

M A K & ASSOCIATES
Chartered Accountants
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AUDITOR'S REPORT

To
The Members
RELIABLE VENTURES INDIA LIMITED

We have audited the attached Balance Sheet of RELIABLE VENTURES INDIA LIMITED, as at 31st March 2012 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report Amendment) Order, 2004, issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
3. Further to our comments in the Annexure referred to above, we report that:

- (i) 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;

- (ii) 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 the books of the company;
- (iii) 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 of the Company;
- (iv) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- (v) Based on the written representations made by the Directors of the Company, taken on record by the Board of Directors and as per the information and explanations given to us, we report that none of the Directors is, as at 31st March, 2012, disqualified from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (vi) The company is not required to make any payment of cess as no notification has been issued by the Central Government specifying the rate for levy of cess under Section 441 A of the Companies Act, 1956, till 31st March, 2012.

- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said account, read in conjunction with Note 1 to 22, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view subject to notes on accounts annexed herewith in conformity with the accounting principles generally accepted in India:
- (a) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
 - (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For M A K & ASSOCIATES
Chartered Accountants

ANNEXURE TO THE AUDITORS' REPORT

STATEMENT REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RELIABLE VENTURES INDIA LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH 2012.

* * * * *

1. In respect of Fixed Assets:

- a. Fixed Assets Register has been showing particulars, quantitative details and situation of main fixed assets.
- b. The management has, as informed to us, physically verified the substantial portion of the fixed assets during the year and no material discrepancies were noticed on such verification.
- c. No substantial portion of fixed assets, disposed off during the year.

2. In respect of Inventories:

- a. As per information/explanations given to us the stock of stores, operating supplies, foods & beverages etc., have been physically and periodically verified by the management during the year; in our opinion the frequency of verification is reasonable.
- b. In our opinion the procedures of physical verification of stocks of stores, operating supplies, foods & beverages etc., followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

3. LOANS AND ADVANCES:

In respect of loans secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956:

- a. The company has not granted unsecured loan to any companies, firms or other parties covered in the register maintained U/s. 301 of the Companies Act, 1956.
- b. The company has taken interest free unsecured loans from 10 parties. Aggregated outstanding at the year-end amounting to Rs.773.34lakhs.
- c. In our opinion and according to the information and explanations given to us, the terms and conditions of such loans, taken by the company, are not prima facie prejudicial to the interest of the company.
- d. As per information and explanation given to us, the principal amounts of such loans are regular.

4. INTERNAL CONTROLS:

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 inventories, fixed assets and sale of services / goods. Further during the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

5. TRANSACTION WITH PARTIES UNDER SECTION 301 OF THE COMPANIES ACT 1956:

Based on the audit procedures applied by us and according to the information explanation given to us, there are no contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under that section, hence clause V (b) of the order is not applicable.

6. FIXED DEPOSITS:

In our opinion and according to information and explanations given to us, during the year under report, the company has not accepted any deposit as defined Under Section 58A and 58AA of the Companies Act, 1956 and rules framed there under.

7. INTERNAL AUDIT:

The company has an internal audit system, which requires more strengthened looking to the scope, coverage, size and the nature of its business.

8. COST RECORDS:

As the company is in service industry therefore question of maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, does not arise.

9. STATUTORY DUES:

According to the information and explanations given to us in respect of statutory dues:

- a. According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom and Excise Duty, Cess etc have been generally regularly deposited with the appropriate authorities. As on the last day of the financial year no dues is outstanding more than 6 month from the date they become payable.
- b. According to information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.

10. POTENTIALLY SICK COMPANY:

No accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered under audit and in the financial year immediately preceding the current financial year.

11. REPAYMENT OF DUES:

According to the records of the company and according to the information and explanations provided to us, the company has no secured loans from any Bank & financial institution as at the Balance Sheet date.

12. LOANS & ADVANCES GRANTED ON THE BASIS OF SECURITIES:

According to the records of the company and according to the information and explanations provided to us, the company has not granted loans and advances on basis of security by way of pledge of shares, debentures & other securities.

