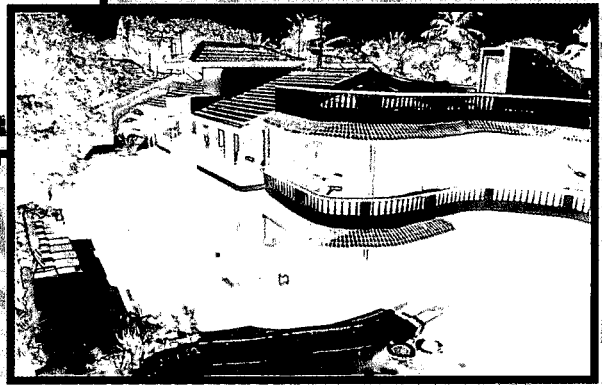


...Looking Beyond Horizons



SUAVE
HOTELS
LIMITED

19TH

ANNUAL REPORT



NOTICE

NOTICE is hereby given that the nineteenth Annual General Meeting of the members of **SUAVE HOTELS LIMITED** will be held on Wednesday, September 30, 2009 at 12.30 p.m at **Sahara Star, Near Domestic Airport, Vile Parle(East),Mumbai-400 099**, to transact, with or without modification(s) as may be permissible, the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2009 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare and sanction payment of dividend on equity shares of the company for the financial year 2008-09.
3. To appoint a Director in place of Mr. S.K. Kulhari who retires by rotation under Article 131 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sameer Sharma who retires by rotation under Article 131 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
5. To appoint S.K. Patodia & Associates, Chartered Accountants, as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

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 AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.***
2. The Transfer Register and the Register of Members shall remain closed from September 25, 2009 to September 30, 2009 (both days inclusive).
3. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, Sharepro Services (I) Pvt. Ltd. or to their depository participants in case shares are held in electronic form.
4. All documents referred to in the notice are open for inspection at the Registered Office of the Company during office hours.
5. As a measure to save the cost, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.
6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries at least seven days before the date of the Meeting to the Company so that information required may be made available at the Meeting.
7. Members are requested to sign at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the Meeting Hall.
8. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking appointment/ re-appointment at the meeting are annexed.

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

Name of Director	Sameer Sharma	S.K. Kulhari
Date of Birth	May 7,1980	July 05,1963
Date of appointment on the Board	September 29,2006	June 30,2004
Expertise in specific functional area	Hotel Management and Brand Management	Real Estate Management
Qualification	Diploma in Hotel Management	Marine Engineer
Details of shares held in the Company	40000	96689
Directorship in Public Limited Company	Nil	One
Chairman/ Member of the Committees * of other Companies on which he is director as on March 31,2009	Nil	Nil

*The Committees include the Audit Committee and Shareholders'/ Investor Grievance Committee.

By order of the Board of Directors
For **SUAVE HOTELS LIMITED**

Sd/-

Satyanarayan Sharma

Mumbai
August 25, 2009

SUAVE HOTELS LIMITED

Regd. Office: F/ 72, Solaris, Opp. L & T Gate No. 6, Saki Vihar Road, Andheri (E), Mumbai- 400 072

NINETEENTH ANNUAL GENERAL MEETING ON SEPTEMBER 30, 2009

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting)

Ledger folio no. _____
DP ID*: _____

No. of shares held _____
Client ID*: _____

Name(s) in full Father's/ Husband's name Address as regd. With the Company

1. _____
2. _____

I/We hereby record my/our presence at the Nineteenth Annual General Meeting of the Company being held on Wednesday, September 30, 2009 at 12.30 P.M at Sahara Star, Domestic Airport, Vile Parle (East), Mumbai-400 099.

Signature of the Shareholder(s)/Proxy **

1. _____ 2. _____ 3. _____

*Applicable for the Investors holding shares in electronic form.

** Strike out whichever is not applicable.

Note: Attendance slip in original should be completed in all respects.

SUAVE HOTELS LIMITED

Regd. Office: F/ 72, Solaris, Opp. L & T Gate No. 6, Saki Vihar Road, Andheri (E), Mumbai- 400 072

NINETEENTH ANNUAL GENERAL MEETING ON SEPTEMBER 30, 2009

PROXY FORM

Ledger folio no. _____
DP ID*: _____

No. of shares held _____
Client ID*: _____

Name(s) in full Father's/Husband's name Address as regd. With the Company

1. _____
2. _____

Being a member(s) of Suave Hotels Limited hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the nineteenth Annual General Meeting of the Company to be held on Wednesday, September 30, 2009 at Sahara Star, Domestic Airport, Vile Parle (East), Mumbai-400 099 and at any adjournment thereof.

Signature of the Shareholder(s)

Signature(s) of the Proxy(s)

1. _____ 2. _____ 3. _____
1. _____
2. _____

Date:

* Applicable for the Investors holding shares in electronic form.

Note: This Proxy Form duly completed must be deposited at the Company's Registered Office at least 48 hours before the meeting. The Proxy need not be a member of the Company.

Revenue
Stamp

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BOARD OF DIRECTORS :

S.N. Sharma (Chairman & Managing Director)
Sandeep Sharma (Executive Director)
Surendra Kulhari
Sameer Sharma
Anwar Beg Mirza
Vinod Gupta

BANKERS :

The Bank of Rajasthan Ltd.
ICICI Bank Ltd.
HDFC Bank Ltd.

AUDITORS :

S. K. Patodia & Associates
Chartered Accountants
A/8, Narayan Plaza, 1st Floor,
26-A, Chandivali Road, Off. Saki Vihar Road,
Andheri (East), Mumbai - 400 072.

SHARE TRANSFER AGENT :

Sharepro Services (India) Pvt. Ltd.
13 AB Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exch. Lane,
Off Andheri-Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400 072.

