

**ANNUAL REPORT 2008-09**

**RAS RESORTS AND APART HOTELS LIMITED**

MEMBERSHIP  
2008-09

2008-09  
2007-08



**EXECUTIVE GUEST ROOM**



**BISTRO - THE FEAST VILLAGE**



**THE BANYAN TREE - LOUNGE & BAR**



## **RAS RESORTS AND APART HOTELS LIMITED**

### **BOARD OF DIRECTORS**

PRAVIN VEPARI *Chairman*

VIJAY RANJAN

AMEET HARIANI

TEKCHAND SHEWAKRAMANI

NALINI SHEWAKRAMANI

GAUTAM SHEWAKRAMANI

VISHAMBER SHEWAKRAMANI *Managing Director*

### **AUDITORS**

N.M. Rajji & Co.

### **CORPORATE LAW ADVISOR**

Bipin S. Acharya

### **BANKERS**

Allahabad Bank

State Bank of India

Syndicate Bank

### **REGISTERED OFFICE**

Rosewood Chambers, 99/C, Tulsiwadi, Tardeo,  
Mumbai - 400 034.

### **RESORT SITE**

Survey No. 128, Hissa No. 1, Silvassa Naroli Road,  
Silvassa - 396 230,  
Union Territory of Dadra & Nagar Haveli.

### **REGISTRAR & SHARE TRANSFER AGENT**

Satellite Corporate Services Private Limited  
B-302. Sony Apartment,  
Opp. St. Jude's High School,  
Off Andheri Kurla Road, Jarimari,  
Sakinaka, Mumbai - 400 072

*If you cannot do great things, do  
small things in a great way.*

***Napolean Hill***

# RAS RESORTS AND APART HOTELS LIMITED



## NOTICE

Notice is hereby given that the Twenty-Fifth Annual General Meeting of the Members of the company will be held at Prince Hall, The National Sports Club of India, Lala Lajpat Rai Marg, Worli, Mumbai 400 018 on Friday, September 18, 2009 at 10.00 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2009 and the Profit & Loss Account for the year ended on that date and Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Ameet Hariani who retires by rotation, and is eligible for re-appointment.
3. To appoint a Director in place of Shri Gautam Shewakramani who retires by rotation, and is eligible for re-appointment.
4. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Dayal and Lohia, Chartered Accountants Mumbai be and are hereby appointed as Auditors of the Company in place of M/s. N. M. Rajji & Co., Chartered Accountants to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Board of Directors in consultation with the Auditors plus out of pocket expenses, if any."

### SPECIAL BUSINESS

5. To appoint a Director in place of Shri Vijay Ranjan who was appointed as an Additional Director by the Board of Directors of the Company and who holds office upto the date of the ensuing Annual General Meeting in accordance with Section 260 of the Companies Act, 1956, but who is eligible for appointment.

### 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 A PROXY NEED NOT BE A MEMBER.
2. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956 in respect of items 4 and 5 above is attached hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 11, 2009 to Friday, September 18, 2009 (both days inclusive).
4. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
5. Members are requested to notify immediately change in their Registered address, if any, or make correspondence to the Registered Office of the Company or to Satellite Corporate Services Private Limited, B-302, Sony Apartment, Opp. St. Jude's High School, Off Andheri - Kurla Road, Jarimari, Sakinaka, Mumbai - 400 072, Share Transfer Agents of the Company quoting their Folio No.

By order of the board,  
**Vishamber Shewakramani**  
*Managing Director*

**Registered Office:**  
Rosewood Chambers,  
99/C, Tulsiwadi, Tardeo,  
Mumbai - 400 034.

Dated: July 28, 2009

# RAS RESORTS AND APART HOTELS LIMITED



## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

#### Item No. 4

M/s N. M. Raiji & Co., Chartered Accountants, Auditors of the Company, have vide their letter dated May 18, 2009 expressed their inability for their re-appointment as auditors of the Company at the ensuing Annual General Meeting.

The Company has received a letter from a member of the Company proposing the name of M/s Dayal and Lohia, Chartered Accountants, to be appointed as Auditors of the Company.

M/s Dayal and Lohia, Chartered Accountants, have in terms of Section 224(1B) of the Companies Act, 1956, consented to act as Statutory Auditors of the Company if appointed.

Your Directors therefore recommend the appointment of M/s Dayal and Lohia, Chartered Accountants, as Auditors of the Company for approval by the members.

None of the Directors is concerned or interested in the said resolution.

#### Item No. 5

Shri Vijay Ranjan was appointed as an Additional Director by the Board of Directors with effect from 1st October, 2008. By virtue of Section 260 of the Companies Act, 1956 he holds office upto the date of the ensuing Annual General Meeting but is eligible

for appointment. Notice along with necessary deposit of Rs 500/- under section 257 of the Companies Act, 1956 has been received from a member of the Company proposing the name of Shri Vijay Ranjan as a candidate for the office of Director.

Shri Vijay Ranjan is a former Executive Director of SEBI and retired Chief Commissioner of Income-Tax. The company will be benefited with his knowledge and advice. It will be in the interest of the Company that Shri Vijay Ranjan continues as a Director of the Company.

Your Directors commend the resolution for approval by the members.

Shri Vijay Ranjan is interested in this item of business.

By order of the board,  
**Vishamber Shewakramani**  
Managing Director

#### Registered Office :

Rosewood Chambers,  
99/C, Tulsiwadi, Tardeo,  
Mumbai - 400 034.

Dated: July 28, 2009

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty-fifth Annual Report together with the Statement of Accounts for the year ended 31<sup>st</sup> March 2009.

### Operations

The Company has completed its Twentieth year of operations. Income for the year is Rs.514.68 lakhs as compared to 515.15 lakhs in the previous year.

The working results of the Company show a net profit of Rs.13.54 lakhs after making provision for depreciation of Rs.29.90 lakhs.

### Real Estate Business

The Company is in process for reviving the real estate business activities in Goa and Silvassa to build up residential space for leisure purchasers and corporates.

### Accounts and Finance

The Company's writ Petition for 5% interest subsidy claim from concerned authorities of Silvassa is pending in the Supreme Court.

### Conservation of Energy

During the year, the Company continued to make efforts to prevent wasteful electrical consumption. Solar Water Heating System has been extended and this has helped in saving of energy cost.

### Technology Absorption

The Company does not need any technology for its existing business.

### Foreign Exchange

The Company has earned Rs. 5.51 lakhs by way of foreign exchange and the outgo of foreign exchange was Nil.

### Directors

Shri Ameet Hariani and Shri Gautam Shewakramani, Directors of the Company would retire at the ensuing

Annual General Meeting and they are eligible for re-appointment.

Shri Vijay Ranjan was appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> October, 2008. By virtue of Section 260 of the Companies Act, 1956 he would hold office upto the date of the ensuing Annual General Meeting and is eligible for appointment.

Brief resume of the above Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership / chairmanship of committees of the Board, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange are given in the section on Corporate Governance in the Annual Report.

During the year Padm. Kum Thangam Philip ceased to be Director of the Company due to her death on 28.01.2009. The Board places on record its gratitude for the valuable advice and guidance provided by Ms. Philip during her tenure as Director of the Company.

### Directors' Responsibility Statement

The Directors confirm:

- (i) that in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the

# RAS RESORTS AND APART HOTELS LIMITED



provisions of this Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) the Directors have prepared the annual accounts on a going concern basis.

## **Particulars of Employees**

The Company does not have any employees whose particulars are required to be given pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **Compliance Certificate**

A Compliance Certificate from the Secretary in whole time practice in respect of the financial year ended 31st March 2009 is attached.

## **Auditors & Observations**

The observation made by the Auditors in their report and explanations given in the Notes to the Accounts are self-explanatory.

M/s N.M. Rajji & Co., Chartered Accountants, the Auditors of the Company would retire at the ensuing Annual General Meeting and do not offer themselves for reappointment.

The Company has received a letter from a member of the Company proposing the name of M/s Dayal and Lohia, Chartered Accountants, to be appointed as Auditors of the Company.

M/s Dayal and Lohia, Chartered Accountants, have in terms of section 224(IB) of the Companies Act, 1956, consented to act as Statutory Auditors of the Company, if appointed.

You are requested to appoint Auditors and to fix their remuneration.

## **Listing**

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd.

The Company has paid the Annual Listing Fees to the Bombay Stock Exchange Ltd. for the year 2009-2010.

## **Corporate Governance**

Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, Reports on Management Discussion & Analysis and on Corporate Governance alongwith a certificate from the Auditors form part of this report.

## **Acknowledgement**

Your Directors convey their gratitude to the Allahabad Bank and every official of the administration of Dadra and Nagar Haveli and Daman and Diu for their continued assistance and support. The Directors also wish to place on record their appreciation of the hard work put in by the staff, both at Silvassa and Mumbai. The Directors are also grateful to you, the Shareholders for the confidence you continue to repose in the Company.

For and on behalf of the Board

**PRAVIN VEPARI**  
*Chairman*

Date: July 28, 2009



## ANNEXURE TO THE DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS

### 1. BUSINESS OVERVIEW

Increasing disposable incomes, a change in the spending habits, increasing affordability due to numerous holiday packages and cheaper air fares, domestic tourist traffic has been growing at a rapid pace.

With continuing surge in tourist the hotel, this sector is likely to offer tremendous opportunity for investors with such a huge potential available. Several global hotel chains like Hilton, Accor, Marriott International, Berggruen Hotels, Cabana Hotels, Premier Travel Inn, Intercontinental Hotels Group and Hampshire among others have announced major investment plans for India.

Hotels are increasingly cashing in on food and beverages, restaurants, spas, health services, nightclubs and other ancillary services. These services are contributing more than half of the overall revenues of hotel chains. Non-room revenues of hotels have contributed to 50-55% of overall revenues.

