



RAS RESORTS AND APART HOTELS LIMITED

ANNUAL REPORT 2010-11



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 *Executive Director (w.e.f. 15.02.2011)*

GAUTAM SHEWAKRAMANI

VISHAMBER SHEWAKRAMANI *Managing Director*

AUDITORS

Dayal and Lohia

CORPORATE LAW ADVISOR

Bipin S. Acharya

BANKERS

Allahabad Bank

State Bank of India

Syndicate Bank

HDFC 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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*As some of us fight a little harder,
so too are the results a little better.*

Jonathan Simango

NOTICE

Notice is hereby given that the Twenty-Seventh Annual General Meeting of the Members of the Company will be held at, Garware Club House, Banquet Hall, Wankhede Stadium, 'D' Road, Churchgate, Mumbai 400 020 on Friday, 30th September 2011 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 2011 and the Profit & Loss Account for the year ended on that date and Directors' and Auditors' Reports thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Vijay Ranjan who retires by rotation, and is eligible for re-appointment.
4. To appoint a Director in place of Shri Tekchand Shewakramani who retires by rotation, and is eligible for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To consider, and if, thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, including any Statutory modification or re-enactment thereof, for the time being in force and as approved by the Remuneration Committee, the Company in General Meeting hereby approves the payment of remuneration to Shri Vishamber Shewakramani as Managing Director of the Company for the residual period of his tenure from 13th August, 2011 to 12th August, 2013 on the terms and conditions as set out in the Supplemental agreement dated 14th July, 2011 entered into between the Company and Shri Vishamber Shewakramani as placed before the meeting, which agreement be and is hereby specifically approved."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to vary any of the terms of remuneration in consultation with Managing Director provided such variation is in accordance with the provisions in part II of

Schedule XIII of the Companies Act, 1956 and/or the provisions of law as may be applicable thereto from time to time."

"FURTHER RESOLVED THAT in the event of any statutory amendments or relaxation by the Central Government to Schedule XIII of the Act the Board be and is hereby authorized to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling and the Agreement between the Company and Shri Vishamber Shewakramani be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company."

"FURTHER RESOLVED THAT Board be and is hereby authorized to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution."

SPECIAL BUSINESS

7. To consider, and if, thought fit, to pass, with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 269, 198, 309 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, including statutory modification or re-enactment thereof, for the time being in force and as approved by the Remuneration Committee, the Company in General Meeting hereby approves the appointment of Smt. Nalini Shewakramani, as Whole-time Director of the Company, designated as an Executive Director for a period of five years with effect from 15th February, 2011 on the terms and conditions and remuneration for a period of first three years as set out in the agreement dated 10th March, 2011 entered into between the Company and Smt. Nalini Shewakramani as placed before the meeting, which agreement be and is hereby specifically approved."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to vary any of the terms of remuneration in consultation with the Executive Director provided such variation is in accordance with the provisions in part II of

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Schedule XIII of the Companies Act, 1956 and/ or the provisions of law as may be applicable thereto from time to time.”

“FURTHER RESOLVED THAT in the event of any statutory amendments or relaxation by the Central Government to Schedule XIII of the Act the Board be and is hereby authorized to vary or increase the remuneration including the perquisites within such prescribed limits or ceiling and the Agreement between the Company and Smt. Nalini Shewakramani be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company.”

“FURTHER RESOLVED THAT Board be and is hereby authorized to do all such acts, matters, deeds and things and to take such steps as expedient or desirable to give effect to this resolution.”

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 relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the special business under item nos 6 and 7 is annexed hereto.
3. a) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2011 to Friday, 30th September, 2011 (both days inclusive).
b) The dividend on Equity Shares as recommended by the Directors for the year ended 31st March, 2011, if approved at the Annual General Meeting, will be paid to those Members whose names appear in the Register of Members as on 30th September, 2011. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the depositories for this purpose as at the close of business hours on 22nd September, 2011.
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 note that pursuant to the provisions of Section 205C of the Companies Act, 1956 the dividend remaining unclaimed or unpaid for a period of seven years from the date became due for payment shall be credited to the Investor Education and protection Fund set up by the Central Government. Members who have so far not claimed the dividend are requested to make claim with the Company as no claim shall lie against the fund or the Company in respect of the individual amounts once credited to the said funds.
6. 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.
7. As a responsible corporate citizen, the Company welcomes and supports the “Green Initiative” taken by the Ministry of Corporate Affairs, enabling the Company to effect electronic delivery of documents. The above initiative will go long way in conserving paper which is natural resource as also result in substantial savings on printing and posting of annual reports and other documents of your Company sent to shareholders.

