12-11-2004	Yes	No
3.	Secretarial Compliance Certificate	383(A)	Year ended 31-03-2004 for which Annual General Meeting was held on 29-09-2004	05-10-2004	Yes	No

AUDITORS' REPORT TO SHAREHOLDERS

To

The Members of East West Hotels Ltd.

1. We have audited the attached Balance Sheet of East West Hotels Ltd., as on 31st March, 2005 and also the Profit & Loss Account and the CASH FLOW STATEMENT 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 report.
2. We conducted our audit in accordance with the 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 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 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 para 4 & 5 of the said order.
4. Further to our comments in Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books.
 - (c) The Balance Sheet, Profit & 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 and Profit & 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 Company's Act, 1956 to the extent applicable.
5. On the basis of written representations received from Directors as on 31st March 2005 & taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2005 from being appointed as Director in terms of clause (g) of sub-section (i) of section 274 of the Companies Act, 1956.
6. ***(a) Attention is invited to Note No.8 of Notes forming part of Accounts in respect of Rs.32,00,000/- advance made to a company in which the erstwhile Managing Director and another erstwhile Director are interested. This advance though classified as good and recoverable in the accounts by the company, in our opinion the same is considered doubtful of recovery.***

(b) Attention is invited to Note No. 9 of Notes forming part of accounts of the Company regarding Inter-Corporate Deposits aggregating to Rs.24,00,000/- and interest outstanding thereon aggregating to Rs.6,02,467/- which have been classified as good by the company are, in our opinion, considered doubtful of recovery.

Subject to these, 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 and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2005.
- (b) In the case of Profit & Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **A.N.JAMBUNATHAN & CO.**
CHARTERED ACCOUNTANTS

Sd/-
J.SRINIVASAN
PARTNER

Bangalore
5th August, 2005

ANNEXURE TO THE AUDITOR'S REPORT OF EVEN DATE

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 (b) Physical verification of major assets was conducted by the management during the year, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification as compared with the book records. In respect of the assets licenced to Gateway Hotels, a certificate has been obtained from their management confirming verification of assets and that there are no discrepancies on such verification.
 (c) During the year, the company has not disposed off substantial part of fixed assets.
2. The company has no stock of finished goods, stores, spare parts and raw materials during the year and hence physical verification and valuation thereof do not arise
3. The Company has not taken or granted any loans secured or unsecured during the year from or to companies, firms and other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. During the course of audit, no major weakness has been noticed in the internal controls.
5. Based on audit procedures applied by us and according to the information and explanations given to us, there are no transactions that need to be entered into the Register in pursuance of section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposit from the public.
7. The Company has an adequate internal audit system which was conducted by an independent firm of Chartered Accountants, which in our opinion is commensurate with the size and nature of its business.
8. According to the information and explanations given to us, maintenance of cost records have not been prescribed by the Central Government u/s 209(1)(d) of the Act.
9. (a) According to the records of the company, the company is generally 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, Customs Duty, Excise, Cess and any other statutory dues applicable to it.
 (b) The dues of income tax that have been deposited on account of any dispute, the amounts involved and the forum where the dispute is pending are detailed below:

Assessment year	:	1995-96
Tax demanded	:	Rs.39,20,371/-
Forum before which pending	:	Appeal before Income Tax Appellate Tribunal, Bangalore
Whether the demand is paid	:	The entire disputed demand is still not paid.

East West Hotels Limited

10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the financial year immediately preceding such financial year.
11. During the year, the Company had no dues to a financial institution or bank or debenture holders.
12. Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit/nidhi/mutual benefit fund/society.
14. Based on our examination of the records and evaluation of the related internal controls we are of the opinion that proper records have been maintained of the transactions and contracts and timely entries, have been made in those records. We also report that the company has held the investments in its own name.
15. On the basis of the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has obtained a term loan of Rs.2,40,00,000/- from Housing Development Finance Corporation Ltd., repayable in 60 Equated Monthly Instalments for purchase of a property at Chennai, which is being developed. The entire term loan has been utilised for the said property.
17. On the basis of our examination of the books of accounts and the information and explanations given to us, no funds have been raised on short term basis.
18. 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.
19. During the year the company has not issued any debentures.
20. The Company has not raised any money by public issues during the year.
21. Based upon the audit procedures performed and information and explanation 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.