### 2. NATURE OF INDUSTRY

2.1 The hotel industry has always in a challenging stage over year to year. Every event affects the business.

2.1.1 The key characteristics of the hotel industry are :

The industry is primarily capital intensive coupled with depreciation costs on the buildings, furniture, fixtures and equipment and other assets. While your Company has an "Asset light" strategy, there are key strategic assets that need to be locked in through investment. During periods of growth the depreciation and interest costs rise rapidly as capacity additions take place. The relevant parameter for evaluation of management performance in the growth mode is thus EBITDA (Earnings Before Interest Tax Depreciation and

Amortization), rather than Profit After Tax (PAT), since the depreciation and interest costs are expensed relatively quickly (over a 8-10 year frame) against an asset that has a life of 80 to 100 years.

2.1.2 The hotel industry is also cyclical due to the nature of capacity additions being lumpy while the demand growth is smooth. However, the exact position of the industry on the business cycle varies from city to city, depending on the forces of demand and supply in that city. Silvassa has added more Hotels in the last 6 years.

2.1.3 Seasonality Trend : The Indian hotel industry reflects a clear seasonality trend. For example in India, the tourism and hospitality industry shows signs of an uptrend in the months of November to February due to higher tourist flows. The months of June to September on the other hand are months of low occupancies and revenue, with fewer business or leisure visitors. Although there is considerable improvement in the months of June to September that we have experienced.

2.1.4 Strong dependence on the services economy – The hotel industry tourist segment is highly dependent on services economy in terms of performance. Thus in the years of the services economy boom, the hotels business has grown well and has been relatively unaffected by the under performance of the manufacturing sectors of the economy.

2.1.5 Brand Impact: The hotel industry is characterized by strong brand focus resulting in choices being made by the customer based on factors beyond price – especially in the high-end segment where the brand is a hallmark of product and service quality. Your Company and

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its "Complete Vacation & Conference Centre" have strong brand recognition and customer loyalty.

2.1.6 Instant perishability of the product : The industry belongs to the service sector and thus the product (service) is instantly consumed and cannot be replenished. Thus, one needs to maximize utilization of available capacity and reduce marginal costs over marginal revenues.

2.1.7 The major cost drivers in the industry are :

- Food and beverage costs
- Employee costs
- Power and fuel expenses
- Administrative and other overhead costs
- Advertising and publicity expenses

### 3. BUSINESS PERFORMANCE

The significant trends that drives the hotel industry are the opportunities for growth into new markets. Hospitality industry is under going a period of unprecedented change and will continue to transform. This is also a period of unparalleled opportunity and the need of the hour is to remain at the forefront of understanding the travellers need and demand, both now and into the future. Understanding these key business drivers and delivering the technology will support the hoteliers to stay competitive in a rapidly changing world.

3.1 The Company has continue the Real Estate business and is acquiring a plot at Goa and a plot at Silvassa.

### 4. RISK FACTORS

4.1 Risks related to presence in India

4.1.1 Political and economic environment risks: With the political and economic environment being stable in India, the hospitality industry will be benefited. With the services sector increasing its contribution share of the Indian GDP, over the medium term the fortunes of

our industry are expected to improve further. With India joining the global mainstream of business and attracting more foreign investments and its presently high levels of domestic tourist traffic, the future has good potential for the hotel industry.

4.1.2 Socio-Political risks: The Hotels industry faces risk from the volatile socio-political environment in the local area.

4.2 Industry / sector specific risks

4.2.1 Infrastructure related risks:

Presence of good infrastructure in terms of airports/ roads is critical to attract customers. With the Government of India planning to privatise the airport, to increase efficiency to international standards and the commissioning of the Golden Quadrilateral Highway, business activity is expected to improve, and the hotel industry will benefit from these improvements in infrastructure.

4.2.2 Government concessions / restrictions to the hospitality industry :

Tourism as a major economic activity has been identified as such by the Government of India. The importance of this sector is expected to grow in the coming years.

4.3 Risks associated with the Company

4.3.1 Risk of wage inflation : the hotel industry needs quality employees and with demand for the same improving across the industry, the Company feels that wage inflation is a critical factor in determining costs for the Company. Thus, your Company will continue to focus on improving manpower efficiencies and creating a lean organization, while maximizing effectiveness in terms of customer service and satisfaction, as an area of great importance for the management of your Company.

4.3.2 Client Concentration : Your Company provides its services to 7 broad market segments, namely – Corporate / Business, Leisure, Longstayers, Groups, Conferences, Events and Packages. The Company does not face any significant risk since there is no excessive concentration of business with any single client.

## 5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

5.1 The systematic evaluation and improvement of internal control and internal Audit continued during the year 2008 – 2009. In addition, asset audits were commissioned in view of last year loss of assets in the flood and reinstatement thereof. The coverage has been comprehensive and exhaustive with a great degree of involvement of the Unit personnel and satisfactory compliance with previous year's agreed audit recommendations.

## 6. LIMITATIONS OF FINANCIAL STATEMENTS

### 6.1 Contingent Liabilities

6.1.1 The accounting standard definition of a contingent liability is as follows :

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- a present obligation that arises from past events but is not recognized because it is not probable that a transfer of economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

## 7. FUTURE OUTLOOK

### 7.1 INTERNATIONAL

7.1.1 Most economies of the world are in a brief recession. The world's largest economy, the United States has been

stable in consumer spending and corporate confidence levels. This confidence is expected to help the other economies in Europe and Asia.

7.1.2 Increase in technological spending across the world is expected to improve the prospects for the services industry and further improve infrastructure facilities across the world to promote business deals and improve standard of living for the people

### 7.2 FUTURE OUTLOOK FOR INDIA

7.2.1 India has emerged as a strong performer in the world scenario in the last financial year. In the current political scenario after the trust vote focus on the reforms, the process of liberalization is expected to gain further momentum in the coming years.

7.2.2 The Indian economy has been performing consistently and has shown a lot of stability over the last year. This is an important stimulus expected to benefit further revival of economy. The economy is expected to bounce back to the growth levels of Internet boom times in current financial year.

7.2.3 Development in the telecommunications sector & road infrastructure is expected to improve conditions in the country and thus emerge as a growth driving factor for the economy on the whole.

### 7.3 FUTURE OUTLOOK FOR THE INDUSTRY

In the future, the demand for the rooms and F & B is expected to grow because of the following factors :

- Improvements in the infrastructure sector viz. roads
- Low inflation leading to a higher Disposable income
- High GDP growth
- Investment Reforms will further boost up long-term capital inflow into the sector

In the long term, for the growth of the industry to be sustained, issues like poor infrastructure, high levels of taxation need to be solved. Land development, less of paper and legal work, faster execution is needed to meet the growing demand. Adding rooms at a faster pace would stabilise the room rates and not have a negative effect on the potential demand in the future.

The growth of tourism industry has also offered excellent opportunities for investors. Currently there is a demand of around 240,000 hotel rooms whereas only 90,000 rooms are available. So there is a heavy shortage of rooms. The global hotel chains such as Hilton, Accor, Marriott International, Berggruen Hotels, Cabana Hotels, Premier Travel Inn (PTI), Intercontinental Hotels Group, Hampshire etc. have decided to make huge investments in India. The fact that 100% FDI is allowed in this sector, is also attracting a lot of investors. This clearly shows that India is on the international tourism radar.

These factors are expected to make Silvassa suitable destination for investments. Thus, we expect a heightened activity in the economic and industrial sectors, which will thus generate business and tourist demand for the hotel industry in particular. The Mumbai – Surat 4 lane highway is operational. Both Mumbai and Surat are Silvassa source markets.

A large chunk of demand is expected to be generated from the growth of the economy and lead to improvement in the inflow of tourists and Business Travelers to Silvassa.

#### **7.4 REAL ESTATE ACTIVITY**

The Company is in process for reviving the real estate business activities in Goa and Silvassa for high and build up residential space from leisure purchasers and from corporates.

#### **7.5 CONCERNS FOR THE FUTURE**

The Governments dependence on coalition partners could dampen business mood.

## **8. HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

8.1 The Company's mission is to achieve and sustain leadership in the Hospitality industry and to deliver value to its customers by rewarding and recognizing quality customer care based upon individual and team performance. The Company provides opportunities for continuous learning and development and abides by fair policies to ensure the well being of its employees, their family, the community and the environment.

8.2 Improvements in all the areas of the hotels have been affected through :

8.2.1 A clear understanding of the group's vision, philosophy and flexibility in the Customer Relationship Management;

8.2.2 To build a culture of trust and transparency, Staff Meetings have been initiated where employees are briefed on the new activities and the business scenario.

## **9. CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. As 'forward looking statements' are based on certain assumptions and expectations of future events over which the Company exercises no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. Actual results could differ materially from those expressed or implied. Significant factors that could make a difference to the Company's operations include domestic and international economic conditions affecting demand, supply and price conditions in the hospitality industry, changes in government regulations, tax regimes and other statutes.

## REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement)

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of its business and in meeting its obligations to the shareholders.

The Company is committed to learn and adopt the best practices of corporate governance by adopting fair and transparent process, reporting systems and regulatory compliance.

### 2. BOARD OF DIRECTORS

#### A. Composition of Board

The present strength of Board of Directors of your Company is seven.

Composition and category of Directors is as follows:

Name of Director	Category of Directorship*	No. of Board Meetings attended		Attendance at the last AGM	Directorship in other public limited companies in India	No. of Committees in which Chairman/Member (other than Ras Resorts & Apart Hotels Ltd.)	
		Held	Attended			Member	Chairman
Shri Vishamber Shewakramani	Managing Director	5	5	YES	Nil	—	—
Shri Pravin Vepari	Chairman & I & N.E.D.	5	5	YES	Nil	—	—
Shri Ameet Hariani	I & N.E.D.	5	3	YES	3	—	—
Shri Vijay Ranjan (appointed w.e.f 22.10.2008)	I & N.E.D.	2	2	—	Nil	—	—
Shri Tekchand Shewakramani	N.E.D.	5	—	—	Nil	—	—
Shri Gautam Shewakramani	N.E.D.	5	—	—	Nil	—	—
Smt. Nalini Shewakramani	N.E.D.	5	5	YES	Nil	—	—
Late Padm.Kum. Thangam Philip (Expired on 28.01.2009)	I & N.E.D.	5	—	—	—	—	—

\* I & N.E.D. – Independent & Non-Executive Director

\*\* N.E.D. –Non-Executive Director

Shri Vishamber Shewakramani, Shri Tekchand Shewakramani, Smt. Nalini Shewakramani and Shri Gautam Shewakramani are related to each other. None of the other directors are related interse.