13. CHIT FUND/NIDHI/MUTUAL BENEFIT SOCIETY:

According to the information and explanations provided to us, the provisions of any special statute applicable to chit funds, Nidhi or mutual benefits society does not apply to the company.

14. INVESTMENT COMPANY:

According to information & explanations given to us the company is not dealing or trading in shares, securities, for which recording of the transaction etc have to be made.

15. GUARANTEES GIVEN:

i) Company has given a guarantee amounting to Rs. 80.00 lacs to the ING Vysya Bank for loan taken by the Reliable Dairy Farm & Products Pvt. Ltd. (An associated Concern of the Company)

ii) Based upon the audit procedure performed & on the basis of information and explanation given to us, the company has not given guarantee for Loans taken by others from banks or financial institutions except as mentioned above.

16. TERM LOANS:

On the basis of the records examined by us and relying on the information compiled by the company for co-relating the funds raised to the end use of term loans, we have to state that, the company has not obtained any term loan during the year under review.

17. SOURCES AND APPLICATION OF FUNDS:

According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for the purpose of long-term investment and no long-term funds have been used to finance short-term assets.

18. PREFERENTIAL ALLOTMENT:

During the year under review Company has not made any preferential allotment of shares to parties and companies covered in registered maintained under section 301 of the Act.

19. DEBENTURE:

The company has not issued any debenture during the year.

20. PUBLIC ISSUE:

The company has not raised any money through a public issue during the year.

21. FRAUD:

In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year that causes the financial statement to be materially misstated.

For M A K & ASSOCIATES,
Chartered Accountants,
Firm Registration No. 03060C

(C.A. Santosh Kumar Sharma)
Partner
M. No. :077735

Place : Bhopal

Date :

NOTE-1

1. **CORPORATE INFORMATION**
Reliable ventures India Limited is a public Company domiciled in India and incorporated under the provisions of the companies Act 1956. Its share is listed on two stock exchanges in India. The company is engaged in the hospitality business. The company caters in domestic market.
2. **BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India (Indian GAAP), the Accounting Standards (Accounting Standard Rules 2006 as amended) issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

The accounting policies adopted in preparation and presentation of financial statement are consistent with those of previous year except as suitably explained.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES

CHANGE IN ACCOUNTING POLICY

PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

During the year ended 31st March 2012, the revised schedule VI notified under the Companies Act 1956 has become applicable to the company, for the preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

ACCOUNTING CONVENTION AND REVENUE RECOGNITION:

The financial statements have been prepared in accordance with Historical Cost Convention. Both Income and Expenditure items are recognized generally on Accrual basis.

The Income from Rooms, Food & Beverages and allied services has been accounted for net of taxes, if any.

FIXED ASSETS:

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, modifications, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the Statement of Profit and loss. When assets are sold or discarded, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the Statement of profit and loss.

As the lease tenure is for a long period and the whole project of the company is based on the subjected Land, Building & Interior, amount of refundable deposit against leasehold Land, Building & Interior has been taken in Fixed Assets on the basis of going concern concept.

DEPRECIATION:

- a. Deposit on leasehold Land, Building & Interior are not amortized or depreciated over period of lease because the deposit is refundable at the expiry of lease of 30 years, subject to renewal.
- b. Depreciation on other fixed assets is provided using the straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 (as amended)

accounting income at currently enacted tax rates (without surcharge and education cess applicable thereon). Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

INVENTORIES:

Inventories of Foods, Beverages, Crockery & Cutlery, Engineering & Maintenance, House keeping and Stationary items are valued at cost whereas Crockery & Cutlery, House Keeping items in circulation are valued at net estimated value. Residuals (wastage) are valued at net realizable value.

SUNDRY DEBTORS/CREDITORS:

Sundry debtors/creditors are stated at net of Misc. balances written off, which are not realizable / payable as per management opinion.

MISCELLANEOUS EXPENDITURE:

Miscellaneous Expenditure consisting of Preliminary and public issue expenses are written off evenly over a stipulated period from the date of commencement of commercial operations.

RETIREMENT BENEFITS:

Contribution to defined contribution schemes such as Provident Fund, Employees State Insurance and Employees Group Gratuity Scheme etc. are charged to the Statement of Profit and Loss on accrual basis.

