

**AUDITOR'S REPORT**

**(On quarterly financial results and year to date financial results of the Company pursuant to Clause 41 of the Listing Agreement).**

The Board of Directors,  
James Hotels Limited.

We have audited the quarterly financial results of **James Hotels Limited** for the quarter ended 31<sup>st</sup> March, 2015 and the year to date financial results for the period from 01<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015, 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 financial results as well as the year to date financial results have been prepared on the basis of 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 (AS) 25, Interim Financial Reporting, issued under the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

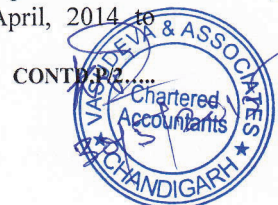
We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence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

*Attention is invited to the following points of Note '4' of the financial statements.*

- i) *Note 4.1 - pending litigations against the Company.*
- ii) *Note 4.2 - the Company has increased Authorised Share Capital ₹ 140,000,000/- to ₹ 520,000,000/- by passing a special resolution dated 14<sup>th</sup> December, 2011 by way of postal ballot; however, the exact number of Equity Shares & Preference shares has not been specifically classified.*
- iii) *Note 4.5 - defaults in repayment of dues to banks and assignment of loans granted by State Bank of India to Asset Reconstruction Company (India) Limited. Provision for interest accrued, in absence of confirmation of balances by banks, has been made on accrual basis.*
- iv) *Note 4.8 - non-payment of fee for increase in authorised share capital.*
- v) *Note 4.11 - provision of liability for Gratuity has been made on accrual basis; Actuarial Valuation report as required under Accounting Standard - 15, has not been obtained.*
- vi) *Note 4.13 - remuneration paid to managing director is subject to the approval of Shareholders and Central Government.*

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 financial results, *except for the effects of the matter described above :-*

- (i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard, and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31<sup>st</sup> March, 2015 as well as the year to date results for the period from 01<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015.



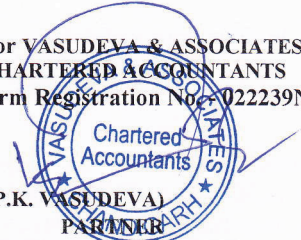
Further, we also report that we have, on the basis of books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the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

Dated : 30<sup>th</sup> May, 2015  
Place : Chandigarh

For VASUDEVA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. - 022239N

(P.K. VASUDEVA)  
PARTNER

Membership No. - 13787



# JAMES HOTELS LIMITED

CIN No. L55101CH1980PLC004249

Registered Office :Block No.10, Sector 17-A, Chandigarh-160017

PH:0172-6600000

Fax:0172-6600001

E-mail : csjameshotel@gmail.com, Website: www.jameshotels.in

Audited Financial Results For the Quarter Ended on 31st March, 2015

(Rs. In Lacs)