For A.N.JAMBUNATHAN & CO.
CHARTERED ACCOUNTANTS

Sd/-
J.SRINIVASAN
PARTNER

Bangalore
5th August, 2005

EAST WEST HOTELS LIMITED

BALANCE SHEET AS ON 31ST MARCH, 2005

	Sch.No.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
<u>SOURCES OF FUNDS</u>			
Share Capital	1	3,600,000	3,600,000
Reserves and Surplus	2	46,328,806	33,133,835
Secured Loans		NIL	NIL
Unsecured Loans	3	24,597,219	1,451,340
Total		<u>74,526,025</u>	<u>38,185,175</u>
<u>APPLICATION OF FUNDS</u>			
Fixed Assets	5	10,480,676	10,860,025
Investments		NIL	NIL
Current Assets, Loans & Advances	6	92,087,891	48,314,149
Less: Current Liabilities & Provisions	4	26,649,153	19,535,332
Less: Net Deferred Tax Liability	4a	<u>2,852,955</u>	<u>2,913,233</u>
Net Current Assets		62,585,783	25,865,584
Misc. Exps & Losses (to the extent not written off)	7	<u>1,459,566</u>	<u>1,459,566</u>
TOTAL		<u>74,526,025</u>	<u>38,185,175</u>

Schedules referred to above and the accompanying notes form part of this Balance Sheet

As per our report of even date
For **A.N.JAMBUNATHAN & CO.**
CHARTERED ACCOUNTANTS

Sd/-

J.SRINIVASAN
PARTNER

PREM KUMAR MENON
EXECUTIVE CHAIRMAN

INDRA PREM MENON
J. SURI
DIRECTORS

Bangalore
5th August, 2005

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2005

	Sch. No.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
<u>INCOME</u>			
Licence Fee		35,988,998	18,089,194
Interest		1,336,240	2,489,025
Other Income	8	19,769	NIL
Total		<u>37,345,007</u>	<u>20,578,219</u>
<u>EXPENDITURE</u>			
Staff Remuneration & Welfare Expenses	9	1,888,340	1,105,834
Power, Fuel & Water charges	10	63,864	74,735
Depreciation	5	708,004	380,278
Administrative Expenses	11	4,149,380	3,075,239
Sub-Total		<u>6,809,588</u>	<u>4,636,086</u>
Net Profit for the year		<u>30,535,418</u>	<u>15,942,133</u>
TOTAL		<u>37,345,007</u>	<u>20,578,219</u>

Schedules referred to above and the accompanying notes form an integral part of this Profit & Loss A/c

As per our report of even date
For **A.N.JAMBUNATHAN & CO.**
CHARTERED ACCOUNTANTS

Sd/-
J.SRINIVASAN
PARTNER

PREM KUMAR MENON
EXECUTIVE CHAIRMAN

INDRA PREM MENON
J. SURI
DIRECTORS

Bangalore
5th August, 2005

PROFIT & LOSS APPROPRIATION ACCOUNT

	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
Opening Balance	15,151,377	11,355,194
Add: Profit for the year	30,535,418	15,942,133
Income tax (net adjustment upto year ending 31.3.2003)	NIL	710,430
Total	<u>45,686,795</u>	<u>28,007,757</u>
LESS : APPROPRIATIONS :		
Provision for Income Tax	11,260,000	5,709,990
Provision for Wealth Tax	48,850	45,267
Net Deferred Tax Liability for the year	NIL	9,248
Provision for Interim Dividend (2004-05)	5,400,000	5,400,000
Provision for Final Dividend	NIL	NIL
Provision for Tax on distributed Profits (Interim)	691,875	691,875
Provision for Tax on distributed Profits (Final)	NIL	NIL
Transfer to General Reserve	2,500,000	1,000,000
Sub-Total	<u>19,900,725</u>	<u>12,856,380</u>
	25,786,070	15,151,377
ADD: Net Deferred Tax Liability Reversed	60,278	NIL
TOTAL	<u>25,846,348</u>	<u>15,151,377</u>
Balance Carried to Balance Sheet	<u>25,846,348</u>	<u>15,151,377</u>
EPS - Basic (Rs. 10 per share)	53.71	28.27
EPS - Diluted (Rs. 10 per share)	53.71	28.27
EPS - Diluted Annualised (Rs. 10 per share)	53.71	28.27