#### B. Non- executive Director's Compensation

None of the non-executive directors is paid any remuneration other than sitting fees of Rs. 4000/- upto April, 2008 and Rs. 8000/- thereafter for each director for attending each Board Meeting and Rs. 1000/- upto April, 2008 and Rs. 2000/- thereafter for each Audit Committee Meetings.

The holding of non-executive directors in the shares of the Company are as follows:

1. Shri Tekchand Shewakramani	697138 Equity Shares
2. Smt. Nalini Shewakramani	359150 Equity Shares
3. Shri Gautam Shewakramani	106000 Equity Shares

#### C. Independent Directors

The independent directors are not related to promoters or management at the Board level.

#### D. Board Procedure

Five Board Meetings were held during the year 2008 - 2009. The dates on which the said meetings were held are as follows:

25.04.08, 30.07.08, 18.09.08, 22.10.08 and 28.01.09 (Adjourned Meeting held on 29.01.09)

The Company has a process to provide inter-alia the information to the Board as required under Annexure IA to clause 49 of the Listing Agreement. The Board periodically reviews the compliance of all laws applicable to the Company.

All directors have made necessary disclosures about the committee positions, if any, held in other companies.

The Company has not entered into any materially significant transactions, during the year under report, with promoters, directors, senior management personnel etc. other than transactions if any, entered into in the normal course of company's business.

## E. Details of Directors to be appointed

The particulars of Directors who are proposed to be appointed / re-appointed at this Annual General Meeting, as required pursuant to clause 49 of the Listing Agreement, are given below:

1. Shri Gautam Shewakramani is MBA from MIT Sloan School of Management, Cambridge, MA, and has done his Bachelor of Science in Computer Science & Film from university of Notre Dame, College of Engineering. The details of his experiences are Summer Associate in Quantitative Strategies Group at Deutsche Bank - New York, Business Analyst in Strategy & Operations at Deloitte Consulting LLP, New York and Summer Intern, Fixed Income Sales & Research IT for Credit Suisse First Boston (CSFB), New York. The other directorship he holds is in Gautam Premises Pvt. Ltd.
2. Shri Ameet Hariani, is a practicing Advocate & Solicitor. The directorships he holds in various Companies are – Capricon Realty Limited, Batliboi Ltd, Vascon Engineers Limited, Hariani Advisory Services Pvt. Ltd, Radicle Informatics Pvt. Ltd. and Envision Computer Consultancy Pvt. Ltd.
3. Shri Vijay Ranjan is a former Executive Director of SEBI and retired Chief Commissioner of Income-Tax and Company will be benefited from his knowledge and experience. Other directorship- Nil.

## F. Code of Conduct

The Board has laid down a code of conduct for all Board members and senior management personnel of the company. The said code of conduct is posted on the company's website [www.rahl.com](http://www.rahl.com) . All the board members and

senior management personnel have affirmed compliance with the said code of conduct. A declaration signed by the Managing Director and CEO is given at the end of this report.

The Company has also adopted a code of conduct for prevention of Insider Trading. All the Directors, Senior Management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under report, there has been due compliance with the said code of conduct for prevention of Insider Trading.

## 3. AUDIT COMMITTEE

The Audit Committee was reconstituted consisting of the following directors w.e.f. 01.10.2008:

1. Shri Pravin Vepari - Independent and Non-Executive Director, Chairman of the Committee
2. Shri Ameet Hariani - Independent and Non-Executive Director
3. Shri Vijay Ranjan - Independent and Non-Executive Director
4. Smt. Nalini Shewakramani - Non-Executive Director

The members of the Committee have the relevant experience in the field of finance, taxation and accounting, with Shri Pravin Vepari, chairman of the committee, being a Chartered Accountant and Independent Director.

The Managing Director attends the Audit Committee Meetings. Besides the Internal Auditors and finance personnel are invitees to the Audit Committee.

The terms of reference to the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement such as oversight of the Company's financial reporting process; recommending the appointment /reappointment of statutory auditors; reviewing with the management, annual financial statements, quarterly financial statements and other matters as covered under role of Audit Committee in Clause 49. The Audit Committee has powers,

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interalia, to investigate any activity within its terms of reference and to seek information from any employee of the Company as well as seek outside legal and professional advice. The Audit Committee reviews all the issues that are required to be mandatory reviewed by it under Corporate Governance.

Four meetings of the Committee were held during the financial year. The dates on which the said meetings were held are as follows:

25.04.08, 30.07.08, 22.10.08 and 28.01.09 (adjourned meeting on 29.01.2009)

The attendance of each member of the Audit Committee in the meetings is given below:

Name of the Director	No. of meetings held	No. of meetings attended
Shri Pravin Vepari	4	4
Shri Ameet Hariani	4	3
Shri Vijay Ranjan (appointed w.e.f 22.10.2008)	2	2
Smt. Nalini Shewakramani	4	4

#### 4. SUBSIDIARY COMPANY

The Company does not have a subsidiary.

#### 5. REMUNERATION COMMITTEE

The Remuneration Committee was reconstituted, with effect from 22-10-2008; to comprise the following directors:

1. Shri Pravin Vepari - Independent and Non-Executive Director, Chairman of the Committee
2. Shri Ameet Hariani - Independent and Non-Executive Director
3. Shri Vijay Ranjan - Independent and Non-Executive Director
4. Smt. Nalini Shewakramani - Non-Executive Director

The Remuneration Committee deals with the matters specified in clause 49 of the listing agreement and also reviews the overall compensation structure and policies of the Company. During the year 2008-2009 one meeting of the remuneration committee was

held on 30<sup>th</sup> July, 2008 in which except Smt. Nalini Shewakramani all other members were present.

Details of the remuneration paid to the Directors of the Company during the year ended 31<sup>st</sup> March, 2009 are given below :

Name of Director	Salary	Perquisites	Commission	Others	Sitting fees	Total
Shri Vishamber Shewakramani Managing Director	14,70,000/-	—	—	—	—	14,70,000/-
Shri Pravin Vepari	—	—	—	—	43,000/-	43,000/-
Late Padm. Kum. Thangam Philip	—	—	—	—	—	—
Shri Ameet Hariani	—	—	—	—	25,000/-	25,000/-
Shri Tekchand Shewakramani	—	—	—	—	—	—
Shri Gautam Shewakramani	—	—	—	—	—	—
Smt. Nalini Shewakramani	—	—	—	—	43,000/-	43,000/-
Shri Vijay Ranjan	—	—	—	15,799/-	20,000/-	35,799/-

Non-Executive Directors are not entitled to any remuneration other than the sitting fees.

The Company does not have a scheme for grant of stock options.

#### 6. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

Shareholders'/ Investors' Grievance Committee comprises of Shri Pravin Vepari, Shri Vishamber Shewakramani and Smt. Nalini Shewakramani. The Chairperson of the Committee is Smt. Nalini Shewakramani.

The Committee looks into redressing of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc. Shri B. H. Joshi is the Compliance Officer of the Company.

No investor complaint was received during the year under review. Outstanding complaints as on 31<sup>st</sup> March, 2009 were Nil. No requests for transfers were pending for approval as on 31<sup>st</sup> March, 2009.

## 7. GENERAL BODY MEETINGS

Location and time for last three Annual General Meetings:

Year	Location	Date	Time
2005-06	The Prince Hall, The National Sports Club of India, Lala Lajpat Rai Marg, Worli, Mumbai - 400 018	22.09.2006	10.00 a.m.
2006-07	Green Room, Bombay Cricket Association, Garware Club, Ground Floor, 'D' Road, Churchgate, Mumbai - 400 020	17.09.2007	10.00 a.m.
2007-08	Green Room, Bombay Cricket Association, Garware Club, Ground Floor, 'D' Road, Churchgate, Mumbai - 400 020	18.09.2008	10.00 a.m.

All the resolutions, including special resolution, set out in respective notices convening the Annual General Meeting were passed by the shareholders.

No postal ballots were used for voting at these meetings. At the ensuing Annual General Meeting, there is no item on the agenda that needs approval by postal ballot.

## 8. DISCLOSURES

### A. Related Party Transactions

The particulars of transactions between the Company and its related parties as per Accounting Standard AS- 18, are set out in Notes to Accounts in the Annual Report and were placed before the Audit Committee periodically. There were no transactions of Material nature entered into with Directors, or the Management or their Relatives etc. during the year, that may have potential conflict with the interests of the Company at large.

### B. Risk Management

The Board of Directors have been informed from time to time the business risks faced by the Company and the steps taken by the management to face them.

### C. Proceeds from initial Public Offerings (IPOs)

The Company has not made any IPO during the year.

## D. Management

A separate report on Management Discussion & Analysis, which forms part of the report, is annexed.

The Company has complied with the requirements of regulatory authorities on matters related to capital markets and no penalties/strictures have been imposed against the Company during the last three years.

Clause 49 of the Listing Agreement mandates to obtain a certificate from either the Auditors or Practicing Company Secretaries regarding the compliance of conditions of Corporate Governance stipulated in the clause and annex the certificate with the Directors' Report, which is sent annually to all the shareholders. The Company has obtained a certificate from the Auditors of the Company to this effect and the same is given as an annexure to the Directors' Report.

## 9. WHISTLE BLOWER POLICY

The Company has not framed any whistle blower policy. However, no person has been denied any access to the Audit Committee.