Members are requested to support this green initiative by updating their email addresses with the respective Depository Participants, in case of electronic shareholding; or registering their email addresses with the Company's Registrar and Transfer Agents, in case of physical shareholding. Join this cause and make the world a cleaner, greener and healthier place to live.

By order of the board,

Vishamber Shewakramani
Managing Director

Registered Office:

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

Dated: 14th July, 2011

ANNEXURE TO NOTICE

Explanatory Statement Under Section 173 of the Companies Act, 1956.

Item No. 6

The Board of Directors at its meeting held on 14th July, 2011 has approved the remuneration to Shri Vishamber Shewakramani, Managing Director of the Company for the residual period of his tenure i.e. with effect from 13th August, 2011 upto 12th August 2013 at the same remuneration and the terms and conditions as in the previous period and as per the details contained in the Supplemental Agreement dated 14th July, 2011 entered into between the Company and Shri Vishamber Shewakramani.

The main terms of his remuneration as contained in the said Agreement dated 14th July, 2011 are as follows:

- a) Salary: Rs. 1,50,000/- per month.
- b) Commission: Commission on Net Profits of the Company computed in the manner laid down in Section 349 of the Companies Act, 1956 as may be fixed by the Board subject to the ceiling limits laid down in Sections 198 and 309 of the Companies Act, 1956.
- c) Perquisites: In addition to the aforesaid Salary and commission the Managing Director shall be entitled to the following perquisites:
 - i) Free Furnished residential accommodation or House Rent Allowance together with utilities, such as gas, electricity, water, furnishings, repairs, servants salaries, society charges and property taxes as may be approved by the Board.
 - ii) Reimbursement of Medical Expenses incurred for self and family and medical/accident insurance.
 - iii) Leave Travel concession for self and family once in a year in accordance with the rules of the Company or as may be agreed to by the Board of Directors.
 - iv) Fees of clubs/ annual membership fees for professional bodies.

The above perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of such rules, perquisites will be evaluated at actual costs.

Where in any financial year during the currency of the tenure of the Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Managing Director, the above Salary and perquisites except commission not exceeding the ceiling limits prescribed in Schedule XIII of the Companies Act, 1956 as Minimum Remuneration.

- d) The Managing Director shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above:
 - i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
 - ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
 - iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Managing Director shall be entitled to encash leave at the end of his tenure as Managing Director.
 - iv) Provision for Car and Telephone at the residence of the Managing Director including mobile phones shall not be treated as perquisites.
- e) All income tax and other impositions, if any, in respect of Shri Vishamber Shewakramani's remuneration shall be calculated by the Company and deducted in accordance with the applicable provisions of the Income tax law for the time being in force.

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Additional information required to be given alongwith a Notice calling General Meeting as per sub para (B) of para 1 of Section II of Part II of Schedule XIII of the Companies Act, 1956 is given hereunder:

I. General Information:

(1) Nature of industry	Hotel Industry		
(2) Date or expected date of commencement of commercial production	The Company has been in the business for many years		
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable		
(4) Financial performance based on given indicators	(Rs. in lacs)		
	2008-09	2009-10	2010-11
Turnover	514.69	583.21	741.42
Net profit/ (Loss) as per profit and loss account	13.54	45.19	113.81
Amount of Dividend paid	—	38.00	57.00
Rate of Dividend declared	—	10%	15%
Earning before interest, depreciation & taxes	60.12	118.49	208.42
% of EBIDT to turnover	11.68%	20.32%	28.11%
(5) Export performance and net foreign exchange collaborations	5.50	5.80	2.58
(6) Foreign investments or collaborators, if any	—	—	—

II. Information about the appointee:

(1) Background details	<p>Name: Shri Vishamber Shewakramani</p> <p>Designation: Managing Director</p> <p>Father's name: Shri Tekchand Shewakramani</p> <p>Qualifications: Bachelor of Industrial Engineering, University of Washington, Seattle USA; Masters of Business Administration, Texas A&M University College Station USA.</p> <p>Experience: Over 26 years in Hotel industry</p>
(2) Past remuneration	Rs. 24,00,000/- per annum inclusive of perquisites.
(3) Recognition or awards	Executive and Committee member - Hotel & Restaurant Association (Western India)
(4) Job profile and his suitability	The Managing Director shall be responsible for the day to day affairs of the Company and to do all acts and things which, in the ordinary course of business, he considers necessary or proper or in the interest of the Company.