OUR HOTELS :

Sunflower Beach Resort	Goa
Sunshine Beach Resort	Goa
Goan Holidays	Goa
Yashraj	Mahabaleshwar

REGISTERED OFFICE :

F/72, Solaris, Opp. L&T Gate No. 6,
Off Saki Vihar Road, Andheri (E), Mumbai- 400 072.
Tel. : +91-22-6528 8394 * Fax : +91-22-28572853
Email : suave_hotels@yahoo.co.in
Website : www.suavehotels.in

OUR VISION

Sustain Suave's position as one of India's most valuable corporation through world class performance, creating growing value for the Indian economy and the Company's stake holders.



To enhance the wealth generation capability of the enterprises in a global environment delivering superior and sustainable profit growth and long term value for our stakeholders achieved through innovation, pursuit of excellence and perfection

From the desk of the Chairman....

Dear Shareholders,

The year gone by has been by far the most challenging for your company. The year under review saw unprecedented turbulence. We have been through an economic downturn and major security setback.

The Indian hotels sector was adversely affected by the global economic crisis and the terrorist attack in Mumbai on November 26, 2008. The sector has witnessed a crash in average room rents, occupancy rates and Rev Par. The timing was critical as for all our hotels, the Dec-Jan period is the peak season.

Hospitality companies are facing troubling times with economy's weakness beginning to weigh on the hospitality industry at large. Consumers are retrenching on most types of discretionary spending, including travel. This means that hospitality companies not only have to protect themselves from an economic downturn but they also must undertake measures to adjust to a changed business environment.

We believe that we have seen the worst of the economic crisis and the situation can only improve in the time to come.

We also believe that tough times can be a good opportunity to optimize performance management capabilities, improve spend effectiveness, re-evaluate customer segments and review loyalty programs. All of which can help in building up the long term sustain ability of the business.

The hospitality sector continues to have the greatest potential for growth. The Planning Commission's high level group on services sector has pegged the room shortage in the country at 1,50,000 rooms by 2010, out of which more than 1,00,000 will be in budget category. Not only the Indian hotel Majors, but even international players have lined up use caps plans. Investment of US\$ 11 bn over the next 2 years expected to be unmarked for hotel industry in India. Further, new segments like budget hotels, service apartments and management contracts are witnessing increasing interest. We believe that we are in right segment to benefit from the growth trajectory.

We continue our endeavour build sustainable value for our stakeholders over the coming years. I take this opportunity to thank each one of you for the confidence reposed in us. I am confident that with your continue support your company will be able to survive all further challenges.

With best wishes

Sd/-
S. N. Sharma

Directors' Report :

Your Directors have the pleasure in presenting the 19th Annual Report along with the Audited Annual Accounts for the year ended March 31, 2009 and report that

Performance of the Company

Your Company's performance for the year 2008-09 is as summaries below:

(Rs. in Lacs)

Particulars	2008-09	2007-08	2006-07
Income	1368.07	1839.62	1309.13
Expenditure	1230.48	1420.42	951.81
Profit (Before Tax & Extra Ord. Items)	137.59	419.19	357.32
Profit after Tax	90.63	275.65	244.72

The year under review has been challenging for your company. The tourism Industries is highly vulnerable to the change in economy, the situation was further aggravated by the terrorist attack of November 26, 2008 coming right before the peak tourist season.

Dividend :

Your Directors recommend a dividend of 2% i.e Rs. 0.20 per equity share of Rs. 10/- each for the year ended March 31, 2009. The dividend distribution would result in a cash outflow of Rs. 26.44 lacs including tax on dividend of Rs. 3.84 lacs.

Preferential Issue of Equity Shares.

The company has issued 52,50,000 equity shares of Rs. 10/- each at a premium of Rs. 18/- against warrant to promoters and others.

Management Discussion and Analysis.

Economic Review and Outlook :

Starting out with a high growth path of an unprecedented growth three year growth rate of 9%, a marginal slowing was expected. However, what was not expected was that the international downturn would continue for the whole of 2008-09. The year under review witnessed a negative impact on the pace of economic activity the world over. In the present era, India is no longer insulated and we felt the

tremors caused by the international economic upheaval. The Indian economy grew at 6.7% as compared to the 9% growth recorded in 2007-08. The growth prospects for India appear relatively positive due to timely stimulus provided by the Government to boost a flagging economy and a stable financial system which is prudently regulated. Overall, the Indian economy is expected to grow at a reasonable pace in the current year

Outlook:

The fallout of the economic downturn is still being felt in the hotel and tourism industry. The guest arrival during the current fiscal also remained depressed. However, your Company is optimistic about the revival of the economy during the second half of the current fiscal. The strength of your Company is that it caters to the budget traveler, who is reasonably isolated from the shocks and tremors of the economy.

Key Risks and its Management

The goal of Risk management is to improve the quality and consistency of the Company's earning from the financing business and to minimize losses. This is achieved by identifying risk and controlling it at the earliest.

Internal Controls and their Adequacy

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and that the transactions are authorized, recorded and reported correctly.

Corporate Social Responsibility

An Internal Environment Policy was finalized by Suave with a view to monitoring and minimizing its carbon footprint through resource efficiency and conservation.

Cautionary Statement

Statements made in this Management Discussion and Analysis contain certain forward looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, new government regulations and policies that may impact the Company's business as well as its ability to implement the strategy. The information contained herein is as of the date referred and the Company does not undertake any obligation to update these statements.

Particulars Of Employees

The particulars of employees as prescribed by the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, as the Company has not employed any employee whose salary exceeds Rs. 24,00,000/- annum or Rs. 2,00,000/- per month.

Additional Information Required Under The Companies Rules, 1988: (disclosure of particulars in the report of the board of directors)

A) Conservation of Energy: Energy conservation efforts in the Company are being pursued on a continuous basis. Close monitoring of power consumption is maintained to minimize wastage and facilitate optimum utilization of energy. Regular maintenance and repairs of all the equipment and machinery is carried out to ensure optimum efficiency.