The Company has not adopted non- mandatory requirements of Clause 49. However the particulars relating to the Remuneration Committee are given in this report.

## 10. POSTAL BALLOT

The Company does not have any proposal for postal ballot this year.

## 11. MEANS OF COMMUNICATION

The quarterly and half-yearly results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and are published in newspapers like, Pratyaksha and Free Press Journal. These are not sent individually to the shareholders.

Pursuant to Clause 51 of the listing agreement, the Company files quarterly results, annual report, corporate governance report and the shareholding pattern statement on the Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by National Informatics Centre (NIC). The information filed



# RAS RESORTS AND APART HOTELS LIMITED



by the Company can be accessed in the EDIFAR website viz. [www.sebiedifar.nic.in](http://www.sebiedifar.nic.in) or through a link in the website of SEBI viz. [www.sebi.gov.in](http://www.sebi.gov.in)

There were no presentations made to the institutional investors or analysts.

## 12. GENERAL SHAREHOLDERS INFORMATION

### 12.1 Annual General Meeting

Date and Time : Friday, September 18, 2009 at 10.00 a.m.

Venue : Prince Hall, The National Sports Club of India, Lala Lajpat Rai Marg, Worli, Mumbai - 400 018.

12.2 Financial Calendar : April to March

First quarter results – last week of July

Second quarter results – last week of October

Third quarter results – last week of January

Fourth quarter results – last week of April

12.3 Date of Book Closure : Friday, September 11, 2009 to Friday, September 18, 2009 (both days inclusive)

12.4 Dividend Payment Date : N. A.

12.5 Listing on Stock Exchange : The Bombay Stock Exchange Ltd.

12.6 (a) Stock Code : 507966 at BSE – Physical

(b) ISIN Number : INE651D01016 in NSDL and CDSL

### 12.7 Stock Price Data

Table below gives the monthly highs and lows of the Company's shares on the Mumbai Stock Exchange (BSE).

High and Low prices of the Company's shares on BSE with corresponding BSE sensx April 2008 to March 2009				
Months	High (Rs.)		Low (Rs.)	
	Ras Resort Price	BSE Sensex	Ras Resort Price	BSE Sensex
April 2008	47.90	17,480.74	26.75	15,297.96
May 2008	41.25	17,735.70	31.35	16,196.02
June 2008	37.00	16,632.72	27.05	13,405.54
July 2008	36.00	15,130.09	29.20	12,514.02
August 2008	35.90	15,579.78	29.10	14,002.43
September 2008	41.00	15,107.01	34.95	12,153.55
October 2008	37.10	13,203.86	33.50	7,697.39
November 2008	33.50	10,945.41	29.50	8,316.39
December 2008	38.00	10,188.54	28.00	8,467.43
January 2009	42.50	10,469.72	33.45	8,631.60
February 2009	40.00	9,724.87	37.50	8,619.22
March 2009	41.45	10,127.09	35.65	8,047.17

12.8 Registrar & Transfer Agents : Satellite Corporate Services Private Limited  
Registrar and Share Transfer Agents having their office at: B-302, Sony Apartment, Opp. St. Jude's High School, Off Andheri-Kurla Rd., Jarimari, Sakinaka, Mumbai 400 072.

### 12.9 Share Transfer System

Share transfers are registered and duly transferred share certificates are returned to the lodger within a period of thirty days from the date of receipt, if the documents are otherwise in order.

The share transfer committee meets as often as possible to approve transfers and related matters as may be required.

### 12.10 Distribution of shareholding as on 31<sup>st</sup> March, 2009:

Particulars	No. of shares held	Percentage to total share capital
Promoters	2960553	77.91
Financial Institutions/ Banks/Mutual Funds	200	0.01
Corporate Bodies	29352	0.77
NRI/OCB/FII	766	0.02
Hindu Undivided Families	58603	1.54
Individuals	750526	19.75
<b>Total</b>	<b>3800000</b>	<b>100.00</b>

# RAS RESORTS AND APART HOTELS LIMITED



## 12.11 Dematerialization of shares and Liquidity

As on March 31, 2009, 47.78% of the paid up share capital has been dematerialized. The shares of the Company are infrequently traded.

## 12.12 Hotel Location

Survey No. 128, Hissa No. 1, Silvassa Naroli Road, Silvassa 396 230, Union Territory of Dadra & Nagar Haveli.

## 12.13 Addresses for Correspondence:

<b>Registrar and Share Transfer Agents</b>	<b>: Compliance Officer</b>
Satellite Corporate Services Private Limited Unit: RAS RESORTS & APART HOTELS LTD. B-302, Sony Apt., Opp. St. Jude's High School, Off Andheri- Kurla Road, Jarimari, Sakinaka, Mumbai - 400 072 Tel. : +91 22 28520461 +91 22 28520462 Telefax: +91 22 28511809	Shri B. H. Joshi Rosewood Chambers, 99/C, Tulsiwadi, Tardeo, Mumbai 400 034. Tel.: +91 22 2353 1662, 2353 1330 Email: rasresorts@vsnl.com

## 13. CEO/CFO Certification

A Certificate from the Managing Director of the Company in terms of Clause 49 (V) of the Listing Agreement was placed before the Board Meeting held on July 28<sup>th</sup>, 2009 to approve the Audited Annual Accounts for the year ended 31<sup>st</sup> March 2009.

## 14. Declaration

As provided under clause 49 of the listing agreement with the Stock Exchange the Board members and the senior management personnel have affirmed compliance with the Code of Conduct for the Board of Directors and senior management for the year ended 31<sup>st</sup> March 2009.

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Ras Resorts & Apart Hotels Limited

1. We have examined the compliance of conditions of Corporate Governance by **RAS RESORTS & APART HOTELS LIMITED** ("the Company") for the year ended on March 31, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.
  2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of procedures and implementation thereof, adopted by the Company for ensuring compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
  3. In our opinion and to the best of our information and according to the explanations given to us
- and the representation made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated of clause 49 of the above mentioned Listing Agreements.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For N.M. Rajji & Co.**  
*Chartered Accountants*

**Vinay D. Balse**  
*Partner*  
(Membership No. 39434)

Place : Mumbai  
Date : July 28, 2009

## AUDITORS' REPORT

TO THE MEMBERS OF  
RAS RESORTS AND APART HOTELS LIMITED  
FOR THE YEAR ENDED MARCH 31, 2009.

1. We have audited the attached Balance Sheet of **RAS RESORTS AND APART HOTELS LIMITED**, as at March 31, 2009, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
  2. We conducted our audit in accordance with the auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
  3. As required by the Companies (Auditor's Report) (Amendment) Order, 2004, (hereinafter referred to as the 'Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
  4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
    - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
    - (b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as it appears from our examination of those books;
    - (c) 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;
- (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement, dealt with by this report, are in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
  - (e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as at March 31, 2009, from being appointed as a director, in terms of Section 274 (1) (g) of the Companies Act, 1956;
  - (f) *The Company has not disclosed the quantitative information relating to turnover and consumption, as required under Part II of Schedule VI to the Companies Act, 1956, (refer note 13 of Schedule 'P').*
  - (g) *Subject to our comments in para (f), in our opinion, and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
    - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
    - (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For and on behalf of  
**N. M. Raiji & Co.**  
Chartered Accountants

**Vinay D. Balse**  
Partner

Place : Mumbai  
Date : July 28, 2009

(Membership No. 39434)

## ANNEXURE TO THE AUDITORS' REPORT OF RAS RESORTS APART HOTELS LIMITED

(referred to in paragraph 3 of our Report of even date)

- (i) (a) The Company is in the process of writing up the fixed assets register in respect of assets installed during the year ended March 31, 2009, and pursuant to the replacement of assets damaged / destroyed in the floods of August 2004.
- (b) According to the information and explanation given to us, fixed assets were physically verified in June 2009, and the discrepancies arising therefrom have been dealt with in the books of account as at March 31, 2009.
- (c) Except for fixed assets removed from the Fixed Assets register pursuant to the discrepancies arising on physical verification, the Company has not disposed off any Fixed Assets during the year.
- (ii) (a) Inventory of stores, food & beverages and operating supplies have been physically verified by the Management at reasonable intervals during the year. The Company has a perpetual inventory system. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book stocks were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, 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 Companies Act, 1956. Consequently, sub-clauses 3(b), (c) and (d) of Clause 4 of the Order are not applicable.
- (iv) In respect of the loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
- (a) The Company has not taken any loans during the year. At the year-end, the outstanding balance of loans taken aggregated Rs.1.85 lacs (number of parties – one) and maximum amount outstanding during the year was Rs.6.30 lacs (number of parties – one).
- (b) According to information and explanations given to us, the loans are interest free and the other terms and conditions of such loans are, prima facie, not prejudicial to the interests of the Company.
- (c) According to the information and explanations given to us, the payment schedules of the principal amounts in respect of such loans have not been stipulated.
- (v) In our opinion, and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory, fixed assets and sale of goods and services. In the course of our audit, we have not observed any major weaknesses in the internal control system.
- (vi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, there were no transactions made in pursuance of

# RAS RESORTS AND APART HOTELS LIMITED



- contracts or arrangements referred to in Section 301 of the Companies Act, 1956, that needed to be entered in the register in pursuance of Section 301 of the Companies Act, 1956.
- (b) As there have been no transactions that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956, no comments are required to be offered in respect of reasonability of prices at which such transactions have been entered into at the relevant time.
- (vii) The Company has not accepted any deposits from the public. Consequently, the provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the Company.
- (viii) In our opinion, the Company has an internal audit system that is commensurate with its size and nature of its business.
- (ix) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
- (x) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has, during the year, been generally regular in depositing with the appropriate authorities, undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess were in arrears, as at March 31, 2009, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues relating to Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty, Cess, which have not been deposited on account of disputes with the related authorities.
- (xi) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the immediately preceding financial year or in the current financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company does not have any outstanding debentures.
- (xiii) 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.
- (xiv) In our opinion and according to information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, the provisions of Clause 4 (xiii) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiv) of the Order are not applicable to the Company.
- (xvi) To the best of our knowledge and according to information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvii) To the best of our knowledge and according to the information and explanations given to us, the term loans availed by the Company were *prima facie* applied for the purpose for which the loans were obtained.

