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INDEPENDENT AUDITOR'S REPORT

To the Members of
RAS RESORT AND APART HOTELS LTD,

Report on the Financial Statements

We have audited the accompanying financial statements of **RAS RESORT AND APART HOTELS LIMITED**, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

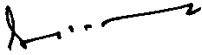
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W



S. L. Khandelwal
Partner
Mem. No. 101388



Place: 24th May, 2014
Date: Mumbai.

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in our Report of even date on the accounts of Ras Resorts and Apart Hotels Limited for the year ended 31st March 2014.)

1. In respect of its Fixed assets:
 - a) The Company has maintained proper records showing particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
 - c) The Company has not disposed off any substantial part of fixed assets so as to affect its going concern.
2. According to information and explanations given to us, the Company's 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.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - a) According to the information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956;
 - b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956;
4. In our opinion and according to the 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. During the course of our audit, we have not observed any major weakness in the internal control system.
5.
 - a) According to the information and explanations given to us, we are of the opinion that transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at the prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted deposit u/s. 58A, 58AA or any other relevant provisions of the Companies Act, 1956 during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of the business.
8. According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956.
9.
 - a) According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues outstanding as on 31st March, 2014, for a period of more than six months from the date they became payable.
 - b) According to the records of the Company and information and explanations given to us there are no dues of sales tax, income tax, wealth tax, service tax, custom duty, excise duty on account of any disputes.
10. In our opinion, the Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the year and in the immediately preceding financial year.

- 11 The Company has not defaulted in repayment of dues to financial institutions or banks.
- 12 According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or any other securities.
- 13 In our opinion, the Company is not a Chit Fund, Nidhi or Mutual Fund/Society.
- 14 According to the information and explanations given to us, the Company does not trade in shares, securities, debentures and other investments.
- 15 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- 16 In our opinion and on the basis of 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.
- 17 According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that as on the date of Balance Sheet, Short Term Funds to the extent of Rs.2,98,09,610/- have been used for Non-current Assets representing excess of Current Liabilities over Current Assets.
- 18 The Company has not made preferential allotment of shares to Company covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 The Company has not issued debentures during the year.
- 20 The Company has not raised any money by public issue during the year.
- 21 According to the information and explanations given to us, and to the best of our knowledge and belief no fraud on or by the Company, has been noticed or reported during the year.

For Dayal and Lohia
Chartered Accountants
Firm Regn. No. 102200W



S. L. Khandelwal
Partner
Mem. No. 101388



Place: 24th May, 2014
Date: Mumbai.

RAS RESORTS AND APART HOTELS LIMITED

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

PART-I: FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31st MARCH,2014

(Rs. in Lacs)

Sr.	Items	Quarter Ended			Year Ended	
		March 31, 2014 (Audited)	December 31, 2013 (Unaudited)	March 31, 2013 (Audited)	March 31, 2014 (Audited)	March 31, 2013 (Audited)
1	Income from operations					
a)	Net Sales / Income from Operations	176.90	208.75	220.74	699.28	787.84
b)	Other Operating Income	2.26	0.91	6.52	6.07	11.32
	Total Income	179.16	209.66	227.26	705.35	799.16
2	Expenses					
a)	Cost of material consumed	20.47	22.89	44.02	107.57	146.15
b)	Employee benefit expenses	56.31	42.20	49.01	186.65	170.51
c)	Depreciation	9.80	9.19	9.75	36.76	34.4
d)	Fuel / Power/Light	13.77	15.20	12.96	58.98	57.06
e)	Repairs, Maintenance & Renovation	12.43	2.37	32.54	53.53	65.38
f)	Other Expenditure	77.22	55.84	99.03	250.84	245.53
	Total Expenses	190.00	147.69	247.31	694.33	719.03
3	Profit/(Loss) from Operation before other income, finance cost and exceptional Items (1-2)	(10.84)	61.97	(20.05)	11.02	80.13
4	Other Income	-	-	-	-	-
5	Profit/(Loss) from ordinary activities before finance cost and exceptional Items (3+4)	(10.84)	61.97	(20.05)	11.02	80.13
6	Finance cost	12.61	10.85	6.36	43.46	24.34
7	Profit/(Loss) from ordinary activities after finance cost but before exceptional Items(5-6)	(23.45)	51.12	(26.41)	(32.44)	55.79
8	Exceptional items	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7-8)	(23.45)	51.12	(26.41)	(32.44)	55.79
10	Tax expense					
	- Current Tax	(0.13)	0.13	(5.22)	-	20.25
	- Deferred Tax	(9.21)	1.21	0.54	(9.32)	(6.04)
	- Earlier Years Tax	0.27	-	(4.47)	0.27	(4.47)
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(14.38)	49.78	(16.18)	(23.39)	46.05
12	Paid up Equity Share Capital of Rs.10/- each	396.97	396.97	380.00	396.97	380.00
13	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	210.40
14	Earning Per Share (EPS) (Basic and Diluted)	(0.36)	1.25	(0.41)	(0.59)	1.21

