

**J. G. VERMA & CO.** (Regd.)  
CHARTERED ACCOUNTANTS

J. G. VERMA  
A. G. VERMA

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99, MARINE DRIVE,  
MUMBAI - 400 002

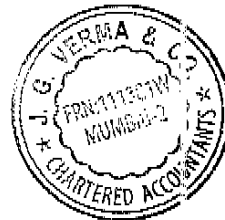
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**Auditors' Review Report to the Board of Directors of  
Advani Hotels & Resorts (India) Limited**

We have reviewed the accompanying Statement of Unaudited Financial Results ("the Statement") of **Advani Hotels & Resorts (India) Limited**, 18-A & 18B, Jolly Maker Chambers II, Nariman Point, Mumbai 400021, for the quarter and nine months period ended 31<sup>st</sup> December, 2011 except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



For J. G. Verma & Co.  
Chartered Accountants  
(Registration No. 111381W)

*Arun G. Verma*  
Arun G. Verma  
Partner

Membership No. 31898

Place : Mumbai  
Date : 8<sup>th</sup> February, 2012

| <b>ADVANI HOTELS &amp; RESORTS (INDIA) LIMITED</b>   |                |               |               |                   |                |                |
|--|----------------|---------------|---------------|-------------------|----------------|----------------|
| Regd. Office: Office No. 18A & 18B, Jolly Maker Chambers II, Nariman Point, Mumbai - 400 021   |                |               |               |                   |                |                |
| <b>UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011</b>     |                |               |               |                   |                |                |
| Particulars  | Quarter Ended  |               |               | Nine Months Ended |                | Year Ended     |
|  | 31.12.2011     | 30.09.2011    | 31.12.2010    | 31.12.2011        | 31.12.2010     | 31.03.2011     |
|  | Un-audited     |               |               | Un-audited        |                | Audited        |
| 1. (a) Net Sales / Income from Operations  | 985.12         | 455.29        | 903.17        | 1976.16           | 1977.64        | 3105.53        |
| (b) Other Operating Income   | 91.84          | 64.60         | 75.77         | 236.33            | 185.79         | 277.17         |
| <b>Total</b>   | <b>1076.96</b> | <b>539.89</b> | <b>978.94</b> | <b>2214.49</b>    | <b>2163.43</b> | <b>3382.70</b> |
| 2. Expenditure   |                |               |               |                   |                |                |
| a. Consumption of raw materials  |                |               |               |                   |                |                |
| b. Employees Cost  | 79.24          | 56.16         | 67.46         | 196.56            | 187.59         | 266.87         |
| c. Power & Fuel  | 254.44         | 239.72        | 234.34        | 735.54            | 652.05         | 952.08         |
| d. Depreciation  | 83.18          | 66.00         | 93.36         | 227.14            | 280.30         | 334.14         |
| e. Repairs & Maintenance   | 75.90          | 63.13         | 65.54         | 200.79            | 182.94         | 247.97         |
| f. Other expenditure   | 135.16         | 98.49         | 193.68        | 279.13            | 291.31         | 353.39         |
| g. Total Expenditure   | 320.47         | 204.06        | 249.69        | 707.19            | 823.47         | 1124.54        |
| 3. Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items           | 948.38         | 727.58        | 903.17        | 2346.36           | 2397.66        | 3278.99        |
| 4. Other Income  | 128.58         | (187.67)      | 75.77         | (131.88)          | (234.23)       | 103.71         |
| 5. Profit / (Loss) before Interest and Exceptional Items                                       | 26.60          | 15.75         | 13.90         | 55.53             | 51.29          | 118.91         |
| 6. Interest  | 164.18         | (171.92)      | 89.67         | (76.33)           | (182.34)       | 222.62         |
| 7. Profit / (Loss) after Interest but before Exceptional Items (5-6)                           | 57.88          | 42.29         | 31.43         | 128.41            | 88.07          | 128.09         |
| 8. Exceptional Items   | 96.30          | (214.21)      | 58.24         | (204.74)          | (281.01)       | 96.53          |
| 9. Profit (+) / Loss (-) before tax from Ordinary Activities (7 - 8)                           | 0.00           | 0.00          | 0.00          | 0.00              | 0.00           | 78.00          |
