

# **Nineteenth Annual Report 2011 - 2012**



**RELIABLE VENTURES INDIA LIMITED**

**Regd. Office:**

"Reliable House"

A-6, Koh-e-fiza, Indore Road

Bhopal -462001 (MP)

Phone: 0755-2539592

**BOARD OF DIRECTORS:**

Mr. Sikandar Hafiz Khan : Chairman & Mg. Director

Mr. S. Shankar Narayanan : Director

Mr. Chandan Mitra : Director

Mr. Parkash Singh : Director

Mr. Rajendra Malpani : Director

Mr. Abdul Tahir : Director

Mr. Ranjay K. Dawar : Director

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**

Mr. S. S. Raghuwanshi

**BANKERS:**

Vysya Bank Ltd., Malviya Nagar, Bhopal

Bank of Baroda, Habibganj Branch, Bhopal

HDFC Bank Ltd., Arera Colony, Bhopal.

**AUDITORS:**

M/s. MAK & Associates,

Chartered Accountants

Indore, MP.

**CONTENTS :**

1. Notices	3
2. Directors' Report	6
3. Management Discussions & Analysis	7
4. Corporate Governance Report	12
5. Auditor's Report	23
6. Significant Accounts Policy	28
7. Balance Sheet	32
8. Note including Fixed Assets	34
9. Cash Flow Statement	41

**RELIABLE VENTURES INDIA LIMITED**  
Regd. Office: "Reliable House", A-6, Koh-e-fiza  
Indore Road, Bhopal- 462 001 (M.P.)

**NOTICE TO SHAREHOLDERS**

**NOTICE** is hereby given that the NINETEENTH ANNUAL GENERAL MEETING of the members of the Reliable Ventures India Limited will be held on **Saturday, the 29<sup>th</sup> day of Sept., 2012** at 4.00 PM at Hotel Noor-Us-Sabah Palace, VIP road, Bhopal, Madhya Pradesh, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2012, Profit & Loss Account for 12 months period ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Mr. S. Shankar Narayanan who retires by rotation and, being eligible, offers himself for re-appointment as such.
3. To appoint Director in place of Mr. Abdul Tahir who retires by rotation and, being eligible, offers himself for re-appointment as such.
4. To appoint MAK & Associates, the retiring Auditors as Auditors of the Company to hold office as such from the conclusion of this meeting till the conclusion of the next Annual General Meeting and authorize the Board of Directors to fix their remunerations.

held on 25<sup>th</sup> day of August, 2011, and pursuant to Sections 198, 269, 309, 310, 311 and other applicable provisions contained under the Companies Act 1956 read with Part-II, Section II, Clause 1 (A) of Schedule XIII to the said Act all other applicable provisions of the Act or any statutory modifications or re-enactment thereof, Article 96 of the Articles of Association of the Company and subject to such further sanctions and permissions as might be necessary, the appointment of Mr. Rajendra Malpani, one of the Directors of the Company, as Whole Time Director and designated as Executive Director for a period of 3 years commencing from 1<sup>st</sup> day of October, 2011, be and is hereby approved on the terms, conditions and payment of remuneration as set out in the attached explanatory statement hereof and that in the event of inadequacy or absence of profits in any financial year / years, the remuneration comprising of consolidated salary of Rs. 50,000/- ( Rupees Fifty Thousand only) as set out in the explanatory statement to the resolution be paid to him as minimum remuneration and that the Board of Directors of the Company be and are hereby authorized to review/ enhance the remuneration payable to Mr. Malpani within the limits specified in the said part / section and clause of the said Schedule of the Act"

By Orders of the Board  
**S. SHANKAR NARAYANAN**  
DIRECTOR

Bhopal :25<sup>th</sup> Aug, 2012

**SPECIAL BUSINESS:**

5. To consider and pass , with or without modifications, the following resolution as special resolution

**"RESOLVED THAT** in term of the Resolution adopted by the Board of Directors of the Company in its meeting

### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY AND THAT IN ORDER TO BE VALID, THE INSTRUMENT OF PROXIES DULY COMPLETED IN ALL RESPECTS MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 (FORTYEIGHT) HOURS BEFORE THE MEETING.
2. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting is given in the Annexure to the notice.
3. The Register of members and transfer books of the Company shall remain closed w.e.f. Sept. 27, 2012 to Sept. 29, 2012 both the days inclusive for the purpose of the Annual General Meeting.
4. M/s. Sharex Dynamic (India) Pvt. Limited having its registered office at 17/B, Dena Bank Building, Horniman Circle, 2<sup>nd</sup> Floor, Fort, Mumbai 400 001 continue to act as Registrar and Share transfer agents of the Company. The said company at its unit NO.1 located at Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), and Mumbai-400072 under takes the share registry job.
5. The Company has established connectivity with both the depositories namely NSDL and CDSL, Mumbai and the ISIN allotted to the security of the Company is **INE419H01019**. Shareholders who have not yet opened Demat account so far are requested to open the account with the depositories of their choice and surrender the physical certificates of the security for dematerialization.
6. The Company has started maintaining of a functional website that contains basic information about the company and it can be accessed by interested entities as and when needed. Its address is "Noorussabahpalace.com"
7. Members / duly appointed proxies should bring the enclosed attendance slip, duly filled in, for attending the meeting
8. The members are requested to:
  - a. quote their Folio Number(s)/ Client ID numbers in all correspondence with the Company and
  - b. notify the Company about changes in their postal addresses, if any.
9. A copy of the notice is being posted on the aforesaid website of the Company

**RELIABLE VENTURES INDIA LIMITED: BHOPAL****ANNEXURE TO THE NOTICE OF 19TH ANNUAL GENERAL MEETING.**

Name of the Director	Mr. S. Shankar Narayanan	Mr. Abdul Tahir
Date of Birth	05/05/1952	12/09/1971
Nationality	Indian	Indian
Date of initial Appointment	10/08/1996	29/07/2011
Date of last re-appointment	30/09/2010	30/09/2011
Qualifications	B.Sc & CAIIB	MBA-Marketing
Expertise in Functional Area	Ex-Banker from Bank of India & Middle East, UAE, Expert in Financial Management, Project Financing and Industrial Relations.	Possess long and proven experience in strategic business & market planning, development, sales forecasting
No of shares held in the Company	2000 Equity Shares of Rs. 10/- each	50000 Equity Shares of Rs. 10/- each
List of Directorships in other Indian Public companies	Reliable Smartcity Ltd.	Not Applicable
Position held in other companies in which he is Director as on 31/3/2010	Not Applicable	Not applicable

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:**

**ITEM NO. 5**

Acting upon the recommendations of the Remuneration Committee of the Company originating out of the long felt need of revamping the existing Account and Finance Function of the Company and ensuring that the said functions are carried out in accordance with, in time and within the purview of law and there remains no probability of any shortcomings in the matter of compilation and reporting thereof by induction of at least one well versed full-time supervisor followed by identification of Mr. Rajendra Malpani, one of the rotational Directors of the Company as most suitable hand for the purpose, the Board of Directors in its meeting held on 22<sup>nd</sup> day of October, 2011 approved the appointment of Mr. Rajendra Malpani, as Whole-time Director designated as Director –Finance & Accounts of the Company and recommended payment of remunerations to him by way of a fixed Salary of Rs. 50,000/- ( Rupees fifty Thousand only) on monthly basis subject to the ceiling specified under Para (A) Part and Section II of Schedule XIII of the Companies Act, 1956.