TAXES ON INCOME:

- (a) Current Tax:

Provision for income tax amounting to Rs. 53.21lacs (current tax) is made in the current year, in view of the "book profit" as envisaged in section 115 JB of the Income Tax Act, 1961.

FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions arising during the year are recorded at the exchange rate prevailing at the date of transaction. Exchange Fluctuations arising on payment or realisation are dealt with in the Statement of Profit & Loss.

- (b) Deferred Tax:

A provision is made for deferred tax of all timing differences arising between taxable incomes and

(B) NOTES TO THE ACCOUNTS:

1. CONTINGENT LIABILITIES

The company is contingently liable for:

S.No	Particulars	As at 31.03.2012	As at 31.03.2011
1.	Guarantee given by the company to ING Vysya Bank for loan taken by the Reliable Dairy Farm & Products P. Ltd.	80,00,000/-	80,00,000/-
2.	Guarantee issued by the bank on behalf of the company.	0.00	1,63,175.00

- 2. Some of the customers & suppliers accounts are subject to confirmation / reconciliation, which is in progress.
- 3. Extra Ordinary items shown in Statement of P & L consist of Prior period Adjustment account aggregating to Rs. 4,12,717.00 (net Debit) (previous

year Rs. 26,481.00, (Net Debit) consisting of previous years expenses.

- 4. The company extends the benefits of the encashment of leave to its employees at the option of the employee and is accounted for as and when claimed.

5. Out of the total creditors, amount due to Small Scale Industries, cannot be segregated pursuant to the notification issued by the Department of Company Affairs, as none of the creditors have provided the information about their status.
6. Long term borrowing of a sum of Rs. 7,62,52,722.26 (Previous year Rs . 88,730,981.36) are due to companies in which some of the directors are interested as director and/or shareholders, besides that a sum of Rs. 5,80,787.00 which is repayable within 12 months considered as Short term borrowings in Balance Sheet. Maximum outstanding amount during the year is Rs. 9,08,72,098.30 (Previous year Rs. 10,53,29,124.42)
7. In the opinion of the Directors, current assets, loans & advances have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business.
8. As the turnover of the company includes sale of Rooms, Foods & Beverages etc., it is not possible to give quantity wise details of the turnover and of Food & Beverages consumed.

9. All raw materials, provisions & beverages consumed are indigenous.
10. Value of Imports (calculated on CIF bases) in respect of:

	2011-12	2010-11
1 ProvisionStores	NIL	NIL
Capital Goods	NIL	NIL

1. Earning in Foreign currency

	2011-12	2010-11
	Rs.48 91 435.00	Rs. 53 13 527.00

12. Company has 29 non-resident shareholders holding 1005510 equity shares of Rupees 10/- each, which are allotted under 40 folios. The company has not declared any dividend (Previous year – 29 Non Resident Shareholders holding 1005375 equity shares of Rs 10/- each which were allotted under 40 folios).

13. NET DEFERRED TAX ASSETS / (LIABILITIES)

Particulars	Upto 31.3.2011	Adjustment	(Charged)/ Credited in P&L account for current year.	Closing As on 31.03.2012
A) Deferred Tax Assets:				
Unabsorbed losses under I.T. Act.	18510264.17	(5355.77)	(6700416.00)	11804492.40
Other timing differences	56534.35	(22854.89)	0	33679.46
Total (A)	18566798.52	(28210.66)	(6700416.00)	11838171.86
B) Deferred Tax Liabilities:				
Depreciation differences	29569651.56	(28210.66)	1320598.20	30862039.10
Other timing differences/ (Reversal)	0.00	0.00	0.00	0.00
Total (B)	29569651.56	(28210.66)	1320598.20	30862039.10
Total (A-B)	(11002853.04)	0.00	(8021014.20)	(19023867.23)
Net Deferred Tax Assets/(Liabilities)	(11002853.04)		(8021014.20)	(19023867.23)

NOTES:

- a. In accordance with Accounting Standard 22, Accounting for taxes of Income issued by the Institute of Chartered Accountants of India, during the year under review the company has Charged Rs. 80,21,014.20 in Statement of Profit and Loss towards Deferred Tax Liability.

