

AUDITORS REPORT ON THE QUARTERLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF THE COMPANY

TO

**THE BOARD OF DIRECTORS,
BENARES HOTELS LIMITED**

We have audited the financial results of Benares Hotels limited for the year ended 31st March,2013 and the year to date results for the period from 1-April 2012 to 31st March,2013, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement 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.

These quarterly results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard AS25 Interim Financial reporting issued pursuant to the companies (Accounting Standard) Rules, 2005, as per the sec.211 (3C) of the companies Act or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India


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

In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as the year to date results

- (i) are presented in accordance with the requirements of clause 41 of the Listing agreement in this regard,
- (ii) give a true and fair view of the net profit and of other financial information for the quarter ended 31st March, 2013 as well as the year to date results for the period from 1st April 2012 to 31st March,2013.

Further we also report on the basis of the books of accounts and other records and information and explanation given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found them to be correct.

For N. Krishnaswamy & Co.
Chartered Accountants


N. Krishnaswamy
Partner
(M.No. 004797)
1st may,2013