Mr. Rajendra Malpani is a young and dynamic management consultant and possess over 20 years of experience as consultant in the Finance, Account and Taxation Segments He is one of the members of the Audit and Remuneration Committees He holds 5007 equity shares of the Company and does not have any other pecuniary relationship with the company, its promoters and its managerial personnel. Except remuneration and sitting fee approved by the Board, he is not paid any other remuneration by the Company. He holds directorship in seven private limited companies, namely, Goldshine Construction Pvt. Ltd., Sai Darshan Value Homes Private Limited, Sunbeam Vyapaar Private Limited, Radhe Kripa Developers Private Limited, Reliable Dairy and Farm product Private Limited, Reliable Carriers Private Ltd. and Noor-Us-Sabah Housing Projects Private Ltd.

The material terms & conditions of the appointment are as follows:

**1. Duties and reporting:**

The Appointee shall carry out such duties as may be entrusted to him by the Chairman and the Board at any time and from time to time and shall report to the Chairman and Managing Director of the Company.

**2. Period of reappointment:**

3 years from 1st day of October , 2011

**3. Remuneration:** Fixed remuneration of Rs. 50000/- ( Rupees Fifty thousand per month only)

The above remuneration shall be admissible to him as minimum remuneration even in the absence or in adequacy of profits and the Board of Directors of the Company shall be competent to approve periodical and upward revision in the remunerations within the limit specified under paragraph (A), Section and Part II of Schedule XIII of the Companies Act, as may remain in force at any time and from time to time.

**Other disclosures:**

In term of requirements of the said Paragraph of the said Schedule, your directors do hereby state, declare and confirm that the Company is a zero debt company, it has not accepted ay deposits from public, has not made any default in repayment in any of its debts, including public deposits or debentures or interest thereon for any period during the preceding financial years and before the date of proposed appointment of and payment of remuneration to Mr. Rajendra Malpani.

Since the appointment and payment of above remuneration to the said incumbent is subject to the approval of the Members in General Meeting, the Directors recommend adoption of the resolution contained under item No.5 of the annexed notice as special resolution.

None of the Directors, except Mr. Rajendra Malpani, is interested or concerned in the resolution

**By order of the Board  
For Rellable Ventures Indla Ltd**

**SD/-**

**S. SHANKAR NARAYANAN  
DIRECTOR**

**Bhopal:**

**Dated : August, 25, 2012**

**RELIABLE VENTURES INDIA LIMITED**  
**REGD. OFFICE: "RELIABLE HOUSE" A-6, KOH-E-FIZA,**  
**INDORE ROAD, BHOPAL**

**REPORT OF THE DIRECTORS & MANAGEMENT DISCUSSIONS AND ANALYSIS**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

Your directors have pleasure in presenting to you their Nineteenth Annual Report together with the audited statement of accounts of the company for the 12 months period ended 31st March 2012

**FINANCIAL PERFORMANCE:**

During the 12 months period under report ended 31<sup>st</sup> March, 2012, your company earned an all-inclusive revenue of Rs. 1570.51 lakhs against Rs. 1329.28

lakhs earned in the corresponding period during the preceding financial year reporting a growth of Rs.241.23 lakhs being 18.14 per cent over the corresponding period in the preceding financial year/. During the period under report, the profit before extraordinary items rose marginally to Rs.269.46 Lacs from Rs 250.76. lakhs during the preceding financial year. The financial performance of the Company is summarized below:

**PROFIT & LOSS ACCOUNT**

Amt in Rs. Lakhs		
Operating years >	2011-12	2010-11
Net sales	1542.79	1305.41
Other income	27.72	23.87
<b>Total income</b>	<b>1570.51</b>	<b>1329.28</b>
Profit before Interest and tax	269.46	250.76
Interest payment (net)	0.00	0.00
<b>Profit before extra-ordinary items</b>	<b>269.46</b>	<b>250.76</b>
Extra-ordinary items( prior period adj.)	5.41	0.26
<b>Profit after extra-ordinary item but before tax</b>	<b>265.34</b>	<b>250.50</b>
<b>Provision for taxes::</b>		
Current tax	53.21	(50.33)
Deferred tax liability	80.21	(76.00)
MAT credit entitlement	53.21	50.33
<b>Net profit</b>	<b>185.13</b>	<b>174.50</b>
<b>Total No. of equity shares of Rs. 10/- each</b>	<b>1101.29</b>	<b>110.129</b>
<b>Basic earning per share of Rs. 10/- each</b>	<b>1.68</b>	<b>1.58</b>

**BALANCE SHEET**

Amt in Rs. Lakhs

Operating years >	2011-12	2010-11
Net Non-current assets	244.39	2371.11
Net current assets	354.77	287.7
Misc. expenses	0	00
<b>Capital employed</b>	<b>2799.16</b>	<b>2658.81</b>
<b>Represented by</b>		
Equity capital	1101.29	1101.29
Reserve & Surplus	745.10	559.98
deferred tax	190.24	110.03
<b>Net worth</b>	<b>2036.63</b>	<b>1771.30</b>
Loan fund	762.53	887.31
<b>Capital employed</b>	<b>2799.16</b>	<b>2658.81</b>

**SHARE CAPITAL:**

During the period under report there has been no change in Share capital of the Company and, the authorized share capital of the company remained at its previous year level of Rs.2500.00 lakhs divided into 250, 00,000 Equity shares of Rs. 10/- each. The issued,

subscribed and paid-up share capital of the Company too remained at its level of previous year at Rs. 1101.29 lakhs divided into 110, 12,900 equity shares of Rs. 10/- each. The category-mix of the shareholdings and its distributions as at 31<sup>st</sup> March, 2012, have been as under:

Category of Shareholdings as at 31 <sup>st</sup> March 2012	Category of holders	Nos. held.	Per cent age of total
Promoters, friends, relatives & persons in concert.		5324512	48.348
Non-resident Indians		1005510	9.130
Indian general public		4682874	42.322
Total		11012900	100.00

**Distribution of Shareholdings as at 31<sup>st</sup> March 2012**

No. Of Shares held	No of Shareholders	% of share Holders	Total Shares held	% of share Holdings
1-100	241	13.62	14948	.14
101-200	97	5.48	18398	.17
201-500	821	46.38	397101	3.61
501-1000	275	15.54	250007	2.27
1001-5000	231	13.05	641929	5.83
5001-10000	28	1.47	212141	1.93
10001-100000	60	3.39	1890642	17.17
100001 & above	19	1.07	7587734	68.90
Total	1770	100.00	11012900	100.00



**CAPITAL EXPENDITURE:**

Up to the close of the financial year under report, your company incurred a capital expenditure of Rs 3127.77 lakhs including Work in process worth Rs. 8.02 against 3013.93 lakhs, including work-in-progress worth Rs. 32.26 lakhs in proceeding year, representing a capital expenditure of Rs. 113.84 lakhs during the period under report.

**PROJECT IMPLEMENTATION STATUS**

As the members are aware, out of the 70 rooms' facility planned by the company, till the close of preceding financial year it had completed and opened for commercial use only 57 rooms. A very thin growth in term of financial performance of the company inhibited the proposed addition of 13 more rooms to the room inventory of the company and despite a capital expenditure to the tune Rs. 113.84 lakhs, the said addition of room is yet to be completed with the anticipation of its completion and commercial use by the end of the current financial year.

**"MANAGEMENT DISCUSSIONS AND ANALYSIS"****Company Approach to the Business**

The hospitality industry in India continued to be impacted by the slowdown in the domestic economy and adverse economic environment in the international feeder markets of the US and Europe. While the US market appears to be on the path of slow recovery, the European market is yet to come out of its debt problems and recession. As a result, both international and domestic business segments for the luxury hotels remained muted. In the backdrop of these challenging circumstances, the Hotels business registered a marginal growth in revenues and profits, while maintaining its leadership position in terms of operating margins. The company taking forward its objective to be a market leader has strengthened its base in the fiscal year 2011-2012. This is evident from the fact that Hotel is the first preferred destination for the High end clients visiting Bhopal. The rooms on offer are far more superior to any other existing hotel rooms in the city, and that is evident from the VVIP guests who stayed with us in the past year. Further, the Company's Vision is to emerge as a high end Hotel, offering the top quality products has added two more outlets of Wonder Bread making it a total of three stores offering wide range of bakery and confectionary products at a very nominal price.