- b. The company expects to generate taxable income in the coming years which will enable it to utilise the carried forward losses, in view of increasing trend of Turnover and corresponding incremental profits as compared to previous financial year.

14. EARNING PER SHARE

Particular	Year ended 31.03.2012 RS.	Year ended 31.03.2011 RS.
Net Profit / (Loss) attributable to Shareholders.	1,85,12,651.87	1,74,50,052.16
Weighted average number of equity shares in issue. (In nos.)	11012900.00	11012900.00
Basic earnings per share of Rs. 10/- each.	1.68	1.58

15. RELATED PARTY DISCLOSURE:-

In terms of Accounting Standard 18 issued by The Institute of Chartered Accountants of India, regarding "Related party disclosures", the desired information is annexed as Annexure "A" forming part of annual financial statements.

16. The company is in the business of Hotel, Restaurant & allied activities and all its services fall in the same segment as nature of the services, its

commercial location, the regulatory environment and resulting risks and rewards associated with these business lines are not materially different and is consequently, not subject to segment reporting as defined in AS-17 issued by the Institute of Chartered Accountants of India.

17. Directors remuneration amounting to Rs. 46.15 lacs (Previous year Rs. 24.79 Lacs).

19. AUDITOR'S REMUNERATION

	31.03.12	31.03.11
Audit fees	60,000.00	60,000.00
Tax audit fees	15,000.00	15,000.00
Service Tax	7,725.00	7,725.00
Total (A)	82,725.00	82,725.00
Other services (Review & Cert.)	8,000.00	8,000.00
Service Tax	825.00	825.00
Total (B)	8,825.00	8,825.00
TOTAL (A+B)	91,550.00	91,550.00

20. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006.

There are no Micro and Small Scale business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31.03.2012. This information as required to be disclosed under the micro, Small and Medium enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of information, available with the company.

21. The figures for the previous year have been regrouped / rearranged wherever necessary and the typographical error of displaying the figure of Rs. 4.09 lacs as exp. simultaneously as extraordinary as well as exceptional item in the quarterly result for the Last quarter ended 31.03.2012 has been rectified which culminated into increase in the net profit for the Financial 2011-12 by Rs. 4.13 lacs with incidental improvement in the EPS for the year.

As per our report of even date attached

For M A K & Associates,
Chartered Accountants,
Firm Registration No. 03060C

(C.A. Santosh Kumar Sharma)
Partner
Membership No. :077735

Place : Bhopal

Date : 25.07.12

For and on behalf of the Board

Sd/-
Company Secretary

Sd/-
Managing Director

BALANCE SHEET			
RELIABLE VENTURES INDIA LIMITED			
As at 31st March, 2012			
Particulars	Note No	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	110,129,000.00	110,129,000.00
(b) Reserves and Surplus	3	74,510,180.27	55,997,528.40
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	76,252,722.26	88,730,981.36
(b) Deferred tax liabilities (Net)		19,023,867.23	11,002,853.04
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	5	1,080,787.00	3,080,787.00
(b) Trade payables	6	6,437,259.64	7,777,944.35
(c) Other current liabilities	7	5,617,691.69	5,796,412.66
(d) Short-term provisions	8	10,353,742.00	9,181,460.00
Total		303,405,250.10	291,696,966.81
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	221,085,726.86	217,402,498.45
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		802,705.00	3,225,538.00
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	10	2,014,312.00	1,534,312.00
(e) Other non-current assets	11	20,535,574.36	14,949,097.28
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	12	7,238,558.85	7,458,716.09
(c) Trade receivables	13	8,787,220.69	6,284,141.49
(d) Cash and cash equivalents	14	24,179,309.82	27,562,018.46
(e) Short-term loans and advances	15	18,761,842.52	13,280,645.03
(f) Other current assets		-	-
(g) Preliminary Expenditure not written off		-	-
Total		303,405,250.10	291,696,966.81
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS			
AS PER OUR REPORT OF EVEN DATE ATTACHED			
For M A K & Associates,		For and on behalf of the Board of Directors	
Chartered Accountants			
Firm Registration No. 03060C			
SD/-		SD/-	SD/-
C.A. Santosh Kumar Sharma		Company Secretary	Managing Director
(Partner)			Director
M.No. 077735			
Place : Bhopal			
Date : 25.07.2012			

