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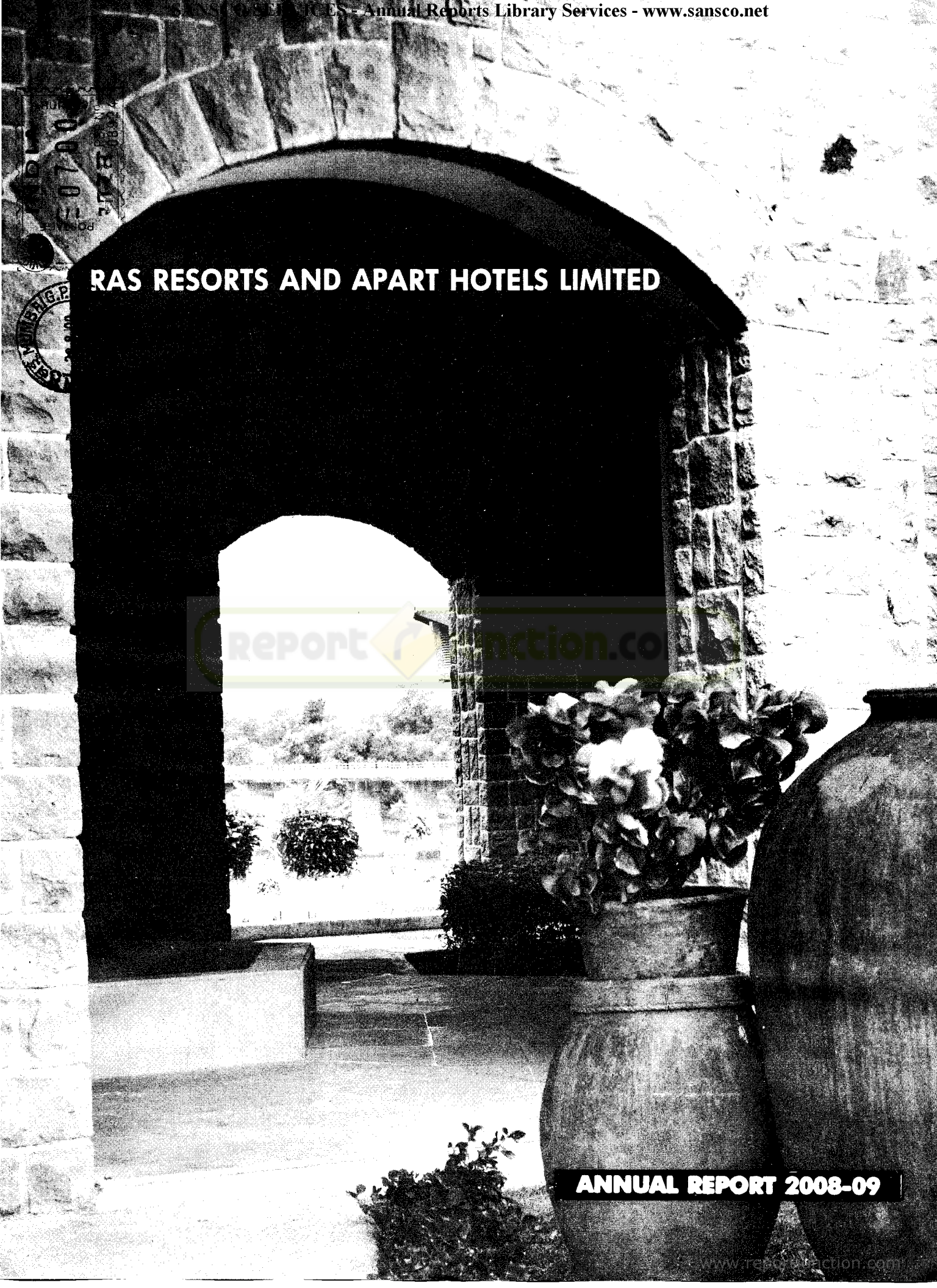

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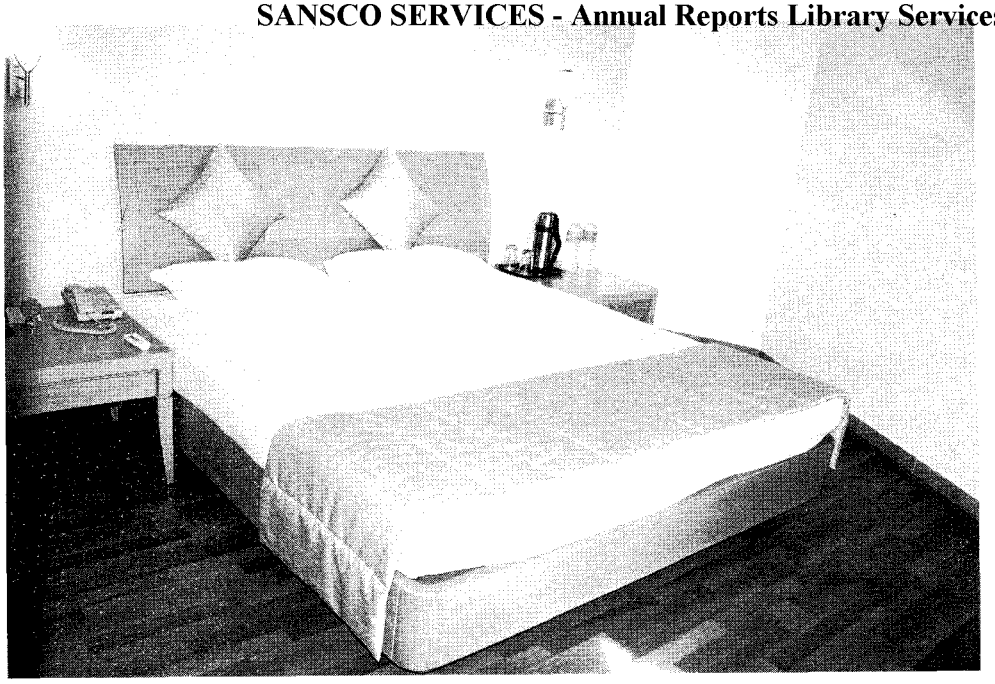

EXECUTIVE GUEST ROOM

BISTRO - THE FEAST VILLAGE

THE BANYAN TREE - LOUNGE & BAR

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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. Raiji & 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

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

Napolean Hill

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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 31st 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. Raiji & 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

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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

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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 31st 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 1st 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

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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. Raiji & 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

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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.

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