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- Considering the above and having regard to, qualifications, ability and experience and looking to the business requirement the appointment and proposed remuneration is in the interest of the Company.
- (5) Remuneration proposed Salary of Rs.1,50,000/- per month as in the previous period and other perquisites as mentioned elsewhere in the explanatory statement for residual period.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t. the country of his origin) Compared to the remuneration with respect to the other hotel industry, the remuneration proposed to be paid is very low.
- (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. The Managing Director is the promoter of the Company and is related to Smt. Nalini Shewakramani, Executive Director and Shri Tekchnd Shewakramani & Shri Gautam Shewakramani, Directors of the Company.

III. Other information:

- (1) Reasons of loss or inadequate profits The Company has to compete with the other Hotels in Silvassa. However the efforts are continue to improve the profitability of the Company.
- (2) Steps taken or proposed to be taken for improvement By substantial marketing efforts and encashing good business opportunities, the turnover of the Company and its profitability are likely to increase further.
- (3) Expected increase in productivity and profits in measurable terms. Increase in the turnover and encashing good business opportunity the Company expects to make good profit.

The Board commends the approval by the members the payment of remuneration to the Managing Director for the residual period of his tenure.

Shri Vishamber Shewakramani is concerned or interested in the Resolution at item no. 6 of the accompanying notice as it relates to the payment of remuneration to him. Shri Teckchand Shewakramani, Smt. Nalini Shewakramani and Shri Gautam Shewakramani being relatives of Shri Vishamber Shewakramani are also deemed to be interested or concerned in the said resolution.

The Supplemental Agreement dated 14th July, 2011 entered into between the Company and Shri Vishamber Shewakramani is open for inspection at the registered office of the Company between 11.00 a.m. & 1.00 p.m. on any working day.

Item No. 7

The Board of Directors of the Company have appointed Smt. Nalini Shewakramani as Whole time Director of the Company designated as Executive Director for a period of five years with effect from 15th February, 2011. Smt. Nalini Shewakramani promoter director of the Company had been devoting her valuable time towards the affairs of the Company since its inception and it is now time that she should be remunerated for her services.

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The main terms of her appointment and remuneration as contained in the Agreement dated 10th March, 2011 are as follows:

- a) Salary: Rs. 1,00,000/- per month.
- b) Perquisites: In addition to the aforesaid Salary the Executive Director shall be entitled to the following perquisites:
 - i) Free Furnished Residential Accommodation or House Rent Allowance together with utilities, such as gas, electricity, water, furnishings, repairs, servants salaries, society charges and property taxes as may be approved by the Board.
 - ii) Reimbursement of Medical Expenses incurred for self and family and medical/ accident insurance.
 - iii) Leave Travel concession for self and family once in a year in accordance with the rules of the Company or as may be agreed to by the Board of Directors.
 - iv) Fees of clubs/ annual membership fees for professional bodies.

The above perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of such rules, perquisites will be evaluated at actual costs.

Where in any financial year during the currency of the tenure of the Executive Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Executive Director, the above Salary and perquisites not exceeding the ceiling limits prescribed in Schedule XIII of the Companies Act, 1956 as Minimum Remuneration.

- c) The Executive Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified herein above:
 - i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
 - ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
 - iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Executive Director shall be entitled to encash leave at the end of her tenure as Executive Director.
- d) Provision for Car and Telephone at the residence of the Executive Director including mobile phones shall not be treated as perquisites.
- e) All income tax and other impositions, if any, in respect of Smt. Nalini Shewakramani's remuneration shall be calculated by the Company and deducted in accordance with the applicable provisions of the Income tax law for the time being in force.

The aforesaid remuneration shall be paid to the Executive Director for a period of first three years of her appointment as Executive Director.

Additional information required to be given alongwith a Notice calling General Meeting as per sub para (B) of para 1 of Section II of Part II of Schedule XIII of the Companies Act, 1956 is given hereunder:

I. General Information:

- | | |
|--|---|
| (1) Nature of industry | Hotel Industry |
| (2) Date or expected date of commencement of commercial production | The Company has been in the business for many years |