STATEMENT OF PROFIT AND LOSS RELIABLE VENTURES INDIA LIMITED For the year ended 31st March, 2012			
Particulars	Note No	For the year ended 31.03.2012	For the year ended 31.03.2011
I. Revenue from operations	16	154,278,837.75	130,541,255.72
II. Other Income	17	2,771,765.10	2,386,737.46
III. Total Revenue (I + II)		157,050,602.85	132,927,993.18
IV. Expenses:			
Cost of materials consumed	18	44,862,807.64	30,794,623.00
Purchase of Stock-in-Trade			
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	19	27,517,624.11	23,549,660.55
Other expenses	20	47,003,993.20	43,428,271.73
IV. Total Operating Expenses		119,384,424.95	97,772,555.28
V. Profit before interest, depreciation, exceptional items, extraordinary items and tax		37,666,177.90	35,155,437.90
Financial costs	21	57,164.85	28,468.32
Depreciation and amortization expense		10,662,629.98	10,050,915.78
V. Profit before exceptional and extraordinary items and tax	(III - IV)	26,946,383.07	25,076,053.81
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		26,946,383.07	25,076,053.81
VIII. Extraordinary Items	22	412,717.00	26,481.00
IX. Profit before tax (VII - VIII)		26,533,666.07	25,049,572.81
X. Tax expense:			
(1) Current tax (MAT)		5,320,584.00	5,033,158.00
Less MAT Credit Entitlement		5,320,584.00	5,033,158.00
Net Current tax		-	-
(2) Deferred tax		8,021,014.20	7,599,520.65
XI. Profit(Loss) from the period from continuing operations	(VII-VIII)	18,512,651.87	17,450,052.16
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		18,512,651.87	17,450,052.16
XVI. Earning per equity share:			
(1) Basic		1.68	1.58
(2) Diluted		1.68	1.58
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	1		
AS PER OUR REPORT OF EVEN DATE ATTACHED			
for M A K & ASSOCIATES, Chartered Accountants Firm Registration No. 03060C		For and on behalf of the board	
SD/- C.A. Santosh Kumar Sharma (Partner) M No. 077735	SD/- Company Secretary	SD/- Managing Director	SD/- Director
Place : Bhopal Date : 25.07.2012			

NOTES FORMING PART OF BALANCE SHEET

NOTE-2

SHARE CAPITAL

PARTICULARS	March 31, 2012	March 31, 2011
AUTHORISED CAPITAL		
2,50,00,000 Equity Shares of Rupees 10/- each (Previously 2,50,00,000 Equity shares of Rs. 10/- each)	250,000,000.00	250,000,000.00
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
1,10,12,900 Equity Shares of Rupees 10/- each Fully paid up in cash (1,10,12,900 Equity Shares of Rupees 10/- each Fully paid up in cash)	110,129,000.00	110,129,000.00
TOTAL	110,129,000.00	110,129,000.00

Note: List of Shareholders holding more than 5% equity shares and Reconciliation of shares is enclosed as per annexure "a"

NOTE-3

RESERVE & SURPLUS

PARTICULARS	March 31, 2012	March 31, 2011
Capital reserve	2,466,000.00	2,466,000.00
Security Premium	9,690,000.00	9,690,000.00
Statement of Profit & loss		
Opening balance	43,841,528.40	26,391,476.24
Profit earn during the year	18,512,651.87	17,450,052.16
TOTAL	74,510,180.27	55,997,528.40

NOTE-4

LONG TERM BORROWINGS

PARTICULARS	March 31, 2012	March 31, 2011
Unsecured Borrowings		
From Bodies Corporate {Please refer Note- 1(B)(6)}	76,252,722.26	88,730,981.36
TOTAL	76,252,722.26	88,730,981.36

Note : The classification of Unsecured loan from Bodies corporate taken as long term borrowings in view of repayment of the loan is not fallen due during the period of 12 months from the reporting date.