B) Technology absorption: The Company being in the hospitality industry, its activity does not involve any technology absorption or expenditure on research and development.

C) Foreign exchange earnings and outgo: The Company did not earn and spend any foreign exchange.

Public Deposits

During 2008-09, your Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

Corporate Governance

Certificate of the auditors of your Company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with stock exchanges is enclosed.

Your Company has been practicing good corporate governance over the years

The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays emphasis on transparency, accountability and integrity.

Auditors

M/s S.K. Patodia & Associates, Chartered Accountants, Mumbai, retire as auditors of the Company and have given consent for their reappointment. The Board recommends the appointment.

Auditor's Report

Observations made in the report are self explanatory and do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

Responsibility Statement

The Directors confirm:

- a) That in the preparation of the annual accounts, the applicable accounting standards Have been followed and that no material departures have been made from the same;
- c) That they 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 and of the Profits of the Company for the period;
- c) That they have 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 and for preventing and detecting fraud and other irregularities.
- d) That they have prepared the annual accounts on a going concern basis

In accordance with the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance in accordance with Clause 49 of the Listing Agreement along with the Auditor's Certificate is attached.

Appreciation

Your Directors wish to place on record their appreciation to the employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to achieve remarkable growth. The Board also acknowledges the unstinted support of the customers, suppliers, investors, bankers, Central and State Governments and other statutory authorities and others associated with the Company.

For and on behalf of the Board of Directors

Sd/-

S. N. Sharma
Chairman

Mumbai, Aug 25, 2009

Corporate Governance

Suave Hotels Limited strongly believes that corporate governance is a framework to encourage the efficient use of resources and have accountability for the stewardship of those resources. The aim is to align as nearly as possible the interest of all stakeholders. Suave Hotels Limited is firmly committed to continue to excel in its journey towards best Corporate Governance practices prevailing in the industry and adhere to the highest standards of corporate values and ethics. Suave Hotels Limited has been consistently striving towards enhancement of value for all its stakeholders.

Directors of Suave Hotels Limited are committed to high standards of corporate governance through transparency, compliance with regulatory norms, appropriate disclosure, fairness and a mechanism for independent supervision, which are the principle underlying features for good corporate governance. The Company has complied with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange, which deals with the compliance of Corporate Governance requirements

Board of Directors

The Chairman of the Company is an Executive Director. The Board of Directors of the Company comprises 6 Directors, of which one director is a Managing Director, one is executive director, one is non executive director and three are Independent Non Executive Directors. The Board of Directors meets regularly and all information that is required by statutes and the Listing Agreement is placed before the Board and transacted

About the Directors:

1. Satyanarayan Sharma, Chairman & Managing Director: Mr. Sharma is an Electrical Engineer having over 25 years of experience in Administration. He is the visionary founder promoter of Suave Hotels Limited. In the days of the booming financial Market of the early 1990s he built a solid brick and mortar model by promoting Kotawala Financial Consultancy Private Limited.

2. Sandeep Sharma, Director: Mr. Sandeep Sharma is a graduate from Mumbai University and holds a Diploma in Hotel Management with over five years of experience. Mr. Sandeep Sharma has toiled along with Mr. Satyanarayan Sharma to bring Suave Hotels Limited to its present position. He gets the credit for instilling professionalism, while keeping the traditional values intact.

3. S.K. Kulhari, Director: Mr. Kulhari is a retired Marine Engineer having indepth knowledge in real estate management. He joined the Board of the Company in 2004 and is mainly involved in opening of new properties of the company. He is Director in Hindustan Continental Limited.

4. Anwar Beg Mirza: Mr. Mirza qualified from the Chartered Institute of management Accountants in 1975 and Chartered Management Institute 1977. He has been engaged in the hotel and tourism industry forver three decades. He has worked in London, Dubai, Italy inompanies in the hotel and tourism industry.

5. Vinod Gupta: Vinod Gupta is a Chartered Accountant with more than 25 years of experience. His expertise lies in the field of finance and taxation Mr. Gupta has vast experience in management. He is Director in Zyden Gentec Ltd.

6. Sameer Sharma : Sameer Sharma is a graduate from Mumbai University. He has been associates with the company since its inception. He is actively involved in the operations of the company's hotels.

Equity Shares held by Directors

Names of The Director	Category	No. of Equity Shares
Mr S N Sharma	Chairman Managing Director	806700
Mr Sandeep Sharma	Executive Director	58700
Mr Sameer Sharma	Non executive Director	40000
Mr S K Kulhari	Independent	96689

Attendance at Board Meeting and Last A.G.M. and details of Membership of Directors in other Boards and Board Committees are as follows :

Details of Board Meetings held during the year 2008-2009.

During the financial year 2008-09, the Board met nine times and the period between any two meetings did not exceed four months. The date of the Board Meetings held during the year were : April 03, 2008; April 30, 2008; July 31, 2008; August 14, 2008; October 14, 2008; October 31, 2008; January 30, 2009; March 26, 2009; March 31, 2009, the details of which are as presented below:

Composition and Category of Board of Directors:

Name of Director	Category	Attendance at		No. of Board / Committees (Other than Suave Hotels Ltd.)		
		BM (out of 9 Meetings)	Last AGM	No. of other Directorship held in Indian Public Ltd. Companies	Chair person	Member
Mr. S. N. Sharma	Managing Director	9	Yes	Nil	-	-
Mr. Sandeep Sharma	Executive Director	9	Yes	Nil	-	-
Mr. Sameer Sharma	Non Executive Director	9	Yes	Nil	-	-
Mr. S. K. Kulhari	Independent Director	9	Yes	1	-	-
Mr. Vinod Gupta	Independent Director	9	Yes	1	-	-
Mr. Anwar Beg Mirza	Independent Director	9	Yes	Nil	-	-

Audit Committee:

The Audit Committee of the Company comprises three Members of whom, two are Non-Executive Independent Directors. The composition of the committee is-- Mr. S.K. Kulhari (Chairman), Mr. Anwar Beg Mirza (Member), Mr. Sandeep Sharma (Member).