Particular	3 Months Ended	Preceeding 3 Months Ended	Corresponding 3 Months ended in the previous Year	Year to date	Previous Years ended
	31.03.15	31.12.14	31.03.14	31.03.15	31.03.14
	Audited	Unaudited	Audited	Audited	Audited
<b>1</b> Income From Operations					
(a) Net Sales/ Income from Operations ( Net of Excise duty )	519.59	544.60	574.07	1971.57	2114.78
(b) Other operating Income	22.11	26.29	23.75	91.72	113.89
<b>Total Income from operations (net)</b>	<b>541.70</b>	<b>570.89</b>	<b>597.82</b>	<b>2,063.29</b>	<b>2,228.67</b>
<b>2</b> Expenses					
a. Cost of material consumed	71.94	83.89	107.07	320.62	387.88
b. Purchase of stock-in -trade	0.00	0.00	0.00	0.00	0.00
c. Changes in Inventories of finished goods,work-in-progress and stock -in-trade	0.00	0.00	0.00	0.00	0.00
d. Employees benefit expenses	101.82	118.63	132.70	468.87	443.09
e. Depreciation and amortisation expenses	472.01	338.20	211.09	1492.25	959.25
Less: Depreciation written back	0.00	0.00	0.00	0.00	0.00
<b>Net Depreciation and amortisation expenses</b>	<b>472.01</b>	<b>338.20</b>	<b>211.09</b>	<b>1492.25</b>	<b>959.25</b>
f. Other Expenditure	271.73	140.08	250.46	742.82	744.39
<b>Total expenses</b>	<b>917.50</b>	<b>680.80</b>	<b>701.32</b>	<b>3024.56</b>	<b>2534.61</b>
<b>3</b> Profit from Operations before other income, Interest and Exceptional Items ( 1-2 )	(375.80)	(109.91)	(103.50)	(961.27)	(305.94)
<b>4</b> other Income	4.55	3.84	11.61	15.63	18.95
<b>5</b> Profit/ ( Loss ) From Ordinary Activity before finance costs and exceptional item tax ( 3+4 )	(371.25)	(106.07)	(91.89)	(945.64)	(286.99)
<b>6</b> Financial Costs	445.86	330.34	8.02	1380.06	725.71
<b>7</b> Profit/ ( Loss ) From Ordinary Activity after finance costs but before exceptional item tax ( 5-6 )	(817.11)	(436.41)	(99.91)	(2,325.70)	(1,012.70)
<b>8</b> Exceptional Items	0.68	0.00	0.00	0.68	0.00
<b>9</b> Profit ( + )/Loss ( - ) From Ordinary Activity before tax ( 7+8 )	(816.43)	(436.41)	(99.91)	(2,325.02)	(1,012.70)
<b>10</b> Tax Expense	4.45	0.00	0.00	4.45	0.00
<b>11</b> Net Profit ( + )/Loss ( - ) From Ordinary Activity After tax ( 9-10 )	(820.88)	(436.41)	(99.91)	(2,329.47)	(1,012.70)
<b>12</b> Extraordinary Item ( net of tax expense Rs. _____ )	0.00	0.00	0.00	0.00	0.00
<b>13</b> Net Profit ( + )/loss ( - ) for the period (11-12 )	(820.88)	(436.41)	(99.91)	(2,329.47)	(1,012.70)
<b>14</b> Share of profit/ Loss ( - ) of associates	NA	NA	NA	NA	NA
<b>15</b> Minority Interest	NA	NA	NA	NA	NA
<b>16</b> Net Profit ( + )/loss ( - ) after taxes, minority interest and share of profit/( loss ) of associates (13+14+15 )	(820.88)	(436.41)	(99.91)	(2,329.47)	(1,012.70)
<b>17</b> Paid -up equity share capital ( Face Value of Rs.10/- per share)	800.05	800.05	800.05	800.05	800.05
<b>18</b> Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year *	6.01	6.01	6.01	6.01	6.01
<b>19.i</b> Earning Per Share (before extraordinary items ( of Rs.10/-each)(not annulised):					
a) Basic	(10.26)	(5.45)	(1.25)	(29.12)	(12.66)
b) Diluted	(10.26)	(5.45)	(1.25)	(29.12)	(12.66)
<b>19.ii</b> Earning Per Share (after extraordinary items ( of Rs.10/-each)(not annualised):					
a) Basic	(10.26)	(5.45)	(1.25)	(29.12)	(12.66)
b) Diluted	(10.26)	(5.45)	(1.25)	(29.12)	(12.66)

For James Hotels Limited

PART II						
Selection Information for the Quarter ended 31.03.15						
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	No. of shares	3,810,230	3,810,230	3,810,230	3,810,230	3,810,230
	Percentage of shareholding	47.62%	47.62%	47.62%	47.62%	47.62%
2	Promoters & Promoter group					
	shareholding					
	pledged/ Encumbered					
	Number of shares	2,400,150	2,400,150	2,400,150	2,400,150	2,400,150
	Percentage of share (As a % of the total shareholding promoter and promoter group)	57.28%	57.28%	57.28%	57.28%	57.28%
	Percentage of share (as a % of the total share capital the company)	30%	30%	30%	30%	30%
	b) Non Encumbered					
	No. of shares	1,790,120	1,790,120	1,790,120	1,790,120	1,790,120
	Percentage of share (as a % of the total shareholding promoter and promoter group)	42.72%	42.72%	42.72%	42.72%	42.72%
	Percentage of share (as a % of the total share capital the company)	22.38%	22.38%	22.38%	22.38%	22.38%
	Particulars					
B	INVESTOR COMPLAINTS	No. of Cases				
	Pending at the beginning of the quarter	0				
	Received during the quarter	0				
	Disposed of during the quarter	0				
	Remaining Unresolved end of the Quarter	0				