NOTE-5

SHORT TERM BORROWINGS

PARTICULARS	March 31, 2012	March 31, 2011
Unsecured Borrowings		
From Directors & Shareholders	500,000.00	2,500,000.00
From Bodies Corporate {Please refer Note- 1(B)(6)}	580,787.00	580,787.00
TOTAL	1,080,787.00	3,080,787.00

Note : The classification of Unsecured loan from Bodies corporate and Directors & Shareholders taken as Short term borrowings in view of repayment of the loan is fallen due during the period of 12 months from the reporting date.

**NOTE-6
TRADE PAYABLES**

PARTICULARS	March 31, 2012	March 31, 2011
Sundry Creditors - For Supplies & Expenses	6,437,259.64	7,777,944.35
TOTAL	6,437,259.64	7,777,944.35

**NOTE-7
OTHER CURRENT LIABILITIES**

PARTICULARS	March 31, 2012	March 31, 2011
Other liabilities	5,617,691.69	5,796,412.66
TOTAL	5,617,691.69	5,796,412.66

**NOTE-8
SHORT TERM PROVISIONS**

PARTICULARS	March 31, 2012	March 31, 2011
PROVISIONS :		
Corporate Tax A. Y. 2012-13	5,320,584.00	
Corporate Tax A. Y. 2011-12	5,033,158.00	5,033,158.00
Corporate Tax A. Y. 2010-11	-	4,148,302.00
TOTAL	10,353,742.00	9,181,460.00

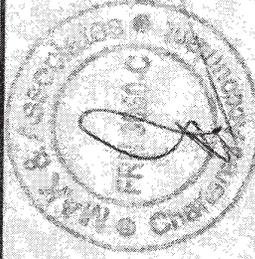
Annexure "a"

a) Reconciliation of no. of share outstanding is set below

Particular	As at 31-03-2012	As at 31-03-2011
Equity Shares at the beginning of the year	11,012,900.00	11,012,900.00
Add: Shares issued		
Equity Shares at the end of the year	11,012,900.00	11,012,900.00

b) Shareholder's name holding more than 5 % shares

Name of Shareholder	NO. OF SHARES HELD		% OF SHAREHOLDING	
	31-03-2012	31-03-2011	31-03-2012	31-03-2011
1. Elegance Infotech Pvt. Ltd.	2,110,406.00	2,110,406.00	19.16%	19.16%
2. Renbar Holding & Finance Pvt. Ltd.	1,507,666.00	1,507,666.00	13.69%	13.69%
Total	3,618,072.00	3,618,072.00		



NOTE-10
LONG TERM LOANS & ADVANCES

PARTICULARS	March 31, 2012	March 31, 2011
Sundry Deposits	2,014,312.00	1,534,312.00
TOTAL	2,014,312.00	1,534,312.00

Note : In view of nature, continuity from last years and non realisable within 12 months, Sundry Deposits has been classified as long term loans and advances

NOTE-11
OTHER NON CURRENT ASSETS

PARTICULARS	March 31, 2012	March 31, 2011
MAT Credit Entitlement	14,502,044.00	9,181,460.00
Creditors having Debit balance	6,023,530.36	5,757,637.28
Security Deposits	10,000.00	10,000.00
TOTAL	20,535,574.36	14,949,097.28

NOTE-12
INVENTORIES

(As valued & Certified by management at cost)

PARTICULARS	March 31, 2012	March 31, 2011
Beverages	23,143.29	27,512.43
Crockery & Cutlery	1,889,846.76	2,374,308.68
Engineering & Maintenance Store	90,021.67	72,746.72
Food & Grossory	1,529,532.52	1,509,349.96
House Keeping Store	1,792,612.87	1,620,519.77
Printing & Stationery	259,852.25	177,398.11
LDO/ Fire Wood	733,149.50	735,004.50
Cosmetics etc.	920,399.99	941,875.92
TOTAL	7,238,558.85	7,458,716.09

NOTE-13
TRADE RECEIVABLES

(Unsecured & Considered Good)

PARTICULARS	March 31, 2012	March 31, 2011
Over Six Months	1,846,275.83	298,312.06
Others	6,940,944.86	5,985,829.43
TOTAL	8,787,220.69	6,284,141.49

Note : Guest balance as on reporting date Rs 9,06,893.00 included in Other Trade receivables, being bill raised by the system but not issued to the customers.