The quorum of an audit committee meeting is two members personally present. All the members of the committee have financial knowledge within the meaning of the explanation to Clause 49 (II) (A) of the Listing Agreement.

The terms of reference of the Audit Committee are in accordance with those specified in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

Remuneration Committee :

Remuneration committee was constituted to recommend/ review the remuneration package of the Managing/ Executive Director(s). As required under clause 49 of the Listing Agreement. Constitution Mr. Anwar Beg Mirza (Chairman), Mr. S.K. Kulhari (Member) and Mr. Sameer Sharma (Member)

Remuneration for Non-Executive Director: Non-Executive Directors have not been paid any sitting fees for attending Board and committee meetings.

Shareholders/ Investor's Grievance Committee

The investor's grievance committee comprises Mr. Sandeep Sharma (Chairman), Mr. Sameer Sharma and Mr. S.K. Kulhari. The terms of reference of the Committee consist of:

- i. Monitoring the response to investor questions and grievances;
 - ii. Approving share transfers, transmissions, queries and grievances
- The shares of the Company are traded on the Stock Exchange, Mumbai only in the dematerialized form and are automatically transferred on delivery in the dematerialized form. As on March 31, 2009 43.62% of the Company's shares were in dematerialized form.

During the year under report the Company received eight shareholder complaints as certified by the Share Transfer Agent of the Company. There were no pending share transfers or complaints as on March 31, 2009

Name and Designation of Compliance Officer : Mr. Sandeep Sharma, Executive Director.

Code of Conduct :

Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct.

In accordance with sub-clause I (D) of Clause 49 of the Listing Agreement with the Stock Exchange, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct adopted by the Board of Directors of the Company, as applicable to them, for the Financial Year ended March 31, 2009.

For Suave Hotels Limited

Sd/-

S.N. Sharma
Managing Director

General Body Meeting :

Details of Location and time of holding the last three AGMs.

Year	Location	Date & Time	No. of Special Resolution
18 th AGM - 2008	Mantra Dinning Bar, Powai Plaza, Hiranandani Garden, Powai, Mumbai - 400 076.	30 th September, 2008; 11.00 AM	Three
17 th AGM - 2007	Hotel Atithi, Near Domestic Airport, Santacruz (E), Mumbai	29 th September, 2007; 11.00 AM	One
16 th AGM - 2006	Little Italy, 3 & 4, Morya Estate, Opp. Fame Adlabs, Andheri (W), Mumbai-400 053	29 th September, 2006; 11.00 AM	Two

General Disclosures

- i. A summary of transactions with related parties in the ordinary course of business is placed before the Audit Committee;
- ii. There were no materially significant related party transactions entered into by the Company with its promoters, Directors or the Management, their relatives or subsidiaries that may have potential conflict with the interest of the Company at large.
- iii. All material transactions during the Financial Year ended March 31, 2009. Either with related parties or otherwise on arms length;

- iv. Disclosures as required under "Accounting Standard 18" have been incorporated in the notes to the Accounts.
- v. There are no strictures or penalties imposed on the Company by Stock Exchanges or Securities Exchange Board of India or any statutory authority for non-compliance for any matter related to capital markets, during the last three years,
- vi. The Company has a Code of Conduct for prevention of Insider Trading in the shares of the Company for Directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

Means of Communication

S. No.	Description	Status / Remarks
1.	Quarterly Results	The quarterly results of the Company are published in the press and advised to the Stock Exchanges where the Company's shares are listed
2.	Newspaper wherein results are normally published	Economic Times (English), Maharashtra Times (Marathi),
3.	Presentations made to institutional investors or to analysts	Normally no such presentation is made.

General Shareholder Information

Sr. No.	Subject	Details
1	AGM date, time and Venue	September 30, 2009 at 12.30 p.m Sahara Star, Near Domestic Airport, Ville parle (East), Mumbai - 400 099.
2	Financial Year	April 1, 2008 to March 31, 2009
3	Date of Book Closure	September 25, 2009 to September 30, 2009
4	Dividend payment date	Within time permissible under law.
5	Listing on Stock Exchange(s)	The Stock Exchange, Mumbai, The Madras Stock Exchange Ltd., Chennai
6	Stock code	BSE: 531373 ISIN No. INE319B01014
7	Transfer Agent	Sharepro Services (India) Pvt. Ltd. 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exch. Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072.
8	Website	www.suavehotels.in
9	Corporate Identification No.	L67190MH1990PLC056009

Additional Shareholder Information

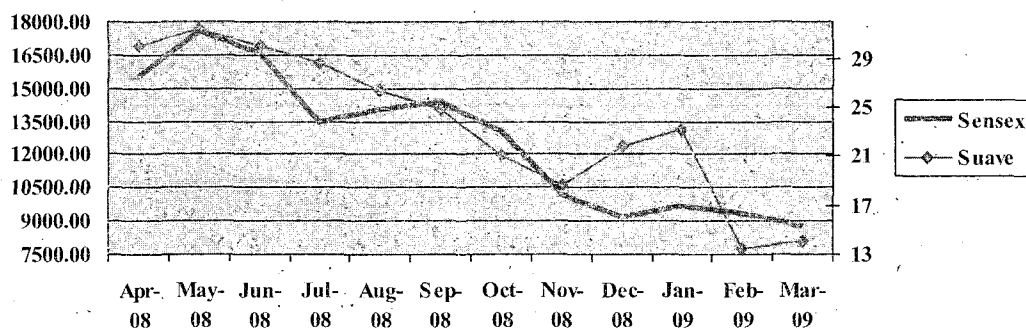
Monthly Share Price & Volume on BSE

Month and Year	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
April 2008	30.00	25.30	115617
May 2008	31.40	26.00	130733
June 2008	29.95	34.00	79011
July 2008	28.70	21.00	81995
August 2008	26.35	21.60	114002
September 2008	24.90	17.75	92435
October 2008	21.00	13.40	39213
November 2008	18.55	12.00	34325
December 2008	21.85	11.00	416967
January 2009	23.25	11.25	439794
February 2009	13.49	11.70	37687
March 2009	14.00	10.01	160101

