



Reality Tours & Travel Pvt.Ltd

202, 2ND FLR, JAGANNATH APTS. THANA, BELAPUR RD, DIGHA, AIROLI, NAVI MUMBAI 400 708

DIRECTORS' REPORT

To,

The Members,

The Directors present to you, the Sixth Annual Report of the Company together with the Audited Balance Sheet as at March 31, 2011 and Profit & Loss Account for the year ended on that date.

FINANCIAL RESULTS :

	31.03.2011	31.03.2010
	Rs.	Rs.
Net Profit before tax for the year	7,64,761	7,41,046
Less: Provision for Current Tax	1,99,000	2,09,000
Less : Provision for Fringe Benefit Tax	---	---
Less: Provision for Deferred Tax	43,765	21,109
Profit (After Taxation)	5,21,996	5,11,657
Add : Excess Provision for Tax	---	720
Add: Profit / (Loss) brought forward	6,30,544	1,18,887
Less : Transfer to General Reserve	-	-
Balance Profit carried to Balance Sheet	11,52,540	6,30,544

OPERATIONS:

The Company is basically a tour operator carving its niche in the international market. The Company is focusing on novel idea of spreading awareness of its business in high society. Thus providing its tour business to the slums, in this process it has affiliated with NGO's and also developed community centre. There has been increased trend in the turnover as compared to the earlier year (C.Yr. 63.37 Lacs, Prv. Yr.41.12 Lacs). The Company is showing increasing trend as compare to last year and infact has made a positive financial result.

DIVIDEND :

With a view to conserve resources for further growth the directors do not recommend any dividend.

EMPLOYEES :

The Company has no employees referred to in 217 (2A) of the Companies Act, 1956 during the year.



CONSERVATION OF ENERGY & ABSORPTION OF TECHNOLOGY :

The Company has taken adequate measures to conserve and minimize the use of energy. Majority of its activities are outdoor based.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information relating to foreign exchange earnings and outgo is given in the Notes to accounts to the balance sheet and profit and loss account.

DIRECTORS :

Both the Directors of the Company being permanent Directors are not liable for retirement by rotation.

DIRECTORS RESPONSIBILITY STATEMENT:

The Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
2. Appropriate accounting policies have been selected and applied consistently, and have 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 as at 31st March 2011;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Companies and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis.

AUDITORS :

S .M. Lasrado & Co. Chartered Accountants have expressed their willingness to continue as the auditor and in the Annual General Meeting they were reappointed. They retire at the ensuing General Meeting and are eligible for reappointment.

For and on behalf of the Board of Directors


CHRISTOPHER WAY
DIRECTOR

PLACE : MUMBAI

DATED : 2nd September 2011





S.M. LASRADO & CO.
CHARTERED ACCOUNTANTS

'Silver Symphony', 1st. Floor,
37, Church Avenue,
Santacruz (W), Mumbai - 400 054.
E-Mail : lasrado@vsnl.com
Tel : 2605 4108, 1441, 2015
Resi : 2605 4162
Fax : (91-22) 2605 2501
Website : www.smlasrado.com

AUDITORS' REPORT

THE MEMBERS OF REALITY TOURS & TRAVELS PRIVATE LIMITED

We have audited the Balance Sheet of **REALITY TOURS & TRAVELS PRIVATE LIMITED** as at 31st March 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto. 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.

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 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 financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

The Companies (Auditor's Report) Order, 2003 is not applicable in the case of the Company. Further 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 purposes of our audit;
- 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 such books.
- c. The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account.
- d. In our opinion the Balance Sheet and Profit & Loss Account, dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 in so far as they apply to the Company.

- e. On the basis of the written representations received from the Director's as on 31st March 2011 and taken on record by the Board of Director's we report that none of the Directors are disqualified as on 31st March, 2011 from being appointed as Directors in terms of clause (g) of sub-section 274 of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
- ii) in the case of the Profit & Loss Account, of the profit for the year ended on that date.

For S.M.LASRADO & CO.