As per our report of even date
For **A.N.JAMBUNATHAN & CO.**
CHARTERED ACCOUNTANTS

Sd/-

J.SRINIVASAN
PARTNER

PREM KUMAR MENON
EXECUTIVE CHAIRMAN

INDRA PREM MENON
J. SURI
DIRECTORS

Bangalore
5th August, 2005

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS ON 31ST MARCH, 2005**

	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
SCHEDULE - 1		
SHARE CAPITAL		
<u>Authorised</u>		
12,00,000 Equity Shares of Rs.10 each	12,000,000	12,000,000
30,000 - 11% Redeemable Cumulative Preference Shares of Rs.100/- each	3,000,000	3,000,000
TOTAL	15,000,000	15,000,000
<u>Issued, Subscribed & Paid up</u>		
3,60,000 Equity Shares of Rs.10/- each	3,600,000	3,600,000
Total	3,600,000	3,600,000
SCHEDULE - 2		
<u>RESERVES & SURPLUS</u>		
Capital Reserve	10,024,625	10,024,625
Capital Redemption Reserve	2,151,300	2,151,300
Securities Premium Account	104,250	104,250
General Reserve	8,202,283	5,702,283
Profit & Loss Account	25,846,348	15,151,377
TOTAL	46,328,806	33,133,835
SCHEDULE - 3		
UNSECURED LOANS:		
ICICI BANK - CAR LOAN	793,500	1,207,500
KOTAK MAHENDRA - CAR LOAN	121,920	243,840
HDFC LTD.	23,681,799	NIL
TOTAL	24,597,219	1,451,340

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS ON 31ST MARCH, 2005**

	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
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SCHEDULE - 4

CURRENT LIABILITIES & PROVISIONS

Sundry Creditors	2,246,396	6,438,050
Other Liabilities (deposit for licence fees)	7,000,000	7,000,000
Provision for Income Tax	16,969,990	5,709,990
Provision for Wealth Tax	216,257	167,407
Provision for Gratuity	216,510	219,885
	<u>26,649,153</u>	<u>19,535,332</u>

SCHEDULE - 4a

NET DEFERRED TAX LIABILITY

Deferred Tax Liability	2,913,233	2,903,985
LESS : Deferred Tax Liability reversed	(60,278)	NIL
ADD : Deferred Tax Liability	NIL	9,248
	<u>2,852,955</u>	<u>2,913,233</u>

SCHEDULE - 5

FIXED ASSETS

Description	Gross Block			Depreciation			Net Block		
	As on 01.04.04	Addns/ Deletions During the Year	Total up to 31.03.2005	Up to 01.04.04	For the Year	Dele- tions	Up to 31.03.2005	W.D.V. as on 01.04.04	W.D.V. as on 31.03.2005
Land	783711	0	783711	0	0	0	0	783711	783711
Land -Admn. Office	203819	0	203819	0	0	0	0	203819	203819
Land Thiruva nanthapuram	5368217	64766	5432983	0	0	0	0	5368217	5432983
Building	6326764	0	6326764	4478365	92420	0	4570785	1848399	1755979
Building -Admn. Office	794680	0	794680	338637	22802	0	361439	456043	433241
Furniture	1778848	0	1778848	1734752	7981	0	1742733	44096	36115
Furniture at Admn. Office	520681	246921	767602	443800	49966	0	493766	76881	273836
Office									
Vehicles									
Ford Endeav- our	1475157	0	1475157	29297	374333	0	403630	1445860	1071527
Maruthi Zen LX	343709	0	343709	84842	67021	0	151863	258867	191846
Opel Astra Car	911150	0	911150	707226	52796	0	760022	203924	151128
Two Wheelers	37097	0	37097	24368	3296	0	27664	12729	9433
Plant & Machinery	2649847	(2649847)	0	2579884	9732	2589616	0	69963	0
Office			0						
Equipment	87802	0	87802	48070	5527	0	53597	39732	34205
Cellular Phone	20600	0	20600	7197	1864	0	9061	13403	11539
Computer	98250	77200	175450	63870	20266	0	84136	34380	91314
	21400332	(2260960)	19139372		708004		8658696	10860024	10480676