# RAS RESORTS AND APART HOTELS LIMITED



- (xviii) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long term investment.
- (xix) According to the information and explanations given to us, during the year 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.
- (xx) The Company did not have any outstanding debentures during the year. As such, no security or charge has been created.
- (xxi) The Company has not raised any monies during the year by way of public issues.
- (xxii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For and on behalf of  
**N. M. Raiji & Co.**  
*Chartered Accountants*

**Vinay D. Balse**  
*Partner*  
(Membership No. 39434)

Place : Mumbai  
Date : July 28, 2009

# RAS RESORTS AND APART HOTELS LIMITED



## BALANCE SHEET AS AT 31ST MARCH, 2009

	'Schedules'	Rupees	As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
<b><u>SOURCES OF FUNDS</u></b>				
Shareholders' Funds				
Share Capital	'A'	38,000,000		38,000,000
Reserves & Surplus	'B'	<u>63,542,651</u>		<u>62,783,259</u>
			101,542,651	100,783,259
Loan Funds:				
Secured Loans	'C'	27,550,803		22,171,795
Unsecured Loans	'D'	<u>185,400</u>		<u>18,389,600</u>
			27,736,203	40,561,395
Time Share	'E'		3,066,178	3,205,506
Deferred Tax Liability (Net) (Refer Note 9 to Schedule 'P')			<u>7,177,240</u>	<u>6,908,116</u>
<b>TOTAL</b>			<b><u>139,522,272</u></b>	<b><u>151,458,276</u></b>
<b><u>APPLICATION OF FUNDS</u></b>				
Fixed Assets	'F'			
Gross Block		140,358,702		143,088,111
Less: Depreciation		<u>40,268,926</u>		<u>45,076,435</u>
Net Block		100,089,776		98,011,676
Capital Work-in-Progress (including Advances on Capital Account)		<u>30,266,915</u>		<u>25,760,959</u>
			130,356,691	123,772,635
Investments	'G'		8,276,375	14,976,375
Current Assets, Loans & Advances:	'H'			
Inventories		1,914,224		648,008
Sundry Debtors		1,222,039		1,520,084
Cash & Bank Balances		2,815,236		14,225,531
Loans & Advances		<u>8,437,969</u>		<u>7,793,039</u>
		14,389,468		24,186,662
Less: Current Liabilities and Provisions	'I'			
Current Liabilities		9,417,085		8,719,948
Provisions		<u>4,083,177</u>		<u>2,757,448</u>
		13,500,262		11,477,396
Net Current Assets			<u>889,206</u>	<u>12,709,266</u>
<b>TOTAL</b>			<b><u>139,522,272</u></b>	<b><u>151,458,276</u></b>
Notes to Accounts	'P'			

As per our attached report of even date

For **N. M. RAIJI & COMPANY**  
Chartered Accountants

**VINAY D. BALSE**

Partner

Membership No. 39434

Mumbai, 28th July, 2009

For and on behalf of the Board

**PRAVIN VEPARI**

Chairman

**VIJAY RANJAN**  
**NALINI SHEWAKRAMANI**

Directors

**VISHAMBER SHEWAKRAMANI**

Managing Director

Mumbai, 28th July, 2009



# RAS RESORTS AND APART HOTELS LIMITED



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	'Schedules'	Rupees	As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
<b>INCOME</b>				
Income from Operations	'J'		49,009,323	48,733,812
Other Income	'K'		2,459,282	2,781,124
<b>TOTAL INCOME</b>			<b>51,468,605</b>	<b>51,514,936</b>
<b>EXPENDITURE</b>				
Food, Beverages, Tobacco & Liquor Consumed	'L'		8,987,702	8,920,561
Payment to and Provisions for Employees	'M'		10,166,261	7,906,256
Operating and Other Expenses	'N'		26,302,228	25,438,202
Depreciation		3,584,860		3,551,903
Less : Transfer to Revaluation Reserve		594,526		594,526
			2,990,334	2,957,377
Interest	'O'		293,038	1,174,261
<b>TOTAL EXPENDITURE</b>			<b>48,739,563</b>	<b>46,396,657</b>
<b>PROFIT BEFORE TAX</b>			<b>2,729,042</b>	<b>5,118,279</b>
Provision for Tax				
– Current			950,000	780,000
– Deferred			269,124	982,149
– Fringe Benefit Tax			156,000	155,000
<b>PROFIT AFTER TAX</b>			<b>1,353,918</b>	<b>3,201,130</b>
Balance of Profit brought forward		6,824,259		2,696,068
Add: Transitional Provision for Employee Benefits		—		927,061
			6,824,259	3,623,129
<b>Balance carried to Balance Sheet</b>			<b>8,178,177</b>	<b>6,824,259</b>
Earnings per Share - Basic & Diluted				
Face Value of Share Rs. 10/- each. (Refer Note 8 of Schedule 'P')			0.36	0.84
Notes to Accounts	'P'			

As per our attached report of even date

For **N. M. RAIJI & COMPANY**  
Chartered Accountants

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
Mumbai, 28th July, 2009

For and on behalf of the Board

**PRAVIN VEPARI**

Chairman

**VIJAY RANJAN**  
**NALINI SHEWAKRAMANI**

Directors

**VISHAMBER SHEWAKRAMANI**  
Mumbai, 28th July, 2009

Managing Director

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

	<u>Rupees</u>	As at 31.03.2009 <u>Rupees</u>	As at 31.03.2008 <u>Rupees</u>
<b>SCHEDULE 'A'</b>			
<b>SHARE CAPITAL</b>			
Authorised			
100,00,000 Equity Shares of Rs.10/- each		100,000,000	100,000,000
2,00,000 Cumulative Redeemable Shares of Rs.100/- each		20,000,000	20,000,000
<b>TOTAL</b>		<b>120,000,000</b>	<b>120,000,000</b>
Issued, Subscribed and Paid-up			
38,00,000 Equity Shares of Rs.10/- each fully paid-up		38,000,000	38,000,000
<b>TOTAL</b>		<b>38,000,000</b>	<b>38,000,000</b>
 <b>SCHEDULE 'B'</b>			
<b>RESERVES &amp; SURPLUS</b>			
CAPITAL RESERVE			
As per last Balance Sheet		2,585,500	2,585,500
SHARE PREMIUM			
As per last Balance Sheet		752,400	752,400
REVALUATION RESERVE			
As per last Balance Sheet	52,621,100		53,215,626
Less: Depreciation on Revaluation	<u>594,526</u>		<u>594,526</u>
		52,026,574	52,621,100
Balance in Profit & Loss Account		8,178,177	6,824,259
		<b>63,542,651</b>	<b>62,783,259</b>

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

		As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
<b>SCHEDULE 'C'</b>			
<b>SECURED LOANS</b>			
	Note No.		
<b>A. TERM LOANS</b>			
1. From HDFC Bank Ltd (Car Loan) (Repayable within one year - Rs 2.58 lacs (P.Y. - Rs. 2.58 lacs))	1	532,378	741,007
2. From ICICI Bank Ltd (Car Loan) (Repayable within one year - Rs.4.08 lacs (P.Y. - Rs.5.05 lacs))	1	996,270	1,402,157
	<b>(A)</b>	<b>1,528,648</b>	<b>2,143,164</b>
<b>B. WORKING CAPITAL LOAN</b>			
1. From Allahabad Bank overdraft facility	2	26,022,155	20,028,631
	<b>(B)</b>	<b>26,022,155</b>	<b>20,028,631</b>
	<b>GRAND TOTAL (A+B)</b>	<b>27,550,803</b>	<b>22,171,795</b>

**Notes :**

- Secured by Hypothecation of Motor Car.
- Secured by a primary charge on the entire fixed assets of the Company, both present & future.

### SCHEDULE 'D'

#### UNSECURED LOANS

From Director	185,400	629,600
From Others	-	17,760,000
<b>TOTAL</b>	<b>185,400</b>	<b>18,389,600</b>

### SCHEDULE 'E'

#### TIME SHARE

Time Share Dream Vista	2,472,178	2,611,506
Time Share - Refundable (Refer Note 4 of Schedule 'P')	594,000	594,000
<b>TOTAL</b>	<b>3,066,178</b>	<b>3,205,506</b>

**SCHEDULE ANNEXED TO AND FORMING PART OF THE  
BALANCE SHEET AS AT 31ST MARCH, 2009**

**SCHEDULE 'F'  
FIXED ASSETS**

Sr. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 01.04.2008	Additions during the year	Deductions during the year	Total as at 31.03.2009	As at 01.04.2008	For the year	Deductions	Total as at 31.03.2009	As at 31.03.2009	As at 31.03.2008
1.	FREEHOLD LAND AND LAND DEVELOPMENT (Notes 'A' & 'B' Below)	25,729,200	—	—	25,729,200	—	—	—	—	25,729,200	25,729,200
2.	BUILDINGS (Note 'B' below)	70,619,110	1,357,789	—	71,976,899	14,241,896	1,154,002	—	15,395,898	56,581,001	56,377,214
3.	PLANT AND MACHINERY	26,431,595	1,387,758	5,025,527	22,793,826	19,148,291	1,030,071	5,013,497	15,164,865	7,628,961	7,283,304
4.	WATER SUPPLY SYSTEM	599,083	—	109,491	489,592	570,417	5,222	109,491	466,148	23,444	28,666
5.	FURNITURE & FIXTURES	12,069,888	1,399,733	2,495,117	10,974,504	7,238,283	700,459	2,384,525	5,554,217	5,420,287	4,831,605
6.	OFFICE AND OTHER EQUIPMENT	2,578,466	234,676	911,704	1,901,438	2,156,979	135,342	875,400	1,416,921	484,517	421,487
7.	VEHICLES	5,060,769	1,460,464	27,990	6,493,243	1,720,569	559,764	9,456	2,270,877	4,222,366	3,340,200
	<b>TOTAL</b>	<b>143,088,111</b>	<b>5,840,420</b>	<b>8,569,829</b>	<b>140,358,702</b>	<b>45,076,435</b>	<b>3,584,860</b>	<b>8,392,369</b>	<b>40,268,926</b>	<b>100,089,776</b>	<b>98,011,676</b>
	<b>PREVIOUS YEAR</b>	<b>134,791,605</b>	<b>8,296,506</b>	<b>—</b>	<b>143,088,111</b>	<b>41,524,532</b>	<b>3,551,903</b>	<b>—</b>	<b>45,076,435</b>	<b>98,011,676</b>	

**NOTE :** 'A' Includes cost of land development on leasehold land in respect of which lease rent is paid by the Company.