A Major initiative to open an Industrial Bakery Production Unit which had been approved during the last financial year shall be commissioned by the end of this fiscal, boosting the group as a major bakery and confectionary player.

**Quality Management**

The hotel is recently conferred to as "Legend" Hotel by WelcomHeritage, which has been extended to the Top 8 properties in Welcomheritage chain. As part of ITC initiative these Legend Hotels are been exclusively promoted resulting in the increase in business. The Standard Operating Procedures have been altered and implemented so as to conform to the Standards laid down for Legend Hotels.

Food and Beverage (F&B) remains a major strength of the Company and its restaurant brands "Za-aika" and "Marble Arch" have been highly appreciated by its patrons and generated healthy business during the year. Banqueting has been a major foray for Noor-Us-Sabah palace and has been a preferred destination for all high end weddings and conference happening in the town.

Constant up-gradation of rooms and banquet halls is the key initiative taken by management to provide best of services to its patrons. The company is totally committed to provide & maintain quality at all levels. Systems and checks as set by the management from time to time are already in place to ensure that right from planning stage to procurement stage to production stage to service stage to accounting stage, quality is maintained at all levels. Standard Operating Procedures (SOP's) are being followed at all operational levels for implementation & for strict adherence which would be constantly reviewed to adapt to the changing service trends of hotel industry. The major initiative in Environmental practices has been initiated by the management, and some of the steps include Ban of Polythene bags, Conversion to LED lamps, Water conservation at all levels, Massive Tree plantation, Garbage Disposal Management etc.

**Performance Review**

The company has registered a modest growth of 14.58 in its Turnover over previous year. The company has achieved a pre-tax Profit of 265.34 lakhs for financial years 2011 -12 which is an increase of 5.92 % over previous year. Cash & Bank balance as at 31.03.2011 were Rs.241.79 lakhs. The Sundry Debtors as at 31.03.2011 were Rs. 87.87 lakhs which is only 5.59% of total turnover.

For the Financial year 2012-13, the company has plans to invest around Rs. 460.00 lakhs towards the final setup of Bakery Industrial Unit, Rs. 200.00 lakhs towards renovation of rooms, Rs. 105 .00 lakhs is towards opening of 7 more Bakery stores.

### **Internal Control Systems:**

All necessary controls, financial checks and otherwise as per statutory requirements as also towards making the company a highly profitable venture are in place. Internal controls as regards operations aimed at ensuring that the expenditure is in line with industry norms. Proper accounting procedures are being strictly adhered to. Total transparency in all transactions is maintained and all statutory licensing and dues to the State and central Government have been updated & are made on time. Reduction in cost will be a major focus area for next FY which will further aid in increasing profit margins and end up in a Healthy Operating Ratio

### **Opportunities**

Economic projections appear to indicate towards a Major Boom for the Hospitality Industry for the coming season. The Corporate and Conference segment along with foreign tourist segment is expected to show a decent growth.

A Multi Product SEZ which was proposed at Sehore is not yet commissioned which otherwise will give a major boost to the Hotel business as a whole. The Bhopal Airport is now an International Airport, and this is resulting in increase in number of flights being introduced. However, due to lack of International flights at present the actual impact is not felt.

Fast food is the culture of food at this moment. The success of Wonder Bread has inspired the management to increase number of stores to 10 within this financial year.

### **Threats:**

With the number of flights increasing from a particular destination into city in morning hours and out of the city the same evening, there will be a threat perception that corporate nights halts at Bhopal would drastically reduce. Also, the proposed launch of a competitor hotel with an inventory of 100 rooms shall directly affect room sales, and due to a drop in occupancy there could be a drop in Food and Beverage Revenue. Real Estate Developers have started to show interest in Bhopal. With the influx of companies like DLF, Ansals, Omaxe and the likes into the city, land and raw material prices have rapidly shot up. This has resulted in spiraling of projects costs. Current market players in Hospitality Industry in the city also have comprehended the boom in the market and thus have either made additions to their current setup or have made provisions to do the same in the current financial year. This again could make a dent in our market share. With the

advent of new players in the market, the competition is growing tougher by the day. Hiring and retaining of skilled and experienced manpower is becoming a challenge in the market today which will only multiply in coming years. With the increased fuel prices, corporate houses these days are focusing on reducing travel and boarding /lodging expenses thereby adversely affecting the hotel's revenue. Some corporate have gone step further and bought/hired/running guesthouses for their travelling executives & their offices in the city generally have a conference room attached to take care of routine and other weekly /monthly conferencing.

### **Risk and Concerns:**

The company is hopeful that the current buoyancy in the market will continue for a few years more and we foresee no potential risk to Hospitality Industry as of now. There is definitely a concern about the state Government not doing enough on infrastructure development so as to ease inflow of tourists and corporate.

### **Other Disclosures:**

The Hotel which is recently been conferred as WelcomHeritage Legend Hotel, shall strive to be the number one Hotel in Group. It shall work towards socio-economic growth, and in order to achieve this very goal shall focus on training the existing manpower in accordance with the customer requirements and perceptions.

### **Human Resources Development:**

Led with the realization of the fact that continuous up-gradation of skills and service delivery systems /inputs go a long with to make a decisive difference in the hotel industry, as a matter of policy, continues to invest in up-gradation of the quality of its human resources and lays emphasis on efforts to tone up skills of and service delivery by its existing manpower and keep them sponsoring for external training and skill development programmes at selected ITC hotels.

In the matter of employee's benefits and compensation, your company is not far behind the industry standards and with the growth of the company it will see that the benefits and compensation packages continue to remain tailored to the industry norms enabling it to hire and retain skilled and professional manpower.

Industrial relations scenario in the company throughout the year remained cordial. The employees remained committed to higher qualitative productivity. The management too on its part played its role in maintaining and promoting harmonious relation

**AUDITORS:**

M/S. MAK & Associates, Chartered Accountants, Indore, the statutory auditors of the company shall hold office as such till the conclusion of the ensuing Annual General Meeting of the Company. A proposal to re-appoint them as such, subject to fulfillment of conditions

prescribed under Section 224(IB) of the Companies Act, 1956, is being brought up at the ensuing Annual General Meeting.

**STATUTORY STATEMENTS:**

**1. Public Deposit**

During the period under report too, your company has not accepted any deposit from public in term of Section 58-A of the Companies Act, 1956 and rules framed and notifications issued there under.

**2. Information as per Sec 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31st March 2012 are given as under: -**

**(a) Conservation of Energy:**

The basic engineering design of the Hotel is based on optimum energy consumption and provision is made to conserve energy to the maximum possible extent, which would reduce the liability on energy bills.

**(b) Technology Absorption:**

During the year no amount has been incurred on technology absorption (Previous Year Rs. NIL)

**(c) Foreign Exchange Earnings & Outgo:**

During the period under report, your company earned Foreign Exchange equivalent to Indian Rupees 48.91 lakhs against 53.14 lakhs during the preceding accounting period. During the period under report too, your company did not spent any amount in foreign exchange.

**1. Statement pursuant to Sec. 217 (2AA) of the Companies Act 1956:**

Your Directors are pleased to state that the Financial results for the period under report have been compiled observing the Going Concern Concept,

Accrual & historical record basis conforming to the accounting standards specified under Section 211(3C) of the Companies Act to ensure that the statements disclose true and fair view of the state of affairs of the operations of the company and that in the said compilation due care has been taken to see that adequate accounting record in accordance with the statutory requirements for safeguarding the assets of the company does exist and that possibilities of fraud and other irregularities in the Company, if any, are timely detected, provided for and recurrence thereof is prevented and that the statements reflect true and fair view of the state of affairs of the Company as at the 31<sup>st</sup> March, 2012 and the profit and loss for the accounting period ended on the said date.