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS ON 31ST MARCH, 2005**

	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
SCHEDULE-6		
<u>CURRENT ASSETS, LOANS & ADVANCES</u>		
A. CURRENT ASSETS		
Interest Receivable	850,166	609,708
Sundry debtors (considered good)		
a. Debts outstanding for a period exceeding 6 months	Nil	Nil
b. Other debts (unsecured and considered good)	Nil	Nil
Cash & Bank balances		
a. Cash Balance	201,397	555,036
b. Bank balances		
In Current Accounts	10,811,539	10,888,641
In Deposit Accounts	6,000,000	750,000
B. LOANS & ADVANCES		
(1) Considered good for which company holds no security other than debtors personal security.	47,970,660	15,197,300
Prepaid Expenses	197,763	233,708
Advance Tax	3,881,798	1,250,000
Tax Deducted at Source	11,827,738	4,028,193
Wealth Tax	182,567	137,300
C. DEPOSITS		
Inter Corporate Deposits	9,700,000	4,200,000
Other Deposits	464,263	464,263
TOTAL	92,087,891	48,314,149

Notes :

- (i) Rs.32,00,000/- (P.Y.Rs.32,00,000/-) (included in Loans & Advances) being advance for the purchase of land paid to another Company in which an Erstwhile Director & Erstwhile Managing Director of the Company are interested as Directors
- (ii) Rs.7,00,000/- (included in Inter Corporate Deposits) (P.Y. Rs. 7,00,000/-) being the amount due from Company in which an Erstwhile Director and Erstwhile Managing Director are interested as Directors.

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS ON 31ST MARCH, 2005**

	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
<p>(iii) Rs.17,00,000/- (included in Inter Corporate deposits) (P.Y. Rs.17,00,000/-) being the amount due from company in which two erstwhile Directors are interested as Directors</p>		
SCHEDULE - 7		
Misc. Exps & Losses (to the extent not w/off)		
Expenditure incurred towards proposed project	<u>1,459,566</u>	<u>1,459,566</u>
	<u>1,459,566</u>	<u>1,459,566</u>
SCHEDULE - 8		
OTHER INCOME		
Profit on Sale of Assets	<u>19,769</u>	<u>NIL</u>
TOTAL	<u>19,769</u>	<u>NIL</u>
SCHEDULE - 9		
<u>STAFF REMUNERATION & WELFARE EXPENSES</u>		
Salaries, Wages & Bonus (includes commission of Rs. 15,26,770/- to Executive Chairman)	<u>1,708,300</u>	982,632
Exgratia	<u>63,350</u>	19,350
Staff Welfare	<u>87,673</u>	74,500
Contribution to PF and other funds	<u>18,546</u>	19,284
Gratuity	<u>10,471</u>	10,068
TOTAL	<u>1,888,340</u>	<u>1,105,834</u>
SCHEDULE - 10		
<u>POWER, FUEL & WATER CHARGES</u>		
Power, Fuel & Gas	<u>4,680</u>	4,820
Electricity Charges	<u>57,131</u>	67,130
Water Charges	<u>2,053</u>	2,785
TOTAL	<u>63,864</u>	<u>74,735</u>

**SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET
AS ON 31ST MARCH, 2005**

CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
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SCHEDULE - 11

