

AUDITORS' REPORT

THE MEMBERS OF REALITY TOURS AND TRAVELS PRIVATE LIMITED

We have audited the Balance Sheet of **REALITY TOURS AND TRAVELS PRIVATE LIMITED** as at 31st March, 2008 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 for our opinion.

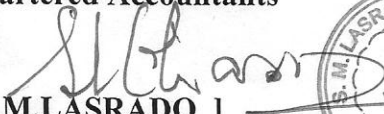

The Company is a Private Limited Company and falls within the exemption specified under paragraph 2 (iv) of the Companies (Auditor's Report) Order, 2003 and hence the matters specified in paragraphs 4 and 5 of the said Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 are not enclosed.

Further to our comments in the Annexure referred to above, 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 accounts as required by Law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet and Profit & Loss Account dealt with by 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 Section (3C) of section 211 of the Companies Act, 1956, subject to note no.4 in significant accounting policies regarding no provision of gratuity.

- e. On the basis of written representations received from the directors, as on 31st March 2008 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2008, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to explanations given to us, the said Balance Sheet and the Profit and Loss Account read together with the notes thereon give the information by the Companies Act, 1956, in the manner so required and give a true and fair view:
- i in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008
and
- ii. in case of Profit & Loss Account, of the LOSS for the period ended on that date.

For S.M.LASRADO & CO.
Chartered Accountants


[S.M.LASRADO] 

MUMBAI :

DATED : 2 SEP 2008

REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2008 - 2009 ; PREVIOUS YEAR ENDED 31ST MARCH 2008

BALANCE SHEET AS AT 31.03.2008

	SCH. NO.	YEAR ENDED 31.03.2008 (RUPEES)	YEAR ENDED 31.03.2007 (RUPEES)
I SOURCES OF FUNDS			
i Share Capital	1	100,000 ✓	100,000 -
ii Unsecured Loans	2	1,214,779 ✓	1,153,871 -
TOTAL		1,314,779	1,253,871
II APPLICATION OF FUNDS			
i Fixed Assets	3		
Gross Block		1,058,946	1,058,946 -
Less: Accumulated Depreciation		427,123	200,646 -
Net Block		631,823 ✓	858,300
ii Working Capital			
Current Assets, Loans & Advances	4	414,273	120,871 -
Less: Current Liabilities & Provisions	5	79,519	46,196 -
Net Working Capital		334,754	74,675
iii Miscellaneous Exp (to the extent not Written off)		4,742 ✓	5,419 -
iv Profit & Loss A/c			
Add: Loss b/f from Profit & Loss A/c		315,477	111,166 -
		27,982	204,311 -
		343,460	315,477 -
TOTAL		1,314,779	1,253,871
		0	-

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

(S M LASRADO)

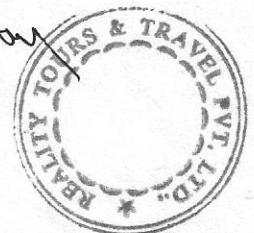


FOR REALITY TOURS & TRAVEL PVT. LTD.

(DIRECTOR)

(DIRECTOR)

DATE : 2 SEP 2008
PLACE : MUMBAI



DATE : 2 SEP 2008
PLACE : MUMBAI

1 = agreed to Tally
2 = agreed to Tally but bank + GST adjustment required

REALITY TOURS & TRAVEL PVT. LTD.

ASSESSMENT YEAR : 2008 - 2009 ; PREVIOUS YEAR ENDED 31ST MARCH 2008

PROFIT & LOSS ACCOUNT FOR THE PERIOD 01.04.2007 TO 31.03.2008

	SCH. NO.	YEAR ENDED	YEAR ENDED
		31.03.2008	31.03.2007
		(RUPEES)	(RUPEES)
<u>INCOME</u>			
Car Hire and Tour Income		1,141,135 ✓	376,099 -
		<u>1,141,135</u>	<u>376,099</u>
<u>EXPENDITURE</u>			
Tour Operating Expenses		326,010	12,006
Administrative & General Expenses	6	615,603	405,480
Preliminary Expenses		677	677
		<u>942,290</u>	<u>418,163</u>
Profit/(Loss) Before Depreciation (A-B)		198,845	(42,064)
Less: Depreciation		226,477	155,475
Profit/(Loss) Before Tax		(27,632)	(197,539)
Less: Provision for Tax - Current Tax		-	-
Less: Provision for Tax - Deferred Tax		-	6,772
Less: Provision for Tax - Fringe Benefit Tax		350	-
		<u>(27,982)</u>	<u>(204,311)</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

(S M LASRADO)



FOR REALITY TOURS & TRAVEL PVT. LTD.

(DIRECTOR)

(DIRECTOR)

DATE : **22 SEP 2008**

PLACE : MUMBAI

DATE : **22 SEP 2008**

PLACE : MUMBAI