**Constitution of Audit Committee:**

In term of requirements of Section 292 (A) of the Companies Act, 1956, during the period under report your company continues to have an Audit Committee consisting of three non-executive independent directors namely Mr. Abdul Tahir, Mr. Rajendra Malpani and Mr. Ranjay K. Dawar under the Chairmanship of Mr. Abdul Tahir one of the independent non-executive directors. Keeping in view the requirements of Clause 49 of the Listing agreement, the committee was entrusted with assignments as brought out under the Corporate Governance Section of this report and that the Board of Directors generally agreed with and adhered to the suggestions made by the committee in the areas assigned to it and that to reply your queries, if any, the Chairman of the Committee shall be with you at the ensuing Annual General Meeting.

**CHANGES IN THE DIRECTORATE:**

Mr... Mr. Shankar Narayanan and Mr. Abdul Tahir, two of the Rotational Directors of the Company being longest in office, shall retire on the conclusion of the ensuing Annual General Meeting. However, being eligible, they offer themselves for reappointment and, therefore, a proposal to re-appoint them as such is being brought up before the members at the ensuing Annual General Meeting. The particular of directors seeking reappointment is annexed to the notice.

Besides, subject to the approval of members in the ensuing General Meeting, the Board of Directors of the Company in its meeting held on 22<sup>nd</sup> day of October, 2011. approved appointment of one of the

rotation Directors Mr. Rajendra Malpani as Whole-time Director of the company effective from 1st day of Oct., 2011. Accordingly a proposal seeking approval of the members is being brought up before the members at the ensuing annual General Meeting along with requisite details in term of Clause 49 of the Listing Agreement.

#### **DIVIDEND**

Keeping in view the fact that the Company is carrying substantial amount of unsecured borrowings and needs further capital outlay to finance its expansion plan, your directors feel that for the present it is not in the long term interest of the company to recommend any dividend during the year under report.

#### **PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.**

During the period under report, the company did not employ any person particulars of whose are required to be reported under the aforesaid provisions of the Act, as amended up to date.

#### **DEMATERIALISATION OF SHARES**

The Shares of the Company are required to be compulsorily traded in the dematerialized form. It shares are admitted for trading under both the Depository Systems in India- NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE 419H01019. A total of 9031000 shares being 82.00 per cent of the total paid up shares capital of the company have already been dematerialized as on 31<sup>st</sup> day of March 2012.

#### **SECRETARIAL AUDIT:**

In term of requirement of SEBI and Stock Exchanges, a Secretarial audit by Mr. Baldev Dudea, a Fellow Member of the ICSI Certificate of Practice No. 4428 was carried out to reconcile the total share capital admitted with the NSDL and CDSL with the total issued and listed capital. The said audit is carried out on quarterly basis which aims at confirming that the total issued/paid-up capital tallies with the aggregate of shares existing in physical and demat form held with the said depositories.

#### **REGISTRAR AND SHARE TRANSFER AGENTS:**

M/s. Sharex Dynamic (India) Pvt. Ltd located at 17/B, Dena Bank Building, 2<sup>nd</sup> Floor, Horniman Circle, Fort, Mumbai, continues to hold the office of Share Transfer Agents & Registrar of the Company. This company undertakes securities registry job from its unit NO. 1 Located at Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), and Mumbai.

#### **REPORT ON CORPORATE GOVERNANCE IN TERM OF CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES:**

#### **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Your company holds the view that the code of the corporate governance serves as a structure based on which the responsibilities amongst the different participants within the management of the company are distributed culminating into the requisite protection of the interest of all the interested groups, specially the shareholders of the company. It helps the company achieving its corporate objectives and the performance is adequately measured, monitored and controlled.

Your company is fully compliant with the requirements of clause 49 of the Listing Agreement with respect to the Corporate Governance as brought in the following paragraphs:

#### **BOARD OF DIRECTORS AND MEETINGS:**

##### **Composition of Board:**

During the period under report, the Board of Directors of the Company did consist of 7 persons, of which six (6) are independent ones including two Executive Directors as defined under clause 49 of the Listing Agreement and that there has been no nominee or institutional director on the Board of the Company. The Chairman being Executive Director, the total strength of independent directors is more than one-half of the total strength of the Board. The Board met 5 (five) times during the financial year under report and majority of directors attended the meetings.

During the period under report Mr. Sikandar Hafiz Khan, Mg. Director & Chairman and Mr. S. Shankar Narayanan, one of the rotational Directors, had one and two closely held unlisted other public company (ies) respectively under their directorships and, that none of the gentlemen incurred any disqualification contemplated under Section 274(1) (g) of the Companies Act as amended up to date,

and that, therefore, the Directors are eligible to continue as such and /or for re-appointment as Directors of the Company. Besides, within *the limits prescribed under the Companies Act, 1956 for payment of sitting fees without approval of the Central Government.*

Except payment of fee for attending meeting of the Board/ Committee- that is admissible to the Directors under the Companies Act, 1956 without any approval from the Central Government and reimbursement expenses incidental thereto as per rules of the Company, nothing is paid to the any of the non-executive Directors during the period under report.

#### **Code of conduct:**

The code of conduct laid down by the Company for its Board Members and Senior Management Personnel is available on the website of the company [www.reliable-group.org](http://www.reliable-group.org) as well as on [www.noorussabahpalace.co.in](http://www.noorussabahpalace.co.in). A Declaration by the Managing Director affirming compliance of Code of Conduct by the Board members and senior management executives is annexed separately to this annual report.

#### **AUDIT COMMITTEE:**

In term of Clause 49(II) of the Listing Agreement, The Company has an Audit Committee in conformity with the requirements of Clause 49 (II) of the Listing Agreement read with Section 292A of the Companies Act 1956. The Committee consisted of Three independent non-executive directors under the Chairmanship of Mr. Abdul Tahir, an independent and financially literate non-executive Director who possesses enough requisite experience & expertise in corporate finance and accounting aspects. Representatives of Statutory Auditors and CFO of the Company are permanent invitees to the Committee meetings. The Role of the Committee, inter-alia, included-

1. Overseeing company's financial reporting process and disclosure of its financial information to ensure correctness sufficiency and credibility thereof
2. Reviewing the statutory and financial reporting of the company-including the reporting under the listing requirements
3. Formulation, application and reviewing the Accounting financial polices and practices
4. Issues related to and incidental to changes in accounting policy of the company,
5. Handling issues relating to internal and external audit programmers and matters arising out of them

6. Examining the adequacy and effectiveness of accounting and financial control with due regard to laws and regulations governing them.
7. Appointment of, changes in and fixation and payment of remuneration to the statutory and tax auditors of the company.
8. Approval of payment for other services rendered by the statutory auditors, if any,
9. Reviewing with the management the annual financial statements before submission to board for approval and compliance with statutory provisions governing the entire gamut of accounting activities and corporate compliance aspects of the Company
10. To see that the accounting standards specified by the ICAI are duly observed and the resources of the company are put to the optimum use.

Further, to ensure that the Committee is able to fulfill its role effectively, it has been vested with powers making investigations of any activity within its terms of reference, seeking information from any employee(s), resorting to need based outside legal and professional services and securing attendance of outsiders with relevant expertise.

#### **Periodicity of meetings**

During the period under report, the Audit Committee met for 5 times including one prior to finalization of the accounts of the Company under the Chairmanship of the said non-executive and Independent director. All the members and representative of the statutory auditors attended the meetings.

#### **Remuneration Committee:**

The remuneration Committee consisting of Mr. Abdul Tahir, Mr. Ranjay K. Dawar, and Mr. Rajendra Malpani, independent Directors was in office during the currency of the financial year under report.. Mr. Abdul Tahir has entrusted with the office of Chairmanship of the Committee.