NOTE-14**CASH & CASH EQUIVALENT**

PARTICULARS	March 31, 2012	March 31, 2011
Cash in hand	1,645,784.92	1,994,484.49
BALANCE WITH BANKS		
In Current Accounts	6,104,120.57	7,661,134.91
In Fixed Deposits	16,429,404.33	17,743,224.06
In Margin Money	-	163,175.00
TOTAL	24,179,309.82	27,562,018.46

NOTE-15**SHORT TERM LOANS & ADVANCES**

(Unsecured/unconfirmed & Considered good)

PARTICULARS	March 31, 2012	March 31, 2011
Sundry Deposits	185,405.00	14,000.00
Advance recoverable in cash or in kind	8,185,005.76	3,917,722.39
Other		
Advance Income Tax	8,987,651.59	5,559,978.00
Tax deducted at source	1,403,780.17	3,788,944.64
TOTAL	18,761,842.52	13,280,645.03

Note : In view of nature and realisable within 12 months, Sundry Deposits and Advances Recoverable in cash or in kind has been classified as Short term loans and advances.

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS**NOTE-16****REVENUE FROM OPERATION**

PARTICULARS	March 31, 2012	March 31, 2011
Rooms Tariff	63,145,831.92	56,829,696.08
Foods & Beverages	72,422,540.17	46,122,573.65
Rental & Other related revenues	17,086,403.12	25,772,997.82
Other Services- Includes Income from Telephone & Telex Rs. 0.12 Lacs (Previous year 0.15 Lacs)	1,624,062.54	1,815,988.17
TOTAL	154,278,837.75	130,541,255.72

NOTE-17**OTHER INCOME**

PARTICULARS	March 31, 2012	March 31, 2011
Interest received from Banks	1,054,329.20	885,798.21
Misc. Income	1,623,023.02	1,239,862.60
Profit on sale of assets	94,412.88	-
Miscellaneous Balances written off	-	261,076.65
TOTAL	2,771,765.10	2,386,737.46

NOTE-18

COST OF MATERIALS AND OTHER OPERATING COSTS

PARTICULARS	March 31, 2012	March 31, 2011
Food & Beverages Items	29,899,622.12	17,022,311.26
Uniforms, Linen & Operating Supplies	2,688,077.09	3,987,897.78
Crockery & Cutlery	1,159,678.70	428,265.43
Power, Fuel & Gas	11,115,429.73	9,356,148.53
CONSUMPTION DURING THE YEAR	44,862,807.64	30,794,623.00

NOTE-19

EMPLOYEES BENEFIT EXPENSES

PARTICULARS	March 31, 2012	March 31, 2011
Salaries, Wages and other benefits	20,793,739.00	17,977,668.00
Provident Fund and ESI	2,478,621.00	1,857,541.10
Staff Welfare	4,245,264.11	3,714,451.45
TOTAL	27,517,624.11	23,549,660.55

NOTE-20

OTHER EXPENSES

PARTICULARS	March 31, 2012	March 31, 2011
Washing & Laundry Expenses	412,976.04	559,122.32
Repairs & Maintenance	6,298,799.78	6,365,205.13
Musical Service Expenses	97,600.00	185,331.00
Bought Out Services ,Banquet & Kitchen Exp.	8,779,201.00	6,232,424.00
Lease Rent	72,000.00	72,000.00
Computer Expenses	327,046.00	396,935.00
Electricity & Water Charges	7,448,272.00	6,972,882.00
Freight & Cartage	203,889.00	225,646.00
Rates & Taxes	656,373.24	888,829.76
Fees & Subscription	6,384,316.00	5,838,802.00
Travelling & Conveyance	422,902.00	1,027,966.00
Newspaper, Books & Periodicals	127,807.00	117,413.00
Insurance	173,932.00	369,445.00
Postage, Telephone & Telex	808,010.00	837,582.00
Discount & Commission	2,616,127.06	2,714,393.35
Advertising Publicity & Other Promotional Exp.	2,996,287.16	4,382,727.00
Auditors Remuneration	82,725.00	82,725.00
Auditors expenses	13,935.00	-
Other Expenses	787,717.00	750,108.65
Printing and Stationery	1,874,045.93	880,591.90
Legal & Professional Exp.	495,704.92	541,049.00
Director's Sitting Fees	57,500.00	42,500.00
Director's Remuneration	4,615,600.00	2,479,000.00
Miscellaneous Balances written off	49,574.07	-
Parking Rent	72,000.00	72,000.00
Security Services	1,069,511.00	993,442.80
Interest to others	60,142.00	189,703.00
Loss on sale of assets	-	188,447.82
Donation	-	22,000.00
TOTAL	47,003,993.20	43,428,271.73