'B' Includes addition on revaluation of Land - Rs.24,458,118/-and Building - Rs.3,64,73,977/-.

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

	Rupees	As at 31.03.2009 Rupees	As at 31.03.2008 Rupees
<b>SCHEDULE 'G'</b>			
<b>INVESTMENTS (Unquoted - at cost)</b>			
Long Term			
193	(193) Equity Shares of New India Co-operative Bank Ltd. of Rs 10/- each, fully paid-up	1,930	1,930
-	(12,000) 15% Cumulative Redeemable Preference Shares of Ras Stock & Financial Services Limited of Rs. 100/- each, fully paid-up.	—	1,200,000
4,36,100	(9,86,100) Equity Shares of Ras Stock & Financial Services Limited of Rs.10/- each, fully paid-up.	4,174,445	9,674,445
4,10,000	(4,10,000) Equity Shares of Hungry Jack Fast Food Pvt Ltd of Rs 10/- each fully paid-up.	4,100,000	4,100,000
	<b>TOTAL</b>	<b>8,276,375</b>	<b>14,976,375</b>

Note : Figures in brackets pertain to the previous year.

## SCHEDULE 'H'

### CURRENT ASSETS, LOANS AND ADVANCES

#### A. CURRENT ASSETS

##### Inventories:

Food, Beverages & Tobacco	216,524	150,144
Liquor & Wine	329,369	83,650
Operating Supplies (At Cost)	667,856	336,608
Stores (At Cost)	700,475	77,606
	<u>1,914,224</u>	<u>648,008</u>

##### Sundry Debtors :

##### Outstanding over six months:

Considered Good	44,581	42,050
Others - Considered Good	1,177,458	1,478,034
	<u>1,222,039</u>	<u>1,520,084</u>

##### Cash and Bank Balances :

Cash on Hand & Remittances in Transit	373,310	319,213
Balances with Scheduled Banks:		
On Current Account	2,254,426	13,718,818
On Deposit Account	187,500	187,500
	<u>2,815,236</u>	<u>14,225,531</u>

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009

<u>Rupees</u>	<u>As at 31.03.2009 Rupees</u>	<u>As at 31.03.2008 Rupees</u>
<b>SCHEDULE 'H'</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES (Contd.)</b>		
<b>B. LOANS AND ADVANCES</b>		
(Unsecured, Considered Good)		
Advance recoverable in cash or in kind or for value to be received	3,834,369	2,974,194
<b>Deposits</b>		
Deposit with Public Bodies	23,800	23,800
Others	4,579,800	4,795,045
	<u>4,603,600</u>	<u>4,818,845</u>
	8,437,969	7,793,039
<b>TOTAL</b>	<u><u>14,389,468</u></u>	<u><u>24,186,662</u></u>
 <b>SCHEDULE 'I'</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors		
For Micro and Small enterprises	—	—
For Others (Refer Note 15 of Schedule 'P')	<u>7,429,305</u>	6,294,852
Other Liabilities	1,987,770	2,408,206
Advances /Deposits from Customers	—	16,890
<b>TOTAL CURRENT LIABILITIES</b>	<u><u>9,417,085</u></u>	<u><u>8,719,948</u></u>
<b>PROVISIONS</b>		
Provision for Taxation	2,580,000	1,630,000
Provision for Fringe Benefit Tax	186,000	155,000
Provision for Gratuity	1,317,177	972,448
<b>TOTAL PROVISIONS</b>	<u><u>4,083,177</u></u>	<u><u>2,757,448</u></u>
<b>TOTAL</b>	<u><u>13,500,262</u></u>	<u><u>11,477,396</u></u>

**Note:** There are no dues on account of unclaimed dividend to be deposited with the Investor Education & Protection Fund.

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year Ended 31.03.2009 <u>Rupees</u>	Year Ended 31.03.2008 <u>Rupees</u>
<b>SCHEDULE 'J'</b>		
<b>INCOME FROM OPERATIONS</b>		
Room Sales	34,378,105	34,620,529
Food, Beverages & Tobacco Sales	9,689,556	9,261,449
Liquor & Wine Sales	3,222,010	3,132,241
Income from Telephone Services	20,994	57,831
Income from Other Services	1,618,158	1,252,712
Miscellaneous Income	80,500	409,050
<b>TOTAL</b>	<b><u>49,009,323</u></b>	<b><u>48,733,812</u></b>
<b>SCHEDULE 'K'</b>		
<b>OTHER INCOME</b>		
Income from Services	1,022,352	1,022,352
Interest on Deposit with Banks	24,769	19,399
(Tax Deducted at Source Rs. 2,404 /- (P.Y Rs.2,001))		
Dividend	—	232
Sundry Credit Balances Written Back	436,691	1,149,809
Miscellaneous Income	924,922	574,295
Rent Received	50,548	15,037
<b>TOTAL</b>	<b><u>2,459,282</u></b>	<b><u>2,781,124</u></b>
<b>SCHEDULE 'L'</b>		
<b>FOOD, BEVERAGES AND TOBACCO CONSUMED</b>		
Opening Stock	150,144	172,375
<i>Add: Purchases</i>	<u>6,078,667</u>	<u>5,953,940</u>
	6,228,811	6,126,315
<i>Less: Closing Stock</i>	<u>216,524</u>	<u>150,144</u>
	<b><u>6,012,287</u></b>	<b><u>5,976,171</u></b>
<b>LIQUOR AND WINE CONSUMED</b>		
Opening Stock	83,650	403,265
<i>Add: Purchases</i>	<u>3,221,134</u>	<u>2,624,775</u>
	3,304,784	3,028,040
<i>Less: Closing Stock</i>	<u>329,369</u>	<u>83,650</u>
	<b><u>2,975,415</u></b>	<b><u>2,944,390</u></b>
<b>TOTAL</b>	<b><u>8,987,702</u></b>	<b><u>8,920,561</u></b>

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Year Ended 31.03.2009 <u>Rupees</u>	Year Ended 31.03.2008 <u>Rupees</u>
<b>SCHEDULE 'M'</b>		
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salaries, Wages & Bonus	9,682,498	7,550,588
Contribution to Provident & Other Funds	388,332	335,982
Staff Welfare Expenses	95,431	19,686
<b>TOTAL</b>	<b>10,166,261</b>	<b>7,906,256</b>
<b>SCHEDULE 'N'</b>		
<b>OPERATING AND OTHER EXPENSES</b>		
Linen and Room Supplies	1,932,863	1,777,199
Other Operating Supplies	531,400	580,159
Fuel, Power and Light	4,645,551	3,862,891
Repairs & Maintenance:		
Building	2,593,444	2,829,301
Plant & Machinery	600,367	792,724
Others	1,863,741	2,354,778
	5,057,552	5,976,803
Telephone, Postage & Telegram	710,126	749,662
Rent	317,509	1,173,057
Rates & Taxes	100	2,440
Insurance	804,483	832,669
Printing & Stationery	670,786	706,666
Traveling, Conveyance & Guest Transportation	2,550,312	1,883,433
Watch & Ward	750,775	490,097
Gardening Expenses	1,107,832	1,144,776
Advertisement & Publicity	955,919	735,339
Business Promotion Expenses	955,198	390,944
Commission on Credit Card and Other Sales	150,457	151,014
Legal & Professional Charges	1,291,856	850,064
Payment to Auditors:		
Audit Fees	110,300	84,270
Other Matters	110,300	50,562
Out of Pocket Expenses	—	7,771
	220,600	142,603
Directors' Sitting Fees	131,000	80,000
Entertainment Expenses	139,725	116,132
Bad Debts /Debit Balances Written off	49,140	328,297
Payment to Orchestra Staff	332,857	393,475
Miscellaneous Expenses	2,726,869	2,917,553
Membership & Subscription	269,318	152,929
<b>TOTAL</b>	<b>26,302,228</b>	<b>25,438,202</b>
<b>SCHEDULE 'O'</b>		
<b>INTEREST</b>		
On Term Loan	149,123	1,018,360
On Cash Credit	143,915	155,901
<b>TOTAL</b>	<b>293,038</b>	<b>1,174,261</b>



## **SCHEDULE 'P'**

**Significant Accounting Policies and Notes annexed to and forming part of the Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended 31st March, 2009.**

### **1. STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES:**

**(i) General**

Accounts are prepared on historical cost basis and on the accounting policies of a going concern.

**(ii) Income Recognition**

Revenues are accounted on accrual, except to the extent stated otherwise.

Non-refundable deposits received under a time-share scheme are recognised as revenue over the tenure of the scheme.

**(iii) Fixed Assets**

Fixed Assets, other than Land and Building, are carried at cost less depreciation. Buildings and Land, which have been revalued, are carried at replacement cost value, net of depreciation, and fair market value respectively.

Cost of Fixed Assets comprises of its purchase price and other incidental expenses.