The term of reference of the committee, inter-alia, includes matters of formulation of policy relating to appointment, terms and conditions of services, initial fixation and periodical review of remuneration of all the Managerial Personnel including the Vice President, General Manager and other heads of Department of the hotel undertaking of the Company.

During the period under report, the Committee met once on 22<sup>nd</sup> day of October, 2012 to consider and recommend the appointment of and payment of remuneration to the Mr. Rajendra Malpani, one of the rotational directors designated as Director- Accounts and Finance effective from 1<sup>st</sup> day of October, 2012.

#### **SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:**

##### **Constitution:**

A Committee comprising of three independent Directors under the Chairmanship of Mr. Abdul Tahir, one of the independent non-executive Directors of the Company was in office during the period under report. All members of this committee are members of Audit and remuneration committees too and take care of the all matters relating to the shareholders, general body meeting etc

##### **Term of reference:**

The Scope of work of the Committee included all matters relating to shareholders and shareholdings of the company, including the redressing of complaints /grievances, transfer and transmission of shares, issue of duplicate/ new certificate on consolidation/ Split of shares and, besides matters relating to General Meetings of the Company.

#### **SUBSIDIARY COMPANIES:**

Your company did not have any subsidiary company.

#### **DISCLOSURES:**

##### **Related Party Transactions:**

The company has not entered into any transactions of material nature with the promoters, directors, and the management, their subsidiaries or relative that may have potential or actual conflict with the interest of the company. The detail of transactions can be seen as part of Annexure to their audit report attached to the Balance Sheet.

Besides no strictures have been imposed upon the company by any regulatory authorities for non-compliance of any applicable laws, rules and regulations

#### **Disclosure of Accounting Treatment**

The company has followed all relevant Accounting Standards while preparing the financial statements.

#### **Risk Management:**

The Company operate an hotel undertaking in the name and style of Noor-Us-Sabah Palace located in the posh area of the lake city of Bhopal in the state of Madhya Pradesh and the hotel is equipped with all modern facilities and safety equipments coupled with requisite authority in one of the Executive Directors and the head of operation of hotel in conformity with the risk associated with the hospitality industry and is confident to avert any potential or probability of any kind of risk associated with the hospitality industry .

#### **Proceeds from Public Issue:**

During the period under report, the Company did no go for raising its capital in any way including public issue and, therefore, it has nothing to report with respect to use of the proceeds of public issues.

#### **Remuneration to Directors:**

During the period under report, there have been no material transactions with the Non-executive Directors vis-à-vis the Company. Besides, except payment of remuneration to the Managing Director of the Company and payment of sitting fee and reimbursement of actual expenses incurred in connection with participation meetings, nothing is paid to the Non- Executive Directors of the Company.

Three of the Directors of the Company namely Mr. S. Shankar Narayanan, Mr. Abdul Tahir, and Mr. Rajendra Malpani hold 2000 and 50,000 and 5007 equity shares of the Company respectively as at the date of this report.

#### **Management:**

The Management Discussion and Analysis Report prepared in accordance with the requirement of clause 49 of the Listing agreement has been prepared and forms part of this Annual Report.

Besides, during the period under report no material transactions have been entered into by the Company with its Promoters, Directors or with their relatives or the management that may have a potential conflict with interests of the Company.

**General body meeting:**

The relevant statistics with respect to the Immediately preceding three Annual General Meeting of the Company is given hereunder which were attended by majority of the Directors of the Company:

Sl.No	Location	Date	Venue of the meeting
01	City of Bhopal	30 <sup>th</sup> Sept., 2011	Noor-U-Sabah Palace, VIP Road, Bhopal-462001, MP
02	City of Bhopal	30th Sept., 2010	Reliable House, A-6, Koh-e-fiza, Indore Road, Bhopal, Madhya Pradesh
03	City of Bhopal	29th Sept., 2009	Reliable House, A-6, Koh-e-fiza, Indore Road, Bhopal, Madhya Pradesh

During the period under report your Company did not pass any special resolutions by use of Postal Ballot and that during the immediately preceding three years too no such business was transacted by use of the said mode of ballot.

**Means of Communication:**

The quarterly, half yearly and yearly financial results of the Company are sent to Stock Exchanges immediately after these are approved by the Board approves. These documents are also being placed on the website of the Company in the name and style of [www.noorussabahplace.co.in](http://www.noorussabahplace.co.in). Besides, these are published in the local and national dailies in term of listing requirements and that the code of conduct for the Board Members and Senior Managerial Personnel is available on the website of the company. The shares of the company are listed on Mumbai, & Delhi Stock Exchanges and mostly the format prescribed by the Mumbai Exchange are observed

**CFO CERTIFICATION:**

In term of clause 49, the requisite certification has been made and the certificate duly signed by the CFO and the Managing Director of the Company is annexed to this report.

**REPORT ON CORPORATE GOVERNANCE:**

A separate Section on Corporate Governance forms part of this Annual Report and a Certificate from the Statutory Auditors containing conformation to the effect that the company is a compliant company as regard the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement is attached to and forms part of this report.

**Compliance Officer and status of complaints:**

The Secretary of the Company who hold the office of Compliance Officer too, acts as coordinator for all the meetings of the committees including matters relating to shareholders. The Committee ensures that all the matters relating to the shareholders are taken care of promptly and your directors are pleased to inform you that the Company did not receive any complaints from shareholders whatsoever and no complaint is pending for disposal with the company and, similarly, no case of share transfer is pending with the aforesaid Registrar & Share Transfer Agents of the Company. With a view to ensure that grievances of the stakeholders are considered and redressed expeditiously, very recently, the Registrar and Transfer Agents have been authorized to take care on line of the Complaints aspects of the Company directly under intimation to the Company.

**Whistle blower policy:**

Although no formal Whistle Blower policy has been formulated and enforced, as a matter of practice no personnel is denied access to the Audit Committee.

**General Shareholders Information:**

Date of AGM	:	29 <sup>th</sup> day of September, 2012
Financial Year	:	2011-12
Book Closure date	:	27 September .2012 to 29 <sup>th</sup> Sept.ember, _2012 , both the days inclusive
Dividend payment	:	Not applicable

**Listing on Stock Exchanges and Security codes:**

The Equity shares of the company continue to remain listed with Bombay Stock Exchange Ltd. and that no listing fee payment is outstanding. The stock code assigned by Mumbai exchange to the security of the company is 532124.

## DELISTING FROM REGIONAL STOCK EXCHANGES

In view of the availability of nation-wide trading terminal with BSE and non-availability of any value added services from the MPSE and DSE coupled with the fact that almost whole of the trading volume of equity shares of the company for the entire listing period has been on Bombay Stock Exchange only, on applications being made to MPSE and DSE, the equity shares of the company have already been got de-listed from the regional stock exchange namely Madhya Pradesh Stock Exchange followed by requisite notification of the fact of delisting and that similar notification from DSE is awaited.