Notes – High and Low are in rupees per traded share:

Volume is the total monthly volume of trade (in number) in Suave Hotels Limited's shares on the Bombay Stock Exchange.

Share price performance in comparison with Sensex



Distribution of Shareholding as on March 31, 2009

Number of Shares of Rs. 10 Each	Number of Shareholders	Percentage to total No. of Shares holders (%)	Shares Capital (in Rs.)	Percentage to total Shares Capital (%)
Less than 500	3347	80.17	52,75,220	4.67
501 to 1000	377	9.05	32,34,330	2.86
1001 to 2000	190	4.57	30,08,940	2.66
2001 to 3000	69	1.65	17,42,110	1.54
3001 to 4000	29	0.69	10,78,100	0.95
4001 to 5000	28	0.67	13,24,350	1.17
5001 to 10000	39	0.93	29,71,350	2.63
10001 and above	94	2.25	94,354,600	83.51
Total	4173	100.00	112,989,000	100.00

Annexure to the Report of the Directors

Certificate from auditors regarding compliance of conditions of corporate governance.

To
The Members of

Suave Hotels Limited

We have examined the compliance of conditions of Corporate Governance by Suave Hotels Limited, for the year ended March 31, 2009 as stipulated in Clause 49 of the Listing Agreements of the said Company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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:

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements

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

For S.K. Patodia & Associates

Chartered Accountants

sd/-

Sunil Patodia

Partner

Membership No. 045489

Mumbai, Aug 25, 2009

Ceo and Cfo Certification

We, S. N. Sharma, Managing Director & Sandeep Sharma, Executive Director, responsible for the Finance Function certify that:

- a. We have reviewed the financial statements and cash flow statement for the year ended March 31, 2009 and to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2009 are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d.
 - i. There have not been any significant change in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant change in accounting policies during the year except as laid down in Accounting Standards (AS) 15 (revised 2005) or Employee Benefits, requiring disclosures in the notes to the financial statements; and
 - iii. We are not aware of any instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

sd/-

S.N. Sharma
Managing Director

sd/-

Sandeep Sharma
Executive Director

Mumbai, Aug 25, 2009

Auditor's Report

To
The Members of
Suave Hotels Limited

We have audited the attached Balance Sheet of Suave Hotels Limited (the Company) as at March 31, 2009 the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 have 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 included 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.

Further to our comments, we report that:

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.

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.

The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statements dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- i) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2009
- ii) In the case of Profit and Loss Account of the profit for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

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 paragraph 4 & 5 of the said order. We further report that

For S.K. Patodia & Associates

Chartered Accountants

sd/-

Sunil Patodia

Partner

Membership No. : 045489

Mumbai, Aug 25, 2009

Annexure to the Auditor's Report:-

Annexure referred to in Para 3 of our report of even date to the members of Suave Hotels Limited

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed Assets have been physically verified by the management according to the regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies on such physical verification were not material.
 - (c) No substantial part of fixed assets has been disposed off during the year, which has bearing on the going concern assumption.
- (ii)
 - (a) In our opinion and according to the information and Explanations given to us, Inventories were physically verified during the year by the management at reasonable intervals.
 - (b) The procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business
 - (c) The company has maintained proper records of its inventories and no material discrepancies were notice on physical verification.

- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
(b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases, fixed assets and sales. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Act that need to be entered in the register required to be maintained under that section.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
- (vii) In our opinion, the Company's present internal audit system is commensurate with its size and the nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, and any other statutory dues as at the balance sheet date for a period of more than six months from the due date.
- (x) 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 immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of any dues to financial institutions or bank or debenture holders

- (xii) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (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.
- (xiv) (a) In our opinion and based on the information & explanation given to us the company is maintaining proper record of the transactions and contracts of dealing in shares and securities and that timely entries have been made in these records

(b) In our opinion and based on the information & explanation given to us, the Shares and securities have been held by the company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial/institutions.
- (xvi) The Company has not received any term loan during the year.
- (xvii) In our opinion and based on the information & explanation given to us, funds raised by the Company on short-term basis have, prima facie, not been used during the year for long-term investment and vice versa.
- (xviii) The company has issued 15,00,000 equity shares of Rs. 10/- each at a premium of Rs. 18/- against warrants to parties & companies covered in the register maintained under section 301 of the companies act, 1956.
- (xix) The company has not issued any debentures during the year.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) In our opinion and based on the information & explanation given to us by the management, no fraud on or by the company was noticed or reported during the year.