\* represents Capital Reserve

**Notes:**

1. The above result were reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 30.05.15.
2. The Company operates into one Business segment viz. Hotel Industry.
3. Depreciation on tangible assets is provided on written down value method over the useful life of assets assigned to each asset in accordance with Schedule II of the Companies Act, 2013.
4. As Per Transitional Provision of the Companies Act, 2013, the assets, whose remaining useful life is nil and the carrying value of assets is more than the residual value, then the difference between the carrying amount and residual value is adjusted against retained earnings under the head Reserves & Surplus.
5. The Audited Quarterly results for the Quarter ending 31.03.2015 are the balancing figures between Audited Annual results as on 31.03.15 and 9 months unaudited results as on 31.12.2014
6. Provision on for Interest Accrued in absence of Confirmation of Balances by Banks, has been made on Accrual basis.
7. Provision of liability for Gratuity has been made on accrual basis; Actuarial Valuation report as required under Accounting Standard - 15, has not been obtained.

For James Hotels Limited

Director

# JAMES HOTELS LIMITED

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Assets & Liabilities as per Clause 41(l)(ea) of listing Agreement for the year ended 31st March 2015

(Rs. In Lacs)

	Particulars	As at Current Year 31/03/2015	As at Previous Year 31/03/2014
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share Capital	800.05	800.05
	(b) Reserves and surplus	(1,874.07)	455.77
	(c) Money received against share warrants	0.00	0.00
	<b>Sub-total- Shareholders' funds</b>	<b>(1,074.02)</b>	<b>1,255.82</b>
<b>2</b>	<b>Share application money pending allotment</b>	<b>3,751.40</b>	<b>3,751.40</b>
<b>3</b>	<b>Minority Interest</b>	<b>0.00</b>	<b>0.00</b>
<b>4</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	8,438.30	8,911.10
	(b) Deferred tax liabilities (net)	0.00	0.00
	(c) Other long-term liabilities	52.47	53.03
	(d) Long-term provisions	11.83	0.00
	<b>Sub-total- Non-current liabilities</b>	<b>8,502.60</b>	<b>8,964.13</b>
<b>5</b>	<b>Current Liabilities</b>		
	(a) Short-term borrowings	0.00	0.00
	(b) Trade payables	267.17	291.85
	(c) Other current liabilities	2,591.67	1,065.39
	(d) Short-term provisions	0.00	0.00
	<b>Sub-total- Current liabilities</b>	<b>2,858.84</b>	<b>1,357.24</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>14,038.82</b>	<b>15,328.59</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current Assets</b>		
	(a) Fixed Assets	13,355.71	14,830.59
	(b) Goodwill on consolidation	0.00	0.00
	(c) Non-Current Investments	0.00	0.00
	(d) Deferred tax assets (net)	0.00	0.00
	(e) Long-term loans and advances	18.94	25.60
	(f) Other non-current assets	19.00	19.00
	<b>Sub-total- Non-current assets</b>	<b>13,393.65</b>	<b>14,875.19</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Current Investments	0.00	0.00
	(b) Inventories	73.09	48.61
	(c) Trade receivables	204.93	117.23
	(d) Cash and cash equivalents	279.55	215.42
	(e) Short-term loans and advances	53.90	39.71
	(f) Other current assets	33.70	32.43
	<b>Sub-total- Current assets</b>	<b>645.17</b>	<b>453.40</b>
	<b>TOTAL - ASSETS</b>	<b>14,038.82</b>	<b>15,328.59</b>

Place: CHANDIGARH

Dated:

FOR JAMES HOTELS LIMITED



Managing Director

For James Hotels Limited

Director