ADMINISTRATIVE EXPENSES

Printing & Stationery		38,004	44,529
Rates & Taxes & Liabilities		170,340	276,943
Postage, Telegram & Telephone		151,273	156,679
Travelling Expenses - Directors		1,037,975	316,373
Others		231,639	254,280
Bank Charges		12,206	24,924
Insurance		55,456	15,502
Vehicle Maintenance		38,683	44,855
Legal & Consultancy charges		830,911	682,323
General expenses		374,221	353,070
Repairs & Renewals		116,826	189,134
Auditors Remuneration			
As Auditor	30,000		
For Tax Audit	10,000		
In Any Other Capacity	Nil	40,000	40,000
Entertainment Expenses		660,215	316,535
Advertisement & Business Promotion		273,904	262,791
Donation		12,000	NIL
Sitting Fees		76,000	84,000
Service Tax & Education Cess		29,728	13,296
Rounding Off		1	5
		<u>4,149,380</u>	<u>3,075,239</u>

NOTES FORMING PART OF ACCOUNTS AS ON 31ST MARCH, 2005

1. Corresponding figures for the previous year have been rearranged and regrouped wherever necessary to conform to the year's presentations, and figures have been rounded off to the nearest rupee.
2. In the opinion of the Board, in the ordinary course of business the current assets, loans and advances have a value on realisation at the amount stated in the Balance Sheet.
3. **SIGNIFICANT ACCOUNTING POLICIES**
 - A. **Revenue Recognition:**
Income is accounted for on Accrual basis.
 - B. **Fixed Assets:**
All Fixed assets are valued at cost less depreciation
 - C. **Depreciation:**
The Company follows written down value method for providing depreciation in respect of all fixed assets as per the rates prescribed in Schedule XIV to the Companies Act, 1956. In respect of all deletions and additions during the year, depreciation is provided on pro-rata basis.
 - D. **System of Accounting:**
The Company follows mercantile system of accounting.
 - E. **Retirements Benefits:**
 - i. Contribution to Provident Fund is charged off to revenue.
 - ii. The Company has provided for gratuity for those employees who are eligible as on 31.03.2005 as per the provisions of the Payment of Gratuity Act.
 - F. **Contingent Liabilities:**
Contingent Liabilities are not provided and are disclosed by way of Notes to accounts.
4. **Remuneration to Executive Chairman:**

	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
Salary	NIL	NIL
Commission	15,26,770	7,97,107
Sitting Fees	16,000	18,000

5. **Expenditure in Foreign Currency**

Towards foreign travel	5,48,850
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6. **Expenditure in respect of employees**

(i) No. of employees of the company employed throughout the financial year who were in receipt of remuneration for the year which in the aggregate were not less than Rs.24,00,000/-	NIL	NIL
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(ii) No. of employees of the company employed for a part of the financial year who were in receipt of remuneration for any part of the year which in the aggregate were not less than Rs.2,00,000/- per month	NIL	NIL
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7. **Advances, Deposits & Creditors:**

The balances of advances, deposits and creditors are taken on the basis of book figures and are subject to confirmation.

8. As regards advance of Rs.32,00,000/- given by the company to M/s.Coonor Construction Co. Pvt. Ltd., for purchase of land, the said company's Directors have made a representation to the Board of Directors of your company requesting not to pursue the winding up petition filed against the said company as the management of M/s.Coonor Construction Co.Pvt.Ltd., is desirous of reviving it and assured your Board of Directors that they would settle the matter during the course of current financial year. Hence the winding up proceedings initiated against the said Company has been temporarily suspended. The company is hopeful of recovering the amount without much delay.

9. In respect of two Inter-Corporate deposits made to M/s.Coonor Construction Co.Pvt.Ltd., Rs.7,00,000/- and M/s.Tokushu Menon Paper Mfg. Co. Ltd., Rs.17,00,000/-, at the request of the management of both M/s.Coonor Construction Co. Pvt. Ltd., and M/s.Tokushu Menon Paper Mfg.Co. Ltd., the winding up proceedings initiated against them have been temporarily suspended. The company is hopeful of recovering the balance amounts during the current year. No interest is provided for the above amounts in the accounts in respect of both the parties for the financial year under consideration. Interest outstanding upto 31.3.2005 from M/s.Coonor Construction Co. Pvt. Ltd., is Rs.2,99,046/- and M/s.Tokushu Menon Paper Mfg. Co. Ltd., is Rs.3,03,421/-