For S.K. Patodia & Associates
Chartered Accountants

sd/-

Sunil Patodia

Partner

Membership No. : 045489

Mumbai, Aug 25, 2009

Balance Sheet as at March 31, 2009

(Amount In Rs)

Particulars	Sch	As at 31.03.2009	As at 31.03.2008
I. Sources of Funds			
Shares Holder's Fund			
Share Capital	1	112,989,000	60,489,000
Equity Share warrants		3,750,000	-
Reserve & Surplus	2	189,563,279	88,643,829
Deferred Tax Liability		16,421,150	13,380,913
Total		<u>322,723,429</u>	<u>162,513,742</u>
II. Application of Funds			
Fixed Assets	3		
Gross Block		137,137,567	137,137,567
Less: Depreciation		15,438,723	7,982,210
Net Block		121,698,844	129,155,357
Capital Work in Progress		25,147,650	22,758,150
		<u>146,846,494</u>	<u>151,913,507</u>
Investments	4	2,222,870	2,222,870
Current Assets, Loans & Advances			
Cash & Bank Balances	5	33,243,044	4,156,924
Inventories	6	8,158,521	9,258,520
Sundry Debtors	7	24,958,650	7,356,249
Loans & Advances	8	117,432,394	9,485,131
		183,792,609	30,256,824
Current Liabilities & Provisions	9		
Current Liabilities		6,674,820	9,770,848
Provision		4,299,607	13,069,494
		10,974,427	22,840,342
Net Current Assets		172,818,182	7,416,482
Miscellaneous Expenditure (To the extent not written off and / or adjusted)	10	835,883	960,883
Total		<u>322,723,429</u>	<u>162,513,742</u>
Significant Accounting Policies & Notes on Accounts	14		

As per our attached report of even date attached

For S. K. Patodia & Associates

Chartered Accountants

sd/-

Sunil Patodia

Partner

Membership No. : 045489

Mumbai, Aug 25, 2009

For and on behalf of the Board

sd/-

S. N. Sharma

Managing Director

sd/-

Sandeep Sharma

Executive Director

Profit & Loss Account for the year ended March 31, 2009

(Amount In Rs)

Particulars	Sch	Year Ended 31.03.2009	Year Ended 31.03.2008
Income			
Operational Income		136,589,213	183,694,753
Other Income		217,987	267,600
		136,807,200	183,962,353
Expenditure			
Operational Expenses	11	87,918,664	109,559,646
Administrative Expenses	12	13,730,446	12,433,495
Personnel Expenses	13	13,942,282	15,443,478
Depreciation		7,456,513	4,606,007
		123,047,905	142,042,626
Profit Before Taxation		13,759,295	41,919,727
<u>Provisions for Taxation</u>			
Current Taxation		1,573,000	5,373,868
Deferred Taxation		3,040,237	8,877,258
Fringe Benefit Tax		82,777	103,069
		9,063,281	27,565,532
Profit After Taxation		9,063,281	27,565,532
Balance Brought Forward		52,143,829	34,670,854
		61,207,109	62,236,386
Appropriation			
Transferred to General Reserve		2,500,000	2,500,000
Proposed Dividend		2,259,780	6,489,365
Profit Distribution Tax		384,050	1,103,192
		56,063,279	52,143,829
Balance Carried to Balance Sheet		56,063,279	52,143,829
Earning per Shares Rs. 10/-each			
Basic		1.49	5.10
Diluted		1.46	5.10
Significant Accounting Policies & Notes on Accounts	14		

As per our attached report of even date attached

For S. K. Patodia & Associates

Chartered Accountants

For and on behalf of the Board

sd/-

Sunil Patodia

Partner

Membership No. : 045489

Mumbai, Aug 25, 2009

sd/-

S. N. Sharma

Managing Director

sd/-

Sandeep Sharma

Executive Director

Cash Flow Statement for the year ended March 31, 2009

(Amount In Rs)

Particulars	Year Ended 31.03.2009	Year Ended 31.03.2008
A. Cash Flow From Operating Activities		
Net profit before tax & extraordinary items	13,759,295	41,919,727
Adjusted for:		
1. Depreciation	7,456,513	4,606,007
2. Miscellaneous Expenses written off	125,000	125,000
3. Interest (Net)	(217,987)	(267,600)
Operating Profits Before Working Capital Changes	21,122,821	46,383,134
Adjusted for:		
1. Inventories	1,099,999	(7,445,921)
2. Receivables	(17,602,401)	(4,612,200)
3. Loans & Advances	(107,947,263)	3,746,936
4. Trade Payables	(3,842,831)	1,359,572
5. Other Current Liabilities	746,803	3,340,598
Cash Generated From Operations	(106,422,872)	42,772,119
Other Income	217,987	267,600
Taxes Paid	(6,580,130)	(5,421,681)
Net Cash From Operating Activities (Total A)	(112,785,015)	37,618,038
B. Cash Flow From Investing Activities		
Increase in Fixed Assets	(2,389,500)	(59,256,615)
Increase in Investments	-	(2,222,870)
Net cash used in investing Activities (Total B)	(2,389,500)	(61,479,485)
C. Cash Flow From Financing Activities		
proceeds from issue of share capital	52,500,000	10,000,000
Proceeds From Share Premium	94,500,000	29,000,000
Application Money received	3,750,000	(13,100,000)
Dividend Paid	(6,489,365)	(6,058,680)
Net Cash Flow In Investing Activities (Total C)	144,260,635	19,841,320
Net increase/ decrease in Cash and Cash Equivalents (Total A+B+C)	29,086,120	(4,020,127)
Cash and Cash Equivalents in the beginning of the year	4,156,924	8,177,051
Cash and Cash Equivalents in the end of the year	33,243,044	4,156,924

Note :

- 1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standards - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2) The Previous year's figures have been regrouped, rearranged wherever necessary in order to conform to this year's presentation.
- 3) Figures in brackets reflect cash outflow.

As per our Report of even date attached

For S. K. Patodia & Associates

Chartered Accountants

sd/-

Sunil Patodia

Partner

Membership No. : 045489

Mumbai, Aug 25, 2009

For and on behalf of the Board

sd/-

S. N. Sharma

Managing Director

sd/-

Sandeep Sharma

Executive Director

Schedules Forming Part of Accounts as at March31,2009.