Firm Reg.No. 105592W

Chartered Accountants



S.M. Lasrado

[S.M.LASRADO]

Memb. No. 030762

PLACE : MUMBAI

DATED : 2nd September 2011

REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2011-2012 ; PREVIOUS YEAR ENDED 31ST MARCH 2011

BALANCE SHEET AS AT 31.03.2011

	SCH. NO.	YEAR ENDED 31.03.2011 (RUPEES)	YEAR ENDED 31.03.2010 (RUPEES)
I SOURCES OF FUNDS			
i Share Capital	1	100,000	100,000
ii Reserves & Surplus	2	1,152,539	630,544
iii Unsecured Loans	3	1,677,127	431,294
iv Deferred Tax Liability		33,702	-
TOTAL		2,963,368	1,161,838
II APPLICATION OF FUNDS			
i Fixed Assets	4		
Gross Block		3,398,443	1,918,502
Less: Accumulated Depreciation		1,201,908	900,212
Net Block		2,196,535	1,018,290
ii Deferred Tax Asset		-	10,063
iii Working Capital			
Current Assets, Loans & Advances	5	1,814,003	1,183,169
Less: Current Liabilities & Provisions	6	1,049,881	1,053,073
Net Working Capital		764,122	130,096
iv Miscellaneous Exp (to the extent not Written off)		2,711	3,388
TOTAL		2,963,368	1,161,838

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NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF THIS BALANCE SHEET

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S.M Lasrado & Co.

Chartered Accountants

Firm Registration No. 105592W

(S.M.Lasrado)

Membership No. 030762

DATE : 2nd September 2011

PLACE : MUMBAI

FOR REALITY TOURS & TRAVEL PVT. LTD.

(CHRISTOPHER WAY)

DIRECTOR

DATE : 2nd September 2011

PLACE : MUMBAI

(KRISHNA PUJARI)

REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2011-2012 ; PREVIOUS YEAR ENDED 31ST MARCH 2011

PROFIT & LOSS ACCOUNT FOR THE PERIOD 01.04.2010 TO 31.03.2011

	SCH. NO.	YEAR ENDED 31.03.2011 (RUPEES)	YEAR ENDED 31.03.2010 (RUPEES)
INCOME			
Tour Receipts		6,337,711	4,112,417
Miscellaneous Income		338	12,638
		<u>6,338,049</u>	<u>4,125,055</u>
EXPENDITURE			
Tour Operating Expenses		2,287,098	902,791
Administrative & General Expenses	7	2,983,817	2,288,396
Preliminary Expenses		677	677
		<u>5,271,592</u>	<u>3,191,864</u>
Profit/(Loss) Before Depreciation (A-B)		1,066,457	933,191
Less: Depreciation		301,696	192,145
Profit/(Loss) Before Tax		764,761	741,046
Less: Provision for Tax - Current Tax		199,000	209,000
Less: Provision for Tax - Deferred Tax		43,765	21,109
Less: Provision for Tax - Fringe Benefit Tax		-	-
Excess Provision for Fringe Benefit Tax		-	720
		<u>521,996</u>	<u>511,657</u>
Balance Transferred to Balance Sheet			

NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF THIS STATEMENT

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S.M Lasrado & Co.

Chartered Accountants

Firm Registration No. 123973W

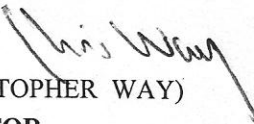
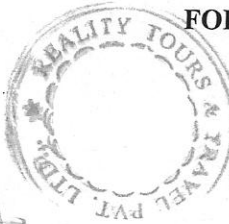


(S.M.Lasrado)

Membership No. 030762



FOR REALITY TOURS & TRAVEL PVT. LTD.



(CHRISTOPHER WAY)
DIRECTOR



(KRISHNA PUJARI)
DIRECTOR

DATE : 2nd September 2011

PLACE : MUMBAI

DATE : 2nd September 2011

PLACE : MUMBAI

REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2011-2012 ; PREVIOUS YEAR ENDED 31ST MARCH 2011

SCHEDULES ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2011

<u>PARTICULARS</u>	<u>YEAR ENDED</u> <u>31.03.2011</u> <u>(RUPEES)</u>	<u>YEAR ENDED</u> <u>31.03.2010</u> <u>(RUPEES)</u>
<u>SCHEDULE - 1</u>		
<u>SHARE CAPITAL</u>		
<u>A) AUTHORIZED CAPITAL</u>		
10,000 EQUITY SHARES OF RS.10/- EACH	<u>100,000</u>	<u>100,000</u>
<u>B) ISSUED, SUBSCRIBED AND PAID UP CAPITAL</u>		
10,000 EQUITY SHARES OF RS.10/- EACH	<u>100,000</u>	<u>100,000</u>
<u>SCHEDULE - 2</u>		
<u>RESERVES AND SURPLUS</u>		
Profit & Loss A/c	630,543	118,887
Add : Current Year profit/(Loss) of the year	<u>521,996</u>	<u>511,657</u>
	<u>1,152,539</u>	<u>630,544</u>
<u>SCHEDULE - 3</u>		
<u>UNSECURED LOANS</u>		
Loans from Directors & Shareholders	<u>1,677,127</u>	<u>431,294</u>
	<u>1,677,127</u>	<u>431,294</u>



REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2011-2012 ; PREVIOUS YEAR ENDED 31ST MARCH 2011

**SCHEDULES ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2011
SCHEDULE - 4: FIXED ASSETS**

ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS ON 01.04.2010	ADDITIONS/ DELETIONS	AS ON 31.03.2011	RATE %	AS ON 01.04.2010	CURRENT YEAR	AS ON 31.03.2011	AS ON 31.03.2011	AS ON 31.03.2010
MOTOR VEHICLES	1,022,446	-	1,022,446	25.89	763,815	66,960	830,775	191,671	258,631
BICYCLES	-	20,800	20,800	25.89	-	1,534	1,534	19,266	-
FURNITURE & FIXTURE	58,924	-	58,924	25.89	10,498	12,537	23,035	35,889	48,426
BROCHURES	11,441	8,663	20,104	25.89	4,051	3,800	7,851	12,253	7,390
COMPUTERS	100,487	31,787	132,274	40.00	41,161	29,354	70,515	61,759	59,326
SLUM PROJECT	725,204	1,418,691	2,143,895	13.91	80,687	187,511	268,198	1,875,697	644,517
	1,918,502	1,479,941	3,398,443		900,212	301,696	1,201,908	2,196,535	1,018,290
PREVIOUS YEAR	1,075,386	843,116	1,918,502		708,067	192,145	900,212	1,018,290	367,319



REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2011-2012 ; PREVIOUS YEAR ENDED 31ST MARCH 2011

SCHEDULES ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2011**SCHEDULE - 4: FIXED ASSETS (CONTD.)**

ADDITIONS DURING THE YEAR

<u>ASSETS HEAD</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>UPTO</u>	<u>DAYS</u>	<u>RATE</u>	<u>DEPR. AMT</u>
<i>Computers</i>	31-Jul-10	11,000	31-Mar-11	243	40.00%	2,929
	21-Nov-10	17,737	31-Mar-11	130	40.00%	2,527
	9-Feb-11	3,050	31-Mar-11	50	40.00%	167
		<u>31,787</u>				<u>5,623</u>
<i>Brochures</i>	28-May-10	8,663	31-Mar-11	307	25.89%	1,886
<i>Bi - Cycles</i>	17-Dec-10	20800	31-Mar-11	104	25.89%	1,534
<i>Slum Project</i>	1-Oct-10	1418691	31-Mar-11	181	13.91%	97,859



REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2011-2012 ; PREVIOUS YEAR ENDED 31ST MARCH 2011

SCHEDULES ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2011

PARTICULARS	YEAR ENDED 31.03.2011 (RUPEES)	YEAR ENDED 31.03.2010 (RUPEES)
<u>SCHEDULE - 5</u>		
<u>CURRENT ASSETS, LOANS & ADVANCES</u>		
<u>A) CURRENT ASSETS</u>		
Sundry Debtors	207,925	27,957
Bank Balance	770,976	703,375
Cash in Hand	13,274	50,017
A	992,175	781,349
<u>B) LOANS & ADVANCES</u>		
<u>Advance Tax</u>		
<u>AY 2009-10</u>		
T.D.S. A.Y.2009-10	194	194
Self Assesment Tax A.Y. 2009-10	147,620	147,620
<u>AY 2010-11</u>		
Self Assesment Tax A.Y. 2010-11	100,000	
T.D.S. A.Y.2010-11	2,371	2,371
<u>AY 2011-12</u>		
TDS A.Y. 2011-12	2,033	-
<u>Other Advances</u>		
Reality Cares	46,960	46,960
Advances to Employess	295,059	117,140
<u>Prepayments</u>		
Deposits for Premises	195,000	45,000
Prepaid Expenses	32,591	42,535
B	821,828	401,820
TOTAL	A+B 1,814,003	1,183,169

SCHEDULE - 6**CURRENT LIABILITIES & PROVISIONS****A) SUNDRY CREDITORS**

Advance from Customers	82,268	5,763
<u>Outstanding Liabilities</u>		
Salaries	311,517	644,541
Audit Fees Payable	40,500	25,417
Internet Expenses Payable	2,978	-
Telephone Expenses	2,958	-
TDS Payable	8,806	25,956
Service Tax Payable	34,653	-
Reception Centre Rent	10,000	-
Other Accruals	14,201	9,396
Sundry Payable	1,000	-
A	508,881	711,073

B) PROVISIONS

Provision for Tax - Fringe Benefit Tax		-
Provision for Tax - Current Taxation	541,000	342,000
B	541,000	342,000
TOTAL	A+B 1,049,881	1,053,073



REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2011-2012 ; PREVIOUS YEAR ENDED 31ST MARCH 2011

**SCHEDULES ATTACHED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDING 31.03.2011**

PARTICULARS	YEAR ENDED	YEAR ENDED
	31.03.2011	31.03.2010
	(RUPEES)	(RUPEES)
<u>SCHEDULE - 7</u>		
<u>ADMINISTRATION & GENERAL EXPENSES</u>		
Audit Fees	60,945	27,575
Advertisement Expenses	48,134	56,280
Bad Debts	5	3,074
Bank Charges	14,932	1,799
Bicycle Expenses	15,795	-
Business Promotion	-	6,880
Car Insurance	35,186	61,955
Car Repairs & Other Expenses	234,089	140,602
Conveyance	126,316	85,427
Directors Remuneration	720,000	600,000
Donations 80G	36,000	5,600
Exchange Rate Fluctuation	(460)	-
Internet Expenses	58,956	52,390
Miscellaneous Expenditure	12,288	49,813
Office Expenses	83,977	40,971
Rent for Office	36,000	46,200
Postage & Courier	3,518	1,631
Printing & Stationery	77,387	30,634
Professional Fees	27,300	31,215
Repairs & Maintenance	34,608	40,410
ROC Filing Fees	6,115	600
Salaries	1,201,486	902,098
Staff Welfare	38,444	39,529
Telephone	112,796	63,713
	<u>2,983,817</u>	<u>2,288,396</u>



I. A) SIGNIFICANT ACCOUNTING POLICIES

- 1) Basis of Accounting:
The accounts have been prepared to comply in all material aspects with accounting principles, the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.
- 2) Fixed Assets:
The gross block of Fixed Assets are stated at cost of acquisition including attributable administrative and other general overheads, which are required in bringing the assets to its working condition for its intended use.
- 3) Depreciation:
Depreciation on assets have been calculated on the written down value basis at the rates prescribed in Schedule XIV of the Companies Act, 1956. On additions during the year, pro-rata depreciation has been calculated from the date the asset has been put to use.
- 4) Preliminary Expenses:
Preliminary Expenses are written off over a period of 10 years.
- 5) Contingent Liabilities:
There are no contingent liabilities in existence.
- 6) Quantitative Details:
During the year, the Company has not carried out any manufacturing activities, hence information as required under paragraphs 3, 4C and 4D of part II of Schedule VI of the Companies Act, 1956 has not been given.
- 7) Foreign Exchange Transactions:
Foreign Exchange earnings – Rs. 1,47,750/- (Previous Year Rs. Nil/-)
Foreign Exchange outgoings – Rs. Nil (Previous Year Rs. Nil/-)
- 8) Sundry Creditors(Due to Micro, Small and Medium Scale Enterprises):
As per information available with the Company, there are no reported Micro, Small and Medium Enterprises registered under “The Micro, Small and Medium Enterprises Development Act” 2006 to whom company owes dues, hence the amount due to them has not been separately given.



REALITY TOURS AND TRAVEL PRIVATE LIMITED

II. NOTES ON ACCOUNTS

1. Remuneration to the Auditors :

	Current Year (Rs.)	Previous Year (Rs.)
Audit Fees	27,575	27,575
Tax & other matters	33,370	24,315
	60,945	51,890

3. Earnings Per Share:

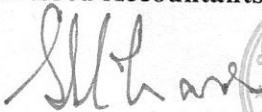
	31.3.2011	31.3.2010
Earnings per share has been computed as under:		
Profit / (Loss) After Taxation (Rs.) (a)	7,64,761	7,41,046
Number of Equity Shares (b)	10,000	10,000
Earnings per share (Face Value Rs.10/- per share) (a)/(b) (Rs.)	76.47	74.10

4. Figures of the Previous year have been regrouped / reclassified wherever necessary.

Signatures to Schedules 1 to 7


As Per our report of even date

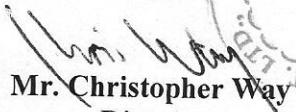
For S. M. Lasrado & Co.
Firm Reg. No.105592W
Chartered Accountants

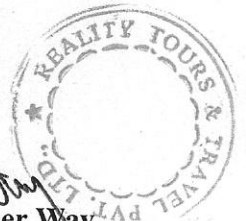

(S. M. Lasrado)
Memb.No. 030762



For and on behalf of the Board


Mr. Krishna Poojari
Director


Mr. Christopher Way
Director



Place: Mumbai
Dated: 2 SEP 2011

Place: Mumbai
Dated: 2 SEP 2011