10. In respect of assessment years 1996-97, 97-98, 98-99, the Income Tax appeals preferred by the company before the Commissioner of Income Tax (Appeals) have been disposed off. In all these years though the main contention raised by the Company that the income should be assessed under the head "business" and not under the head "other sources" has been held against the Company; the CIT (Appeals) has ordered allowance of certain expenses while disallowing certain others claimed by the Company. Orders have been received from the Assessing Officer giving effect to the said appellate orders and the Company has also received the resultant refunds thereon. The Company has preferred further appeals before the Income Tax Appellate Tribunal, Bangalore. The Income Tax Department has also filed cross appeals to the ITAT against the above appeal orders. On getting favourable orders in appeals, the Company will be entitled to further refunds only.

11. In respect of the appeal filed by the Company for the Asst. Year 1995-96 before the CIT (Appeals), Bangalore, the same has been decided against the Company. Though the main contention raised by the Company that the Income should be assessed under the head "business" and not under the head "other sources" has been held against the Company; the CIT (Appeals) has ordered allowance of certain expenses while disallowing certain others claimed by the Company. No order giving effect to the appellate order has been received from the Assessing Officer. The Company has preferred a second appeal before the Income Tax Appellate Tribunal. Therefore the entire original demand of Rs.39,20,371/- raised for this year is under dispute.

12. Calculation of profit under section 349 for computation of managerial remuneration

Net Profit as per Profit & Loss Account	Rs.3,05,35,418
Add : Commission to Executive Chairman	Rs. 15,26,770
TOTAL	<u>Rs.3,20,62,188</u>

Managerial Remuneration by way of commission payable to Executive Chairman (5/105xRs.3,20,62,188/-) =	Rs. 15,26,770
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13. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assessments/appeals.

Deferred Tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company has adopted Accounting Standard 22(AS22) 'Accounting for Taxes on Income' and accordingly the Company has provided for deferred tax during the year which has resulted in deferred tax liability of Rs.60,278/- for the year.

14. Related Party Disclosures:

a) As per AS-18 "related party disclosures" Transactions with related party is as under:

<u>Name of the related party</u>	<u>Relationship</u>	<u>Nature of transaction</u>	<u>Amount (Rs)</u>
1. Mr.Prem Kumar Menon	Executive Chairman	Commission	15,26,770/-

15. Regarding the vacant land at Trivandrum belonging to the company, there is a proposal to acquire the same by the Kerala State Road Transport Corporation of the Kerala Government for establishing a Bus Terminal and was notified in Government Notification No.2673 dt 20.12.2004.

As per our report of even date
For **A.N.JAMBUNATHAN & CO.**
CHARTERED ACCOUNTANTS

Sd/-
J.SRINIVASAN
PARTNER

PREM KUMAR MENON
EXECUTIVE CHAIRMAN

INDRA PREM MENON
J. SURI
DIRECTORS

Bangalore
5th August, 2005

CASH FLOW STATEMENT

PARTICULARS	YEAR ENDED	
	31.3.2005	31.3.2004
	Rs.	Rs..
A. Cash flows from operating activities		
Net profit before tax	3,05,35,418	1,59,42,133
Adjustment for depreciation	7,08,004	3,80,278
Interest (Net)	(12,64,605)	(24,58,299)
Other Income (Profit on sale of assets)	(19,769)	0
	<u>(5,76,370)</u>	<u>(20,78,021)</u>
Operating profit before working capital changes	2,99,59,048	1,38,64,112
Adjustments for :		
(Increase)/Decrease in Current Assets	(2,84,77,873)	(94,05,671)
Increase/(Decrease) in Current Liabilities	(41,95,029)	(5,56,223)
Cash generated from operations	<u>(27,13,854)</u>	<u>(99,61,894)</u>
Interest (Net)	12,64,605	24,58,299
	<u>(14,49,249)</u>	63,60,517
Dividend payments	(54,00,000)	(27,77,975)
Direct taxes & tax on dividend	(1,11,68,485)	(31,58,634)
	<u>(1,80,17,734)</u>	<u>4,23,908</u>
Net cash from Operating Activities	(1,80,17,734)	4,23,908
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(3,88,887)	(18,38,772)
Sale of Fixed Asset	80,000	0
Cash inflow/(outflow) from Investing Activities	<u>(3,08,887)</u>	<u>(18,38,772)</u>
C. Cash flow from Financing Activities		
HP Loan availed	0	14,51,340
Loan availed from HDFC	2,40,00,000	
EMI payments (Principal portion)	(8,54,121)	
Cash inflow/(outflow) in Financing Activities	2,31,45,879	14,51,340
Net increase/(decrease) in cash and cash equivalents	48,19,258	36,476
Opening Cash and Cash equivalents	1,21,93,678	1,21,57,202
Closing Cash and Cash equivalents	1,70,12,936	1,21,93,678