(Amount In Rs)

Particulars	As at 31.03.2009	As at 31.03.2008
Schedule "1" :- Share Capital		
Authorised		
1,40,00,000 (Previous year 1,40,00,000)		
Equity Shares of Rs.10 each	<u>140,000,000</u>	<u>140,000,000</u>
Issued,Subscribed &Paid-up		
11,298,900(Previous year 60,48,900)	<u>112,989,000</u>	<u>60,489,000</u>
Equity Share of Rs. 10 each paid up in cash	<u>112,989,000</u>	<u>60,489,000</u>
Schedule "2" :- Reserves And Surplus		
General Reserve		
Opening Balance	7,500,000	5,000,000
Addition during the year	2,500,000	2,500,000
Closing balance	<u>10,000,000</u>	<u>7,500,000</u>
Securities Premium		
Opening Balance	29,000,000	-
Addition during the year	94,500,000	29,000,000
Closing Balance	<u>123,500,000</u>	<u>29,000,000</u>
Profit & Loss Account	<u>56,063,279</u>	<u>52,143,829</u>
	<u>189,563,279</u>	<u>88,643,829</u>
Schedule "4" :- Investment		
(Long term, Non Trade)		
Quoted (Equity Shares)		
444,574 (Previous Year 4,44574)fully paid up equity shares of Upsurge Investment & Finance Limited	2,222,870	2,222,870
Note : Market Value of Quoted Investment Rs. 28,54,165/- (P. Y. 38,01,107/-)		
	<u>2,222,870</u>	<u>2,222,870</u>

Schedules Forming Part of Accounts as at March 31, 2009

Schedule "3" :- Fixed Assets (At Cost Less Depreciation)

(Amount in Rs.)

Particulars	Gross Block			Depreciation			Net Block	
	As on 01-04-2008	Additions	As on 31-03-2009	Upto 31.03.08	During the Year	Upto 31.03.09	As on 31-03-09	As on 31-03-08
LAND & BUILDING	68,879,957		68,879,957	1,677,975	1,122,743	2,800,718	66,079,239	67,201,982
PLANT & MACHINERY	26,721,304		26,721,304	967,099	1,269,262	2,236,361	24,484,943	25,754,205
COMPUTERS	26,421,115		26,421,115	2,432,559	4,282,863	6,751,422	19,705,693	23,988,556
OFFICE EQUIPMENT	2,979,956		2,979,956	137,743	141,548	279,291	2,700,665	2,842,213
FURNITURE & FIXTURE	10,794,735		10,794,735	2,242,059	512,750	2,754,809	8,039,926	8,552,676
VEHICLE	1,340,500		1,340,500	524,775	127,348	652,123	688,378	815,725
TOTAL	137,137,567		137,137,567	7,982,210	7,456,513	15,438,723	121,698,844	129,155,357
PREVIOUS YEAR	100,639,102	36,498,464	137,137,566	3,376,203	4,606,007	7,982,210	129,155,357	97,262,899

Schedules Forming Part of Accounts as at March 31, 2009.

(Amount In Rs)

Particulars	As at 31.03.2009	As at 31.03.2008
Schedule "5" :- Cash & Bank Balances		
Cash in Hand (As Physically verified & certified by management)	257,308	262,308
Balances with Schedule Bank		
In Current Accounts	31,259,532	2,292,662
In Fixed Deposits	1,726,204	1,601,954
	<u>33,243,044</u>	<u>4,156,924</u>
Schedule "6" :- Inventory		
(Valued & Certified by the Management)		
Food & Beverage (at cost/weighted average cost)	2,067,562	4,196,010
Stores & Operating Supplies (at cost/weighted average cost & net realisable value)	2,545,064	2,393,544
Crockery, Cuttlery, Linen, Uniforms & Other Utensils (at cost/weighted average cost)	3,545,895	2,668,966
	<u>8,185,521</u>	<u>9,258,520</u>
Schedule "7" :- Sundry Debtors		
(Considered good except where provided for)		
Debts outstanding for a period exceeding 6 months	—	—
Other Debts	24,958,650	7,356,249
	<u>24,958,650</u>	<u>7,356,249</u>
Schedule "8" :- Loans Advances & Deposits		
Loans & Advances (Advances recoverable in cash or kind for value to be received)	113,432,394	5,485,131
Deposits	4,000,000	4,000,000
	<u>117,432,394</u>	<u>9,485,131</u>
Schedule "9" :- Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors	270,838	4,113,669
Other Current Liabilities	6,403,982	5,657,179
	<u>6,674,820</u>	<u>9,770,848</u>
Provisions		
Proposed Dividend	2,259,780	6,058,680
Provisions for Taxes	1,655,777	5,476,937
Dividend Taxes	384,050	1,103,192
	<u>4,299,607</u>	<u>13,069,494</u>
Schedule "10" :- Miscellaneous Expenses		
Preliminary & Issue Expenses		
Opening Balance	960,883	1,085,883
Less: Written off during the year	125,000	125,000
	<u>835,883</u>	<u>960,883</u>

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Fringe Benefits

Provisions for Fringe Benefits Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provision of the Income Tax Act, 1961.

ii) Notes on Accounts

- A) Liabilities in respect of gratuity & leave encashment are accounted for on cash basis which is not in conformity with Accounting Standard (AS)15 (Revised 2005) notified by the Companies (Accounting Standard) Rules, 2006 on Employee Benefits which requires that Gratuity and Leave Encashment Liabilities be accounted for on accrual basis.
- B) In the opinion of the Board the Current Assets, Loans & Advances are realizable in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary
- C) Some of the sundry debtors, sundry creditors, loans & advances and unsecured loans are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of accounts in the year of such adjustments.
- D) Details of Auditors remuneration is as under:-

Particulars	2008-09 Amount (Rs.)	2007-08 Amount (Rs.)
Audit Fees	12,13,300/	11,00,000/
Total	12,13,300/	11,00,000/

E) Taxes on Income

- a) Provision for tax amounting to Rs.15, 73,000/- has been made in accordance with the provision of the Income Tax Act, 1961.
- b) In terms of Accounting Standard 22 on "Accounting for Taxes on Income" as notified by the Companies (Accounting Standard) Rules, 2006 the Company has recognized Deferred Tax liabilities Rs. 30,40,237/- for the year ended March 31, 2009 in the Profit & Loss A/c.