| 10. (Less)/ Add: Tax Expense (Refer Note 5)  | 96.30          | (214.21)      | 58.24         | (204.74)          | (281.01)       | 174.53         |
| 11. Net Profit (+) / Loss (-) from Ordinary Activities after tax                               | 0.00           | 0.00          | 0.00          | 0.00              | 0.00           | (34.37)        |
| 12. Extraordinary Items net of tax expense   | 96.30          | (214.21)      | 58.24         | (204.74)          | (281.01)       | 140.16         |
| 13. Net Profit (+) / Loss (-) for the period (11 + 12)   | 96.30          | 0.00          | 0.00          | 0.00              | 0.00           | 0.00           |
| 14. Paid-up Equity Share Capital (Face Value Rs. 2/- per share)                                | 96.30          | (214.21)      | 58.24         | (204.74)          | (281.01)       | 140.16         |
| 15. Reserves excluding revaluation reserves  | 924.39         | 924.39        | 924.39        | 924.39            | 924.39         | 924.39         |
| 16. Basic and diluted EPS (Face Value Rs. 2/- per share)                                       |                |               |               |                   |                |                |
| - Before Extra ordinary items  | 0.21           | (0.46)        | 0.13          | (0.44)            | (0.61)         | 0.30           |
| - After Extra ordinary items   | 0.21           | (0.46)        | 0.13          | (0.44)            | (0.61)         | 0.30           |
| 17. Shareholding:  |                |               |               |                   |                |                |
| - Number of shares - Public  | 23085518       | 23100530      | 23144852      | 23085518          | 23144852       | 23112852       |
| - Percentage of shareholding   | 49.95          | 49.98         | 50.08         | 49.95             | 50.08          | 50.01          |
| 18. Promoter and Promoter group shareholding   |                |               |               |                   |                |                |
| a) Pledged / Encumbered  |                |               |               |                   |                |                |
| - Number of shares   | 168000         | 320000        | 250000        | 165000            | 250000         | 320000         |
| - Percentage of shareholding (as a % of the total shareholding of Promoter and Promoter group) | 0.67           | 1.38          | 1.08          | 0.67              | 1.08           | 1.38           |
| - Percentage of shareholding (as a % of the total share capital of the Company)                | 0.33           | 0.69          | 0.54          | 0.33              | 0.54           | 0.69           |
| b) Non-encumbered  |                |               |               |                   |                |                |
| - Number of shares   | 22978732       | 22798720      | 22824398      | 22978732          | 22824398       | 22786598       |
| - Percentage of shareholding (as a % of the total shareholding of Promoter and Promoter group) | 99.33          | 98.62         | 98.92         | 99.33             | 99.92          | 98.62          |
| - Percentage of shareholding (as a % of the total share capital of the Company)                | 49.72          | 49.33         | 49.38         | 49.72             | 49.38          | 49.30          |

**Notes:**

- The above results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on February 8, 2012. The statutory auditors have carried out their limited review.
- During the current quarter, 62 rooms in the South Wing have been fully renovated and refurbished and have become operational. The cost of renovation / refurbishment of Rs. 679.36 Lakhs has been capitalised.
- The hotel industry in Goa is subject to seasonality and the quantum of domestic and foreign tourists. The financial results for the quarter and nine months ended December 31, 2011 do not reflect the normal trend.
- The Company's hotel business comprises of one segment only i.e. hospitality.
- Provision for Deferred tax will be considered at the year end.
- The Company has not received any investor complaint during the quarter ended December 31, 2011. There were no investor complaints pending at the at the beginning of the quarter.
- The figures of previous periods have been regrouped wherever required.

For and on behalf of the Board

Sunder G. Advani  
Chairman & Managing Director  
Mumbai, February 8, 2012

**RAMADA**  
caravela beach resort  
Goa

For J.G. Verma & Co.  
Chartered Accountants,  
(Registration No. 111381W)

A.G. Verma  
Partner (Membership No. 1898)