**(iv) Depreciation**

Fixed Assets, other than Room Airconditioning, Machinery and Electrical Installations acquired upto December 16, 1993 are depreciated on a Straight Line Basis at the rates then prescribed under Schedule XIV to the Companies Act, 1956, whereas those acquired thereafter are depreciated at the revised rates prescribed in the said Schedule XIV. Room Airconditioning, Machinery and Electrical Installations are depreciated on the Straight Line method over the shorter commercial life of 9 years, estimated by the management, in view of continued use of these assets.

Depreciation on additions to building on revaluation is being provided over the remaining useful life as indicated by the valuer. Such depreciation is adjusted against Revaluation Reserve.

**(v) Subsidies**

Central Investment Subsidy granted by the Government is credited to "Capital Reserve."

**(vi) Inventories**

Food & Beverages, Operating supplies and Stores are valued at lower of cost (weighted average basis) or net realizable value computed on the first-in-first-out method.

**(vii) Retirement Benefits**

The Company accounts for the net present value of its obligation for Gratuity benefit based on an actuarial valuation carried out by the Life Insurance Corporation of India, which manages the Gratuity Scheme. The actuarial valuation is determined on the basis of projected unit credit method carried out as at the Balance Sheet date. Actuarial gains and losses are recognized immediately in the Profit and Loss Account.

**(viii) Investments**

Investments being of a long-term nature are stated at cost.

**(ix) Foreign Currency Transactions**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the transaction.

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE 'P' (Contd.)

Gains/losses arising on banking of foreign currency are recognized in the Profit and Loss Account on realization / incurrence.

### (x) Taxes on Income

- i. Income tax is computed in accordance with Accounting Standard 22 – 'Accounting for taxes of Income' (AS-22), notified by the Companies (Accounting Standards) Rules, 2006. Tax expenses are accounted in the same period to which the revenue and expenses relate.
- ii. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws. The differences between the taxable income and the net profit or loss before tax for the year as per the financial statements are identified and the tax effect of timing differences is recognized as a deferred tax asset or deferred tax liability. The tax effect is calculated on accumulated timing differences as the end of the accounting year, based on effective tax rates substantively enacted by the Balance Sheet date.

### (xi) Impairment of Assets

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

### (xii) Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized in terms of Accounting Standard 29 – 'Provisions, Contingent Liabilities and Contingent Assets' (AS – 29), notified by the Companies (Accounting Standard) Rules, 2006, when there is a present legal or statutory obligation as a result of the past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognized only where there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resource, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for. Contingent Assets are not recognized in the financial statements.

## 2. CONTINGENT LIABILITY

Liability in respect of Sales Tax on sale of food and beverages at Silvassa is presently unascertainable pending completion for assessment by the authorities.

3. Unexpired Capital Commitment (net of advances) – Rs.75,240,720/- (Previous Year: Rs.74,317,500/-).

## 4. TIME SHARE

Time Share Refundable Rs.594,000/- (Previous Year : Rs.594,000/-)

The amount is refundable to the members at the end of thirty years from the date of subscription, and does not carry any interest.

## 5. SEGMENT REPORTING

The segment reporting of the Company has been prepared in accordance with Accounting Standard (AS-17), "Accounting for Segment Reporting" issued by the institute of Chartered Accountants of India.

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE 'P' (Contd.)

### Segment Reporting Policies

#### (a) Identification of Segments:

##### Primary – Business Segment

The company has identified two reportable segments viz. Hoteliering & Real Estate on the basis of the nature of services, the risk return profile of individual business and the internal business reporting systems.

##### Secondary – Geographical Segment

The company operates entirely in India and hence has no geographical segment.

(b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "allocable expenses". Since the Real Estate segment is still in 'preoperative stage' all the other unallocable expenses are allocated to Hoteliering segment.

(c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investment, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "unallocated assets" and "unallocated liabilities".

(Rs. in Lacs)

S. No.	Particulars	31st March, 2009	31st March, 2008
1.	Segment Revenue		
	Hoteliering	514.44	514.96
	Real Estate	—	—
	Total	514.44	514.96
	Less : Inter-segment revenue	—	—
	<b>Net Income from operations</b>	<b>514.44</b>	<b>514.96</b>
2.	Segment Results		
	Hoteliering	29.97	62.73
	Real Estate	—	—
	Total	29.97	62.73
	(Less):		
	(i) Interest (Net)	(2.68)	(11.55)
	(ii) Other unallocable expenses	—	—
	(Less) Tax expense	(13.75)	(19.17)
	<b>Profit After Tax</b>	<b>13.54</b>	<b>32.01</b>
3.	Net Segment Assets		
	Hoteliering	177.66	267.83
	Real Estate	286.35	100.01
	Unallocated Assets	104.89	165.77
	Unallocated Liabilities	(73.74)	(71.99)
	<b>Total Capital Employed</b>	<b>495.16</b>	<b>481.62</b>

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE 'P' (Contd.)

6. Consequent to the adoption of the Revised Accounting Standard 15 'Employees Benefits' (Revised) issued by the ICAI following disclosures have been made as required by the standard :-

(a) The Company operates post retirement defined benefit plans as follows :

Unfunded : Post Retirement Gratuity

(b) Details of gratuity plan are as follows :-

**i) Amount to be recognized in Balance Sheet and movement in net liability**

Particulars	31st March, 2009	31st March, 2008
Present Value of Unfunded Obligations	13.17	9.72
Unrecognised Past Service Cost	—	—
Amount not recognized as an Asset because of the limit in para 59(b)	—	—
<b>Net Liability recognized in the Balance Sheet</b>	<b>13.17</b>	<b>9.72</b>

**ii) Expenses recognized in the Profit & Loss Account**

Particulars	31st March, 2009	31st March, 2008
Current Service Cost	2.80	2.02
Interest Cost	0.68	0.65
Expected return on Plan Assets	—	—
Actuarial Losses/Gains	0.84	1.19
<b>Net gratuity expenses included in payments to and provision for employees</b>	<b>4.32</b>	<b>1.48</b>
<b>Actual Return on Plan Assets</b>	<b>—</b>	<b>—</b>

**iii) Reconciliation of Defined Benefit Obligation**

Particulars	31st March, 2009	31st March, 2008
Opening Defined Benefit Obligation	9.72	8.24
Current Service Cost	2.50	2.02
Interest Cost	0.68	0.65
Actuarial Losses / Gains	(0.84)	1.19
Liabilities assumed on Amalgamation	—	—
Benefits Paid	0.87	—
<b>Closing Defined Benefit Obligation</b>	<b>13.17</b>	<b>9.72</b>

**iv) Summary of Actuarial Assumptions**

Particulars	Current Year Rs. Lacs
Discount Rate	8%
Expected Rate of return on Assets	N.A.
Salary Escalation Rate	5%
Mortality	Published notes under the LIC (1994-96) mortality tables

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE 'P' (Contd.)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary and relied upon by the Auditors.

### 7. RELATED PARTY DISCLOSURE

The names of related parties are as under:

#### A. Key Management Personnel

Vishamber Shewakramani

#### B. Relatives of Key management Personnel

Nalini Shewakramani

Tekchand Shewakramani

Kamla Shewakramani

Gautam Shewakramani

#### C. Associate Enterprises

Ras Stock & Financial Services Pvt. Ltd.

Rahul Agrotech (I) Pvt. Ltd.

Ras Erectors Pvt. Ltd.

Gras Health Resorts Pvt. Ltd.

Gautam Premises Pvt. Ltd.

Burger King Restaurant Pvt. Ltd.

Hungry Jacks Fast Food Pvt. Ltd.

Gautam Enterprises

### D. TRANSACTIONS WITH RELATED PARTIES:

Amount Rs.

	Key Management Personnel	Relatives of Key Management Personnel	Associate Enterprises
Purchase of Services	400	800	—
Sale of Services	—	—	—
Sale of Shares	—	—	6,700,000
Repayment of Loan	—	—	16,760,000
Rent paid for office Premises	—	60,000	—
Deposit of Office Premises	—	—	—
Remuneration to Directors	See Note No.12	—	—
Loan from Managing Director	—	—	—
Balance as on March 31, 2009			
Receivable	—	4,500,000	—
Payable	185,400/-	15,800	—

### 8. EARNINGS PER SHARE (Basic and Diluted):

	31st March, 2009	31st March, 2008
1) Profit computation for Earnings per Share of Rs.10/- each: Net Profit (loss) as per Profit & Loss Account, available for Equity Share Holders (Rs. Lacs)	13.54	32.01
2) Weighted Average Number of Equity Shares for Earnings Per Share computation:	3,800,000	3,800,000
3) Earnings Per Share (Basic and Diluted):	0.36	0.84

# RAS RESORTS AND APART HOTELS LIMITED



## SCHEDULE 'P' (Contd.)

9. The Composition of Net Deferred Tax Liability as at March 31, 2009 is as under:

		As at March 31, 2009	As at March 31, 2008
A)	Deferred Tax Liabilities – Depreciation	7,624,948	7,541,870
B)	Deferred Tax Assets		
	Provisions	447,708	633,754
	Net Deferred Tax Liability	7,177,240	6,908,116

10. Food & Beverages consumption is inclusive of cost of complimentary meals provided to houseguests and staff.

11. Creditors, debtors and advance balances are subject to confirmation and subsequent reconciliation, if any.

12. Salaries and Wages include the following payments/provisions in respect of the Managing Director:

	Current Year Rs.	Previous Year Rs.
Salary	1,470,000	900,000
Gratuity	30,025	43,269

13. As the turnover of the Company includes sale of food and beverages, it is not possible to give quantitative-wise details of the turnover and consumption, the Company has made an application under section 211(4) of the Companies Act, 1956, seeking exemption from disclosure of quantitative details, which exemption is awaited.

14.