NOTE-21
FINANCIAL COST

PARTICULARS	March 31, 2012	March 31, 2011
Bank Commission & Charges	57,164.85	28,468.32
TOTAL	57,164.85	28,468.32

NOTE-22
EXTRA ORDINARY ITEM

PARTICULARS	March 31, 2012	March 31, 2011
Prior Period Expenses	412,717.00	26,481.00
TOTAL	412,717.00	26,481.00

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March , 2012

PARTICULARS		March 31, 2012	March 31, 2011
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit / (Loss) before Tax and Extraordinary Items		26,946,383.07	25,076,053.81
Adjustment for :			
Add: Depreciation		10,662,629.98	10,050,915.78
Interest Paid		57,164.85	218,171.32
Loss on Sale of Fixed Assets		-	188,447.82
Prior period adjustment		(412,717.00)	(26,481.00)
Less: Excess Interest Reversed by the Bank		(1,054,329.20)	-
Profit on sale of Fixed Assets		(94,412.88)	(885,798.21)
Foreign Exchange Fluctuation Loss/(Gain)		(4,419.70)	24,866.00
Operating Profit before working Capital changes		36,100,299.12	34,646,175.51
Adjustment for Changes in :			
Trade & Other Receivables		(7,984,276.69)	(7,076,137.23)
Inventories		220,157.24	(2,840,689.22)
Add: Mat Credit entitlement		5,320,584.00	5,033,158.00
Trade and Other payables		(347,123.68)	7,015,307.01
Cash Generated From Operations		33,309,639.99	36,777,814.07
Less: Current Tax		5,320,584.00	5,033,158.00
NET CASH GENERATED FROM OPERATING ACTIVITIES	A	27,989,055.99	31,744,656.07
CASH FLOW FROM INVESTING ACTIVITIES			
Capital Work in Progress		(860,742.80)	(4,795,384.27)
Purchase of Fixed Assets		(11,604,869.70)	(5,717,072.09)
Sale of Fixed assets		637,000.00	137,000.00
Movement in Loans & Advances and other non current assets		(6,066,477.08)	(5,592,355.20)
Interest Received		1,054,329.20	885,798.21
NET CASH USED IN INVESTING ACTIVITIES	B	(16,840,760.38)	(15,082,013.35)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds /(Repayment) of Short Term Borrowings		(2,000,000.00)	(2,075,000.00)
Proceeds /(Repayment) of Short Term Borrowings		(12,478,259.10)	(1,442,356.06)
Intrest Paid		(57,164.85)	(218,171.32)
Share Application Money Received		-	(10,000,000.00)
NET CASH USED IN FINANCING ACTIVITIES	C	(14,535,423.95)	(13,735,527.38)
Effect of Exchange Differences on Foreign Currency Transactions	D	4,419.70	(24,866.00)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVLENT		(3,382,708.64)	2,902,249.34
Cash & Cash Equivalent(Opening Balance)		27,562,018.46	24,659,769.12
Cash & Cash Equivalent (Closing Balance)		24,179,309.82	27,562,018.46
Net Increase/(Decrease) in Cash & Cash Equivalents		(3,382,708.64)	2,902,249.34
		(0.00)	0.00
As per our report of even date attached			
For M A K & ASSOCIATES		For and on behalf of the Board	
Chartered Accountants			
Firm Registration No. 03060C			
SD/-	SD/-	SD/-	SD/-
(Santosh Kumar Sharma)	(Company Secretary)	(Managing Director)	(Director)
(Partner)			
M.No. 077735			
Date : 25.07.2012			
Place : Bhepal			