As per our report of even date
For A.N.JAMBUNATHAN & CO.
CHARTERED ACCOUNTANTS

Sd/-
J.SRINIVASAN
PARTNER
Bangalore
5th August, 2005

PREM KUMAR MENON
EXECUTIVE CHAIRMAN

INDRA PREM MENON
J. SURI
DIRECTORS

AUDITORS' REPORT

We have examined the Cash Flow Statement of M/s. East West Hotels Limited for the year ended 31st March 2005. The statement has been prepared by the Company in accordance with the requirement of listing agreement clause 32 with Stock Exchange and is based on and in agreement with the books and records of the company and also Profit & Loss Account and Balance Sheet of the Company covered by a report of even date to the members of the Company.

For **A.N.JAMBUNATHAN & CO.**
CHARTERED ACCOUNTANTS

Sd/-
J.SRINIVASAN
PARTNER

Bangalore
5th August, 2005

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I	Registration details		
	Registration No 1795 of 1969		State Code
	Balance Sheet Date 31.03.2005		08
II	Capital Raised during the year (Amount in Rs)		
	Public issue	Nil	Rights issue Nil
	Bonus issue	Nil	Private placement Nil
III	Position of Mobilisation and deployment of Funds (Amount in Rs 000)		
	Total Liabilities	74526	Total Assets 74526
	<u>Source of funds</u>		
	Paid up capital	3600	Reserves & Surplus 46328
	Secured Loans	Nil	Unsecured Loans Nil
	<u>Application of funds</u>		
	Net fixed assets	10480	Investments Nil
	Net current assets	62585	Misc.Expenditure 1460
IV	Performance of the Company (Amount in Rs 000)		
	Turnover	37345	Total Expenditure 6809
	Profit before tax	30535	Profit after tax 18534
	Earnings per share	53.71	Dividend Rate % 150
V	Generic names of three Principal Products/Services of Company		
	The Company is in the business/Licence of Hotelering which is not covered under ITC classification.		

PREM KUMAR MENON
EXECUTIVE CHAIRMAN

INDRA PREM MENON
J. SURI
DIRECTORS

Bangalore
5th August, 2005

East West Hotels Limited

Regd.Off : Gateway Hotel On Residency Road,
66, Residency Road, Bangalore - 560 025

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of Meeting Hall.

Name and Address of the Shareholder:

Folio No.....

I hereby record my presence at the 36th ANNUAL GENERAL MEETING held on Wednesday, the 28th September, 2005 at Gateway Hotel on Residency Road, Bangalore-560 025, at 10.30am.

Name of the shareholder or

East West Hotels Limited

Regd.Off : Gateway Hotel On Residency Road,
66, Residency Road, Bangalore - 560 025

PROXY FORM

the member(s) of East West Hotels Limited hereby appoint.....

attend and vote for me/us or on my/our behalf at the 36th Annual General Meeting of the Company to be held on the 28th September, 2005 and at any adjournment thereof. As witness my/our hand(s) this.....day of.....2005.

Signed by the said.....

Affix Rs. 1/-
Revenue
Stamp

Note : The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting

PLEASE fill in here Folio No.....