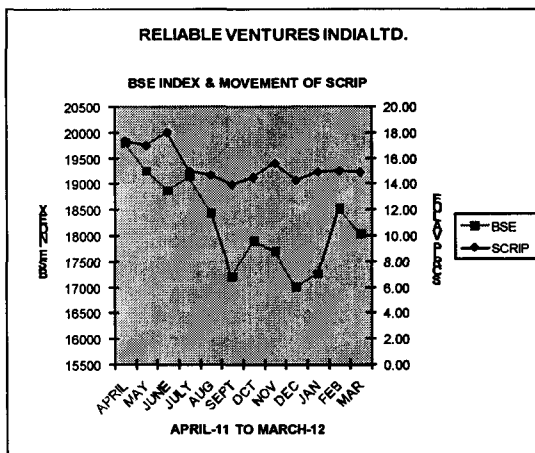
### Market Price date-high-low during each month of Financial Year:

During the period under report, the equity shares of the company were traded only on BSE. The market price date-high-low price statistics prevailed during the financial year under report is tabulated hereunder:

Months and Year	High Rupees	Low Rupees	Close Rupees	Average Volume in Nos.
Apr-11	17.35	14.25	15.5	27112
May-11	17	13.7	14.95	46092
June-11	18	13.3	15	25791
July-11	15	13.45	14.38	36666
Aug-11	14.7	12	12	23261
Sept.11	13.96	11.95	13.3	36617
Oct.-10	14.5	13	13.75	13868
Nov.-11	15.6	13.7	14.9	119718
Dec-11	14.3	13.31	14	3634
Jan-12	14.95	13.97	14.3	660
Feb-12	15	12.25	12.25	13036
March-12	14.89	10.78	14.89	47794

## Performance of company to broad based indices.

The performance of the Company as compared to BSE broad based indices is exhibited hereunder:



The company has not so far gone for ADRs and GDRs issues and therefore it has nothing to report in respect thereof.

### **Plant unit Location:**

The Company is operating a hotel undertaking known as Noor-Us-Sabah Palace, located at VIP Road, Koh-e-fiza, in the lake city of Bhopal, in the State of Madhya Pradesh. (India)

### **Address for Correspondence:**

Reliable Ventures India Limited,  
Registered Office,  
6-A, Koh-e-Fiza,  
Indore, Road,  
Bhopal, M.P. 462 001  
Phone-0755 2539592



**AUDITORS' REPORT:**

The notes on accounts referred to in the Auditors' Report dated 25<sup>th</sup> day of July August, 2012, appended hereto read with the Management Discussion and Analysis and other disclosures made /brought out herein above are almost self-explanatory and, therefore, generally do not require any further or supplemental comments from your Directors.

**ACKNOWLEDGEMENTS:**

Your Directors place on record their grateful and sincere thanks for excellent support and co-operation your company received from the Ministry of Tourism, Govt. of India and Department of Tourism of Govt. of Madhya Pradesh, banks and other government bodies and we look forward to their continued support and patronage in future. Your Directors wish to record their appreciation of the excellent efforts put in by the executives and staff at all levels which culminated into creation of better financial and operational performance record for the company and hope that this trend would be kept even during the ensuing years.

**FOR & ON BEHALF OF THE BOARD**

Sd/-

**SIKANDAR HAFIZ KHAN  
CHAIRMAN & MG. DIRECTOR**

Place: Bhopal  
25<sup>th</sup> Aug., 2012

**DECLARATION**

In term of the requirements stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby declared that all the Members of the Board of Directors and senior Management Personnel of the Company have affirmed that there has been due compliance with Code of Conduct for the financial year ended 31<sup>st</sup> March, 2012

Sd/-

**SIKANDAR HAFIZ KHAN  
CHAIRMAN & MANAGING DIRECTOR**

Place: Bhopal  
Aug. 25<sup>th</sup> August, 2012

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members  
Reliable ventures (India) Limited  
BHOPAL (M.P)

We have examined the compliance of conditions of Corporate Governance by the Reliable ventures (India) Limited for the year ended 31.03.2012 as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited, to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For M A K & ASSOCIATES,  
Chartered Accountants,  
Sd/-  
CA SANTOSH KUMAR SHARMA  
PARTNER

Membership No. 077735

Indore  
August 25<sup>th</sup> Aug 2012

**CFO CERTIFICATION IN TERMS OF SUB-CLAUSE VIII OF CLAUSE 49 OF THE LISTING AGREEMENT**

Pursuant to the above, we the undersigned officers of M/s Reliable Ventures India Limited, Bhopal- in connection to the Financial Year 2011-12 do hereby certify that;

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief;

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading and that

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company or the company's code of conduct

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies

(d) We have indicated to the auditors and the Audit Committee

(I) significant changes in internal control over financial reporting during the year, if any,

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements

(iii) Instances of significant fraud, of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting

Sd/-  
JAYA MENON)  
Manager Accounts/Finance

Sd/-  
(SIKANDAR HAFIZ KHAN)  
Chairman & Mg. Director

Bhopal:  
Aug 25, 2012

**ANNEXURE "A"  
PART - I  
LIST OF RELATED PARTY**

<b>NAME OF DIRECTOR</b>	<b>NAME OF CONCERN / PARTY</b>
<b>Mr. SIKANDAR HAFIZ KHAN</b>	Reliable Tours & Travels (India) Pvt. Ltd. Reliable Smartcity Limited Elegance Infratech Pvt. Ltd. Reliable Consumer Products Pvt. Ltd. Rehbar Holdings And Finance Pvt. Ltd. Noor-Us-Sabah Housing Projects Pvt. Ltd. Reliable Dairy & Farm Products Pvt Ltd. SHK & Co. Reliable Nature Bazar
<b>Mr. S. SHANKAR NARAYANAN</b>	Reliable Tours & Travels (India) Pvt. Ltd. Reliable Smartcity Limited Reliable Cig & Tobacco Inds. Pvt. Ltd. Reliable Consumer Products Pvt. Ltd. Reliable Multimedia And Enterprises Pvt. Ltd.
<b>Mr. FARHAN SIKANDAR KHAN</b>	Reliable Carriers Pvt Ltd., Reliable Smartcity Limited Elegance Infratech Pvt Ltd. Rehbar Holdings And Finance Pvt. Ltd. Noor-Us-Sabah Housing Projects Pvt. Ltd. Reliable Dairy & Farm Products Pvt Ltd. Reliable Nature Bazar
<b>Mr. RAJENDRA MALPANI</b>	Reliable Carriers Pvt Ltd. Noor-Us-Sabah Housing Projects Pvt. Ltd. Reliable Dairy & Farm Products Pvt Ltd.

**TRANSACTIONS WITH RELATED PARTIES ARE MENTIONED IN PART-II OF ANNEXURE "A"**

## ANNEXURE "A"

## PART - II

## TRANSACTIONS WITH RELATED PARTIES

Sl No.	NAME OF THE COMPANY / PERSON	NAME OF THE INTRESTED DIRECTOR	NATURE OF THE TRANSACTION	OPENING BALANCE	GOODS/SERV ICES TAKEN DURING THE YEAR	GOODS/SERV ICES GIVEN DURING THE YEAR	PAYMENT RECEIVED DURING THE YEAR	PAYMENT MADE DURING THE YEAR	CLOSING BALANCE
1.	RELIABLE INDUSTRIAL VENTURES LTD. Formally known as (WESTERN TOBACCO PVT. LTD.)	1. S. SHANKAR NARAYANAN	LOAN TAKEN	21067209.40 Cr	0.00	0.00	0.00	9668259.00 Dr.	11398950.40 Cr.
2.	RELIABLE CONSUMER PRODUCTS PVT. LTD. Formally known as (PRIMERIDIAN INTERNATIONAL PVT. LTD.)	1. SIKANDAR HAFIZ KHAN 2. S. SHANKAR NARAYANAN	LOAN TAKEN	787.00 Cr.	NIL	NIL	NIL	0.00	787.00 Cr
3.	RELIABLE TOURS & TRAVELS (INDIA) PVT. LTD. (Formerly KNOWN AS MIDLAND TRAVELS PVT. LTD.)	1. SIKANDAR HAFIZ KHAN 2. S. SHANKAR NARAYANAN	HIRE & Commission  Ticket	258726.00 Cr  119530.00 Cr.	12,85,397.00  1,66,830.99	NIL	NIL	13,66,900.00  116764.00	1,77,223.00Cr.  169596.99Cr
4.	RELIABLE SMART CITY LTD. Formally known as (RELIABLE smart city pvt LTD.)	1. SIKANDAR HAFIZ KHAN 2. S. SHANKAR NARAYANAN 3. FARHAN SIKANDAR KHAN	LOAN TAKEN	.10 Cr.	NIL	NIL	5,00,000.00 Cr	5,00,000.10 Dr.	0.00Cr.
5.	RELIABLE MULTIMEDIA AND ENTERPRISES PVT. LTD.	S. SHANKAR NARAYANAN	ADVERTISEMENT & PUBLICITY GOODS/SERVICES GIVEN DURING	0.00 Cr.	1,44,492.00	NIL	NIL	144492	0.00
6.	RELIABLE CARRIER PVT.LTD.	1. FARHAN SIKANDAR KHAN	Loan Taken	56,33,572.71 Cr	Nil	Nil	Nil	6,10,000.00	5023572.71Cr.