PART-II: SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2014

PARTICULARS OF SHARE HOLDING					
1	Public Shareholding				
a)	Number of Shares	1018793	1018793	849050	1018793
b)	Percentage of Shareholding	25.66%	25.66%	22.34%	25.66%
2	Promoters & Promoter Group				
	Shareholding				
a)	Pledged/Encumbered	-	-	-	-
	- Number of Shares	-	-	-	-
	- Percentage of Shares (as a % of the total shareholding of promoter & promoter group)	-	-	-	-
	- Percentage of shares (as a% of the total share capital of the company)	-	-	-	-
b)	Non-encumbered				
	- Number of shares	2950950	2950950	2950950	2950950
	- Percentage of shares (as a% of the total shareholding of promoter & promoter group)	74.34%	74.34%	77.66%	74.34%
	- Percentage of shares (as a% of the total share capital of the company)	100.00%	100.00%	100.00%	100.00%
Particulars		Quarter ended 31st March, 2014			
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter	NIL			
	Received during the quarter	NIL			
	Disposed of during te quarter	NIL			
	Remaining unresolved at the end of quarter	NIL			

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24th May, 2014 and have been subjected to a limited Review by the Statutory Auditors.
- The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- Figures for the previous period have been regrouped, wherever necessary, to conform with current period's presentation.

Segment-wise Revenue, Result and Capital Employed for the Quarter ended 31st March, 2014

Sr.	Items	Quarter Ended			Year Ended	
		March 31, 2014	December 31, 2013	March 31, 2013	March 31, 2014	March 31, 2013
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue					
	Hotelling	179.16	209.66	227.26	705.35	799.16
	Real Estate	-	-	-	-	-
	Net Income	179.16	209.66	227.26	705.35	799.16
2	Segment Results (Profit before tax, interest and unallocable overheads)					
	Hotelling	(10.84)	61.97	(20.05)	11.02	80.13
	Real Estate	-	-	-	-	-
	Total	(10.84)	61.97	(20.05)	11.02	80.13
	Less					
	Interest (Net)	12.61	10.85	6.36	43.46	24.34
	Unallocable Overheads	-	-	-	-	-
	Total Profit before tax	(23.45)	51.12	(26.41)	(32.44)	55.79
	Less					
	Tax Expenses	(9.07)	1.34	(10.23)	(9.05)	9.74
	Total Profit/(Loss) After tax	(14.38)	49.78	(16.18)	(23.39)	46.05
3	Capital Employed					
	Hotelling	1,249.34	1,421.80	1,246.95	1,249.34	1,246.95
	Real Estate (Pre-operative stage)	228.91	223.30	320.85	228.91	320.85
	Total	1,478.25	1,645.10	1,567.80	1,478.25	1,567.80

Statement of Assets and Liabilities as at 31st March, 2014

Sr	Particulars	As at	As at
		31.03.2014	31.03.2013
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share Capital	396.97	380.00
	b) Reserves and Surplus	660.57	706.88
	c) Money received against share warrants	-	-
	Sub-total- Shareholders' funds	1,057.54	1,086.88
2	Non- current liabilities		
	(a) Long- term borrowings	48.09	12.93
	(b) Deferred tax liabilities (net)	54.26	63.58
	(c) Other long term liabilities	23.70	25.09
	(d) Long- term provisions	31.42	26.24
	Sub-total- Non current liabilities	157.47	127.84
4	Current Liabilities		
	(a) Short- term borrowings	297.51	377.06
	(b) Trade payables	57.45	75.97
	(c) Other current liabilities	62.98	80.23
	(d) Short- term provisions	7.35	28.47
	Sub-total- Current liabilities	425.28	561.73
	TOTAL- EQUITY AND LIABILITIES	1,640.29	1,776.45
B	ASSETS		
1	Non- current assets		
	(a) Fixed assets	1,412.86	1,217.26
	(b) Capital Work- in progress	24.15	182.47
	(c) Non- current investments	0.02	0.02
	(d) Other Non Current assets	0.90	2.56
	(e) Long- term loans and advances	75.17	75.01
	Sub-total- Non- current assets	1,513.10	1,477.32
2	Current Assets		
	(a) Current investments	-	-
	(b) Inventories	19.45	17.56
	(c) Trade receivables	37.50	19.44
	(d) Cash and cash equivalents	39.30	138.37
	(e) Short Term Loan & advances	30.94	123.76
	Sub-total- Current assets	127.19	299.13
	TOTAL- ASSETS	1,640.29	1,776.45

FOR RAS RESORTS & APART HOTELS LTD

VISHAMBER SHEWAKRAMANI
Managing Director

Place: Mumbai
Date : 24th May, 2014