F) Depreciation

- i) Depreciation on Fixed Assets has been provided on 'Straight Line Method' as per the rates specified in Scheduled XIV of the Companies Act, 1956.
- ii) Depreciation on acquired/sold during the year is provided on pro rata basis

G) Valuation of inventories

Inventories are valued by the following method:

Food and beverages are valued at weighted average cost; Stores and operating supplies at lower of weighted average cost and net realizable value after providing for reduction in value after providing for reduction in value due to wear and tear

H) Investment

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

I) Miscellaneous Expenditure

Preliminary expenditures are amortised in the year in which incurred.

J) Foreign Currency Transactions :

- a) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- b) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is treated as revenue.
- c) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Profit and Loss Account.

K) Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

L) Accounting for Taxation of Income

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income-tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

The accumulated balance in Net Deferred Tax Liability/(Assets) comprises of:-

Particulars	Deferred Tax Liability/(Asset) as at 1 st April 08	Current Year change	Deferred Tax Liability/ (Asset) as at 31 st March 09
Deferred Tax Liability on Difference between Book & Tax Depreciation	1,33,80,913	30,40,237	1,64,21,150
Total	1,33,80,913	30,40,237	1,64,21,150

F) Earning Per Share (As per AS – 20)

In accordance with Accounting Standard 20- Earning per Share, the computation of earning per share is set out below:-

	Particulars	March 31, 2009	March 31, 2008
i)	Weighted average number of Equity Shares of Rupees 10. Each		
a)	Number of shares at the beginning of the period	6048900	5048900
b)	Number of shares at the end of the period	11298900	6048900
c)	Weighted average number of shares outstanding during the period for Basic EPS	6063284	5407805
d)	Weighted average number of shares for Diluted EPS	6197212	5407805
ii)	Net Profit after tax available for equity shareholders	9063281	27565532
iii)	Basic Earning Per Share (In Rs.)	1.49	5.10
iv)	Diluted Earning Per Share (In Rs.)	1.46	5.10

G) Details of Directors remuneration is as under:-

Particulars	2008-09 Amount (Rs.)	2007-08 Amount (Rs.)
Directors Remuneration	15,00,000	15,00,000
Total	15,00,000	15,00,000

H) Related Party Transactions

a) Key Management Personnel

Mr. S.N. Sharma	Director
Mr. Sandeep Sharma	Director

b) Name of the enterprises having same Key Management Personnel and/or their relatives as the reporting enterprise with whom the Company has entered into transactions during the year.

- I) Hot -n-Ice Entertainment Private Limited
- ii) Boyce Ply Private Limited

Nature of Transaction :

Allotment of 15,00,000 equity shares on conversion of warrants of Rs. 10/- each at a premium of Rs. 18/- to Boyce Ply Pvt. Ltd. The Company received Rupees Four Crore Twenty Lacs For the same.

Managerial Remuneration paid to Chairman and Executive Directors Rs. 15.00 Lacs.

- I) The Company had issued 65,00,000 convertible warrants on October 15, 2008 out of which 52,50,000 warrants were converted in equity shares on March 31, 2009.

J) Segment Reporting

As per the requirements of Accounting Standard (AS-17) on Segment Reporting and relevant clarification issued by the Institute of Chartered Accountants of India (ICAI), the Company has only one reportable segment.

- K) The figures of the previous year have been re-arranged, re-grouped and re-classified wherever necessary.

- L) Additional information as required under Part IV of Schedule VI of the Companies Act, 1956, is annexed herewith.

L) Balance Sheet Abstract And Company General Business Profile

(Amount in 000)

I)	Registration Details	
	Registration No.	56009
	State Code	11
	Balance Sheet Date	March 31, 2009
III)	Capital Raised During The Year	
	Public Issue	Nil
	Right Issue	Nil
	Bonus Issue	Nil
	Private Placement	52,500.00
III)	Position Of Mobilisation Deployment Of Funds	
	Total Liabilities	333,697.86
	Total Assets	333,697.86
	Sources Of Funds	
	Paid- up Capital	112,989.00
	Reserve & Surplus	189,563.28
	Equity Share Warrant	3750.00
	Secured Loans	Nil
	Unsecured Loans	Nil
	Current Liabilities & Provision	109,74.43
	Deferred Tax Liability	164,21.15
	Application Of Funds	
	Net Fixed Assets	146,846.50
	Investment	22,22.87
	Current Assets	183,792.61
	Miscellaneous Expenditure	835.88
IV)	Performance Of The Company	
	Turnover (Gross Receipts)	1,36,807.20
	Total Expenditure	1,23,047.91
	Profit/ (Loss) Before Tax	13,759.29
	Provision for Taxation (including deferred tax)	4,696.01
	Profit/ (Loss) after Tax	9,063.28
	Dividend (%)	2%
V)	Generic Names of Principal Products, Services of the	
	Company Item Code No. (ITC Code)	59,100,1006
	Product Description	Hotel
	Item Code No. (ITC Code)	39,000,1002
	Product Description	Restaurant

AS PER OUR REPORT OF EVENT DATE ATTACHED

For S. K. Patodia & Associates

Chartered Accountants

For and on behalf of the Board

sd/-

Sunil Patodia

Partner

Membership No. : 045489

Mumbai, Aug 25, 2009

S/d

S. N. Sharma

Managing Director

S/d

Sandeep Sharma

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