7.	KALEEM ULLAH KHAN	KALEEM ULLAH KHAN S/o SIKANDAR HAFIZ KHAN	Loan Taken	25,00,000.00 Cr	0.00	0.00	0.00	20,00,000.00 Dr.	5,00,000.00 Cr
8.	RELIABLE DAIRY FARM & PRODUCTS PVT. LTD.	1. SIKANDAR HAFIZ KHAN 2. FARHAN SIKANDAR KHAN 3. RAJENDARA MALPANI	GOODS/SERVICES GIVEN DURING  MILK  WATER	119242.82 Cr.  0.00Cr  33617.11 Cr.	11,10,214.18   1518406.45 406122.52	0.00	0.00	12,19,559.00   1404253.00 424438.00	9898.00 Cr.   114153.45 Cr.  15301.63 Cr.
9.	REHBAR HOLDING & FIN PVT. LTD.	SIKANDAR HAFIZ KHAN	Loan Taken	4,65,70,529.15 Cr.			38201.00 Cr.	22,38,201.00 Dr.	4,43,70,529.15 Cr.
10.	RELIABLE NATURE BAZAAR	SIKANDAR HAFIZ KHAN FARHAN SIKANDAR KHAN	GROCERI  Mutton Chicken	0.00  52,12,560.70	51,21,000.85 Cr.  52,12,560.70	0.00  0.00	0.00  0.00	Rs 5058645  5142390	62355.85  70,170.70 Cr.

**M A K & ASSOCIATES**  
**Chartered Accountants**  
Chaturvedi Mansion, 3<sup>rd</sup>, Floor, 26/4, Old Palasla,  
Opp. Bank of Baroda, A.B. Road, INDORE – 452018 (M.P)  
Tel: 0731- 2561790, 2561791 Fax: 0731-2562590  
E-mail: maknassociates@rediffmail.com

---

**AUDITOR'S REPORT**

**To**  
**The Members**

**RELIABLE VENTURES INDIA LIMITED**

We have audited the attached Balance Sheet of **RELIABLE VENTURES INDIA LIMITED**, as at 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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

Sd/-  
(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.

**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.

**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.

- (b) Deferred Tax:

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

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

**SUNDRY DEBTORS/CREDITORS:**

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

**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.

**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) NOTES TO THE ACCOUNTS:**

**1. CONTINGENT LIABILITIES**

The company is contingently liable for:

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
<b>A) Deferred Tax Assets:</b>				
Unabsorbed losses under i.T. Act.	18510264.17	(5355.77)	(6700416.00)	11804492.40
Other timing differences	56534.35	(22854.89)	0	33679.46
<b>Total (A)</b>	<b>18566798.52</b>	<b>(28210.66)</b>	<b>(6700416.00)</b>	<b>11838171.86</b>
<b>B) Deferred Tax Liabilities:</b>				
Depreciation differences	29569651.56	(28210.66)	1320598.20	30862039.10
Other timing differences/ (Reversal)	0.00	0.00	0.00	0.00
<b>Total (B)</b>	<b>29569651.56</b>	<b>(28210.66)</b>	<b>1320598.20</b>	<b>30862039.10</b>
<b>Total (A-B)</b>	<b>(11002853.04)</b>	<b>0.00</b>	<b>(8021014.20)</b>	<b>(19023867.23)</b>
Net Deferred Tax Assets/(Liabilities)	<b>(11002853.04)</b>		<b>(8021014.20)</b>	<b>(19023867.23)</b>

**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.

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.

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

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

18. 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
<b>Total (A)</b>	<b>82,725.00</b>	<b>82,725.00</b>
Other services (Review & Cert.)	8,000.00	8,000.00
Service Tax	825.00	825.00
<b>Total (B)</b>	<b>8,825.00</b>	<b>8,825.00</b>
<b>TOTAL (A+B)</b>	<b>91,550.00</b>	<b>91,550.00</b>

19. 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.

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

20. 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.

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
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(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		-	-
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(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		-	-
<b>(4) Current Liabilities</b>			
(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
<b>Total</b>		<b>303,405,250.10</b>	<b>291,696,966.81</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(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
<b>(2) Current assets</b>			
(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		-	-
<b>Total</b>		<b>303,405,250.10</b>	<b>291,696,966.81</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>			
<b>AS PER OUR REPORT OF EVEN DATE ATTACHED</b>			
For M A K & Associates, Chartered Accountants Firm Registration No. 03060C		For and on behalf of the Board of Directors	
SD/- C.A. Santosh Kumar Sharma (Partner) M.No. 077735		SD/- Company Secretary	SD/- Managing Director
			SD/- Director
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
<b>III. Total Revenue (I + II)</b>		<b>157,050,602.85</b>	<b>132,927,993.18</b>
<b>IV. Expenses:</b>			
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
<b>IV. Total Operating Expenses</b>		<b>119,384,424.95</b>	<b>97,772,555.28</b>
<b>V. Profit before interest, depreciation, exceptional items, extraordinary items and tax</b>		<b>37,666,177.90</b>	<b>35,155,437.90</b>
Financial costs	21	57,164.85	28,468.32
Depreciation and amortization expense		10,662,629.98	10,050,915.78
<b>V. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	<b>26,946,383.07</b>	<b>25,076,053.81</b>
VI. Exceptional Items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>26,946,383.07</b>	<b>25,076,053.81</b>
VIII. Extraordinary Items	22	412,717.00	26,481.00
<b>IX. Profit before tax (VII - VIII)</b>		<b>26,533,666.07</b>	<b>25,049,572.81</b>
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
<b>Net Current tax</b>		-	-
(2) Deferred tax		8,021,014.20	7,599,520.65
<b>XI. Profit(Loss) from the period from continuing operations</b>	(VII-VIII)	<b>18,512,651.87</b>	<b>17,450,052.16</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>18,512,651.87</b>	<b>17,450,052.16</b>
XVI. Earning per equity share:			
(1) Basic		1.68	1.58
(2) Diluted		1.68	1.58
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>			
<b>1</b>			
<b>AS PER OUR REPORT OF EVEN DATE ATTACHED</b>			
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**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>AUTHORISED CAPITAL</b>		
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
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
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
<b>TOTAL</b>	<b>110,129,000.00</b>	<b>110,129,000.00</b>

**NOTE-3****RESERVE & SURPLUS**

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

**NOTE-4****LONG TERM BORROWINGS**

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

**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**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>Unsecured Borrowings</b>		
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
<b>TOTAL</b>	<b>1,080,787.00</b>	<b>3,080,787.00</b>

**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**

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

**NOTE-7**

**OTHER CURRENT LIABILITIES**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Other liabilities	5,617,691.69	5,796,412.66
<b>TOTAL</b>	<b>5,617,691.69</b>	<b>5,796,412.66</b>

**NOTE-8**

**SHORT TERM PROVISIONS**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>PROVISIONS :</b>		
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
<b>TOTAL</b>	<b>10,353,742.00</b>	<b>9,181,460.00</b>