		Current Year Rs.	Previous Year Rs.
(a)	CIF Value of Imports	NIL	NIL
(b)	Expenditure in Foreign Exchange	NIL	3,646
(c)	Earnings in Foreign Exchange	550,506	582,995

15. According to the information available with the Company, there are no amounts as at March 31, 2009 due to suppliers who constitute a "small scale industrial undertaking".

16. Previous year's figures disclosed have been recast, wherever necessary, to make them comparable with those for the current year.

### SIGNATURES TO SCHEDULE "A" TO "P"

As per our attached report of even date

For **N. M. RAIJI & COMPANY**  
Chartered Accountants

**VINAY D. BALSE**

Partner

Membership No. 39434

Mumbai, 28th July, 2009

For and on behalf of the Board

**PRAVIN VEPARI**

Chairman

**VIJAY RANJAN  
NALINI SHEWAKRAMANI** }

Directors

**VISHAMBER SHEWAKRAMANI**

Managing Director

Mumbai, 28th July, 2009

# RAS RESORTS AND APART HOTELS LIMITED



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Rs.in lacs	Year ended 31.3.2009 Rs.in lacs	Rs.in lacs	Year ended 31.3.2008 Rs.in lacs
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Profit/(Loss) before tax		27.29		51.18
Adjustments for :				
Depreciation	29.90		29.57	
Interest Expense	4.79		11.74	
Loss on sale of/W off assets	1.72		—	
Profit on sale of assets	(0.18)			
Time Share Dream vista Income	(1.39)		(1.39)	
Sundry Balance W/back	(4.37)		(11.50)	
Bad-debts Debit balance w/off	0.49		3.28	
Interest Income	(0.25)		(0.19)	
		<u>30.71</u>		<u>31.51</u>
<b>Operating profit before working capital changes</b>		<u>58.00</u>		<u>82.69</u>
Adjustments for :				
Trade & Other receivables	1.15		(0.37)	
Inventories	(12.66)		4.35	
Trade Payables & Other Liabilities	14.79		15.98	
		<u>3.28</u>		<u>19.96</u>
<b>Cash Generated from Operations</b>		<u>61.28</u>		<u>102.65</u>
Income Tax Paid		(6.46)		(13.26)
<b>Net cash from Operating Activities (A)</b>		<u><u>54.82</u></u>		<u><u>89.39</u></u>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchases of fixed assets	(104.46)		(92.73)	
Sale of fixed assets	0.05		—	
Sale of Investment	67.00		—	
Interest received	1.54		—	(92.73)
		<u>(35.87)</u>		<u>(92.73)</u>
<b>Net cash used in Investing activities (B)</b>		<u><u>(35.87)</u></u>		<u><u>(92.73)</u></u>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Borrowings (net)		53.79		163.08
Borrowing Unsecured Loan		(182.04)		(37.45)
Interest Paid on Long Term Loan		(4.79)		(11.74)
<b>Net cash from Financing Activities (C)</b>		<u><u>(133.04)</u></u>		<u><u>113.89</u></u>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<u>(114.10)</u>		<u>110.55</u>
<b>CASH &amp; CASH EQUIVALENTS AS AT 1ST APRIL, 2008 (Opening Balance)</b>		<u>142.26</u>		<u>31.71</u>
<b>CASH &amp; CASH EQUIVALENTS AS AT 31.03.2009 (CLOSING)</b>		<u><u>28.15</u></u>		<u><u>142.26</u></u>

As per our attached report of even date

For **N. M. RAIJI & COMPANY**  
Chartered Accountants

**VINAY D. BALSE**  
Partner  
Membership No. 39434  
Mumbai, 28th July, 2009

For and on behalf of the Board

**VISHAMBER SHEWAKRAMANI**

**NALINI SHEWAKRAMANI**

Mumbai, 28th July, 2009

Managing Director

Director

# RAS RESORTS AND APART HOTELS LIMITED



## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER PART IV TO SCHEDULE VI TO THE COMPANIES ACT, 1956

<b>1. Registration Details</b>			
Registration No.	: 35044	State Code	: 11
Date of Balance Sheet	: 31.03.2009		
<b>2. Capital raised during the year(Amount in Rs. thousands)</b>			
Public Issue	: NIL	Right Issue	: NIL
Bonus Issue	: NIL	Private Placement	: NIL
<b>3. Position of Mobilisation and Deployment of Funds (Amount in Rs. thousands)</b>			
Total Liabilities	: 139522	Total Assets	: 139522
<b>Source of Funds</b>			
Paid-up Capital & Share	: 38000	Reserves & Surplus	: 63543
Application Money	: NIL	Deferred Tax Liabilities	: 7177
Secured Loans	: 27551	Unsecured Loans	: 185
Time Share	: 3066		
<b>Application of Funds</b>			
Net Fixed Assets	: 130357	Investments	: 8276
Net Current Assets	: 890	Misc. Expenditure	: NIL
Debit Balance in P & L A/c	: NIL		
Earnings per Share (Basic & Diluted)	: 0.36	Dividend Rate	: NIL
<b>4. Performance of Company (Amount in Rs. thousands)</b>			
Turnover	: 51469	Total Expenditure	: 48740
Profit/(Loss) before Tax	: 2,729	Profit/(Loss) after Tax	: 1,354
<b>5. Generic Names of Three Principal Products/ Services of Company (As per Monetary Terms)</b>			
Item Code No. (ITC Code)	: NOT APPLICABLE		
Product Description	: HOTEL & RESTAURANT		
Item Code No. (ITC Code)	: NOT APPLICABLE		
Product Description	: TIME SHARE		
Item Code No. (ITC Code)	: NOT APPLICABLE		
Product Description	: RECREATIONAL SERVICES		

As per our attached report of even date

For **N. M. RAJI & COMPANY**  
Chartered Accountants

**VINAY D. BALSE**

Partner

Membership No. 39434

Mumbai, 28th July, 2009

For and on behalf of the Board

**PRAVIN VEPARI**

Chairman

**VIJAY RANJAN  
NALINI SHEWAKRAMANI** }

Directors

**VISHAMBER SHEWAKRAMANI**

Managing Director

Mumbai, 28th July, 2009



# RAS RESORTS AND APART HOTELS LIMITED

*Registered Office :*

Rosewood Chambers, 99/C, Tulsiwadi, Tardeo, Mumbai-400 034.

## ATTENDANCE SLIP

NAME OF THE SHAREHOLDER			
FOR PHYSICAL HOLDING	FOR ELECTRONIC FORM (DEMAT)		
LF NO.	DP ID	CLIENT ID	NO. OF SHARES

I hereby record my presence at the 25TH ANNUAL GENERAL MEETING of the Company at Prince Hall, The National Sports Club of India, Lala Lajpat Rai Marg, Worli, Mumbai 400 018 on Friday, 18th September, 2009 at 10.00 a.m. and at any adjournment thereof.

\_\_\_\_\_  
NAME OF PROXY IN BLOCK CAPITALS

\_\_\_\_\_  
SIGNATURE OF THE SHAREHOLDER

**Notes:**

- 1) Shareholders / Proxy-holders wishing to attend the meeting must bring the Attendance slip to the meeting and handover the same at the entrance duly signed.
- 2) Shareholders / Proxy-holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting

# RAS RESORTS AND APART HOTELS LIMITED

*Registered Office :*

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## PROXY FORM

NAME OF THE SHAREHOLDER			
FOR PHYSICAL HOLDING	FOR ELECTRONIC FORM (DEMAT)		
LF NO.	DP ID	CLIENT ID	NO. OF SHARES

I / We ..... of ..... being a member / members of **RasResorts and Apart 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 25th ANNUAL GENERAL MEETING of the Company, to be held on Friday, 18th September, 2009 at 10.00 a.m. at any adjournment thereof.

Signed this ..... day of ..... 2009

Date of Receipt ..... 2009

Signature .....

(for office use only)

**N.B.:** Proxies to be valid must be deposited at the Registered office of the Company not later than 48 hours before the time of holding the meeting.

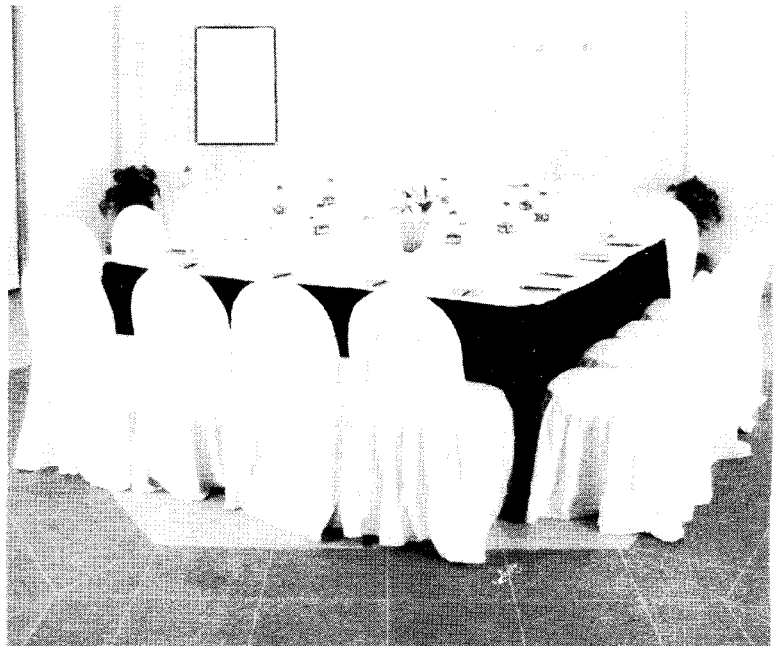
15 Paise  
Revenue  
Stamp to be  
affixed

**PRIVATE DINING ROOM**



**SABHA - CONFERENCE HALL**

**SAMVAAD - CONFERENCE HALL**



**BOOK-POST**

*If undelivered please return to :*

**RAS RESORTS AND APART HOTELS LIMITED**

Rosewood Chambers, 99 / C, Tulsiwadi,  
Tardeo, MUMBAI - 400 034.