**NOTE -9**  
**FIXED ASSETS**

ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2011	ADDITIONS	DEDUCTIONS	AS ON 31.03.2012	AS ON 01.04.2011	FOR THE YEAR	DEDUCTION	AS ON 31.03.2012	AS ON 31.03.2012	AS ON 31.03.2011
LEASEHOLD BUILDING & INTERIOR	15,000,000.00	-		15,000,000.00	-	-		-	15,000,000.00	15,000,000.00
LEASEHOLD LAND	5,000,000.00	-		5,000,000.00	-	-		-	5,000,000.00	5,000,000.00
BUILDING	152,705,192.85	2,197,404.00		154,902,596.85	22,217,872.68	2,506,058.81		24,723,931.50	130,178,665.35	130,487,320.17
SANITARY INSTALLATION	2,126,026.13	173,295.00		2,299,321.13	337,025.93	36,816.71		373,842.65	1,925,478.48	1,789,000.20
PLANT & MACHINERY	77,169,551.68	6,056,362.50		83,225,914.18	29,345,565.99	3,842,221.39		33,187,787.38	50,038,126.80	47,823,985.69
FURNITURE & FIXTURES	32,539,002.80	3,114,819.00		35,653,821.80	23,059,102.57	3,244,518.59		26,303,621.17	9,350,200.63	9,479,900.23
COMPUTER	3,915,840.00	222,438.00		4,138,278.00	3,919,178.84	9,071.70		3,928,250.55	210,027.45	(3,338.84)
VEHICLE	9,711,583.00	3,124,127.00	1,080,644.00	11,755,066.00	1,885,951.99	1,023,942.77	538,056.88	2,371,837.87	9,383,228.13	7,825,631.01
Total	298,167,196.46	14,888,445.50	1080644.00	311,974,997.96	80,764,698.01	10,662,629.98	538,056.88	90,889,271.10	221,085,726.85	217,402,498.45
Previous Year	283,529,252.10	15,486,533.36	848589.00	298,167,196.46	71,236,923.41	10,050,915.78	523,141.18	80,764,698.01	217,402,498.45	212,292,328.69

**NOTE-10**  
**LONG TERM LOANS & ADVANCES**

PARTICULARS	March 31, 2012	March 31, 2011
Sundry Deposits	2,014,312.00	1,534,312.00
<b>TOTAL</b>	<b>2,014,312.00</b>	<b>1,534,312.00</b>

**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
<b>TOTAL</b>	<b>20,535,574.36</b>	<b>14,949,097.28</b>

**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
<b>TOTAL</b>	<b>7,238,558.85</b>	<b>7,458,716.09</b>

**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
<b>TOTAL</b>	<b>8,787,220.69</b>	<b>6,284,141.49</b>

**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**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Cash in hand	1,645,784.92	1,994,484.49
<b>BALANCE WITH BANKS</b>		
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
<b>TOTAL</b>	<b>24,179,309.82</b>	<b>27,562,018.46</b>

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

(Unsecured/unconfirmed &amp; Considered good)

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
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
<b>TOTAL</b>	<b>18,761,842.52</b>	<b>13,280,645.03</b>

**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**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
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
<b>TOTAL</b>	<b>154,278,837.75</b>	<b>130,541,255.72</b>

**NOTE-17****OTHER INCOME**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
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
<b>TOTAL</b>	<b>2,771,765.10</b>	<b>2,386,737.46</b>

**NOTE-18**

**COST OF MATERIALS AND OTHER OPERATING COSTS**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
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
<b>CONSUMPTION DURING THE YEAR</b>	<b>44,862,807.64</b>	<b>30,794,623.00</b>

**NOTE-19**

**EMPLOYEES BENEFIT EXPENSES**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
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
<b>TOTAL</b>	<b>27,517,624.11</b>	<b>23,549,660.55</b>

**NOTE-20**

**OTHER EXPENSES**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
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
<b>TOTAL</b>	<b>47,003,993.20</b>	<b>43,428,271.73</b>

**NOTE-21**

**FINANCIAL COST**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Bank Commission & Charges	57,164.85	28,468.32
<b>TOTAL</b>	<b>57,164.85</b>	<b>28,468.32</b>

**NOTE-22**

**EXTRA ORDINARY ITEM**

<b>PARTICULARS</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Prior Period Expenses	412,717.00	26,481.00
<b>TOTAL</b>	<b>412,717.00</b>	<b>26,481.00</b>



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

PARTICULARS	March 31, 2012	March 31, 2011
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
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
<b>Operating Profit before working Capital changes</b>	<b>36,100,299.12</b>	<b>34,646,175.51</b>
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	<b>33,309,639.99</b>	<b>36,777,814.07</b>
Less: Current Tax	5,320,584.00	5,033,158.00
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>A 27,989,055.99</b>	<b>31,744,656.07</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
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
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>B (16,840,760.38)</b>	<b>(15,082,013.35)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
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)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>C (14,535,423.95)</b>	<b>(13,735,527.38)</b>
Effect of Exchange Differences on Foreign Currency Transactions	<b>D 4,419.70</b>	<b>(24,866.00)</b>
<b>NET INCREASE / (DECREASE ) IN CASH &amp; CASH EQUIVLENT</b>	<b>(3,382,708.64)</b>	<b>2,902,249.34</b>
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
<b>Net Increase/(Decrease ) in Cash &amp; Cash Equivalents</b>	<b>(3,382,708.64)</b>	<b>2,902,249.34</b>
As per our report of even date attached	(0.00)	0.00
For M A K & ASSOCIATES Chartered Accountants Firm Registration No. 03060C	For and on behalf of the Board	
SD/- (Santosh Kumar Sharma) (Partner) M.No. 077735	SD/- (Company Secretary)	SD/- ( Managing Director)
		SD/- (Director)
Date : 25.07.2012		
Place : Bhepal		

**RELIABLE VENTURES INDIA LIMITED**  
Regd. Office: "Reliable House", A-6, Koh-e-fiza  
Indore Road, Bhopal- 462 001 (M.P.)  
Phone 0755-2539592

**ATTENDANCE SLIP**

Please complete this attendance slip and handover it to the executive of the company at the entrance of the Meeting Hall

<i>Name of the Member / Proxy</i>	<i>Client ID/ Regd. Folio No.</i>	<i>Nos. of Equity Shares held</i>

I hereby record my presence at the NINETEENTH ANNUAL GENERAL MEETING of the aforesaid Company at Hotel Noor-Us-Sabah Palace, VIP Road, Koh-e-fiza, Bhopal -462001 Madhya Pradesh held on Saturday, the 29<sup>th</sup> day of Sept.2012

\_\_\_\_\_  
Signature of the Member /Proxy

**RELIABLE VENTURES INDIA LIMITED**

**PROXY**

I/We \_\_\_\_\_ of \_\_\_\_\_ Member (s) of Reliable Ventures India Limited do hereby appoint Mr. \_\_\_\_\_ or, failing him/ her \_\_\_\_\_ as my/ our proxy (ies) to attend and vote for and on behalf of me/ us at the 19th Annual General Meeting of the Company to be held on the \_\_\_\_\_ day of \_\_\_\_\_ 2012 at 4.00 PM \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Nos. of Equity shares held \_\_\_\_\_ Regd. Folio No / Client ID No \_\_\_\_\_

Affix 30  
Paisa  
Revenue  
Stamp here

**Book Post**

Designed And Printed By D. J. Logistic Solutions Pvt Ltd. Mob. 9323185444. E-mail: djprint260@gmail.com

*if undelivered please return to :*

**RELIABLE VENTURES INDIA LIMITED**  
Regd. Office: "Reliable House", A-6, Koh-e-fiza  
Indore Road, Bhopal- 462 001 (M.P.)  
Phone 0755-2539592