

Corporate Information

Board of Directors

Mr. Sudhir Moravekar	.....	Chairman
Ms. Viidyaa Moravekar	.....	Managing Director
Mr. Arun Tari	.....	Whole-time Director
Mr. Siddhartha Moravekar	.....	Director
Mr. Dnyanaraj Moravekar	.....	Director
Mr. Vilas Mitbawkar	.....	Director
Mr. Mehul Parekh	.....	Director
Ms. Hemlata Sawant	.....	Director
Mr. Abeezar Faizullahoy	.....	Director
Mr. Rajendra Gawde	.....	Director

Audit Committee

Mr. Mehul Parekh	.....	Chairman
Ms. Hemlata Sawant		
Mr. Vilas Mitbawkar		

Remuneration cum Compensation Committee

Mr. Mehul Parekh	.....	Chairman
Ms. Hemlata Sawant		
Mr. Vilas Mitbawkar		

Share Transfer and Investor Grievance Committee

Mr. Mehul Parekh	.....	Chairman
Mr. Siddhartha Moravekar		
Mr. Arun Tari		

Company Secretary

Mr. Sanjive Arora

Registered Office

Aman Chambers, 4th floor,
Opp. New Passport Office,
Veer Savarkar Road,
Prabhadevi, Mumbai-400025

Registrar & Transfer Agents

Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road, Andheri (East),
Mumbai - 400 072

Stock Exchange

The Bombay Stock Exchange
National Stock Exchange of India Limited

Branches

USA
New Zealand

Auditors

M/s. H. H. Topiwala & Company

Bankers

The Saraswat Co-op. Bank Ltd
Bank of Maharashtra
ABN Amro Bank Ltd.
ICICI Bank Ltd.
HDFC Bank Ltd.
Axis Bank Ltd.

Dear Shareholders,

Your Directors are pleased to present the Nineteenth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2010 is summarized below:

(Rupees in Lakhs)		
Particulars	2009-10	2008-09
Total Revenue	4,814	4,541
Profit Before Depreciation, Interest & Taxes	2,557	2,393
Less: Depreciation	135	109
Less: Interest	74	134
Profit Before Tax	2,348	2,150
Less: Current Tax	392	241
Less: Deferred Tax	(178)	-
Less: Fringe Benefit Tax	-	5
Profit After Tax	2,134	1,904
Add: Deferred Tax Assets (Accumulated for earlier years)	380	-
Amount available for Appropriations	2,514	1,904
Dividend on Preference Shares	350	350
Dividend on Equity Shares	324	324
Dividend Tax	115	115
Transfer to General Reserves	254	150
Profit After Appropriations	1,471	965
Balance Brought forward from previous year	4,311	3,346
Add: Profit After Appropriations	1,471	965
Balance Carried to Balance Sheet	5,782	4,311

OPERATIONS / PERFORMANCE

Your Company has earned total revenue of Rs. 48.14 Crores, as against the previous years revenue of Rs. 45.41 Crores. The Net Profit after Tax is Rs. 21.34 crores as compared to Rs. 19.04 Crores, in the previous year.

In spite of the general economic recession prevailed over major period of the financial year and substantial decrease in overseas tourist inflow to the country, as an after effect of terror attack in Mumbai and overall decrease in spending on business and domestic travel the company has still managed to show an improvement in its profit.

However the scenario now has improved significantly. The global economy, which was stunted by the impact of unprecedented 'Global Meltdown' of 2008-09 witnessed gradual recovery through the last year, supported largely by extraordinary policy intervention by the Governments across the Globe. The pace of recovery, however, remained uneven across countries, with slow growth by advanced economies and faster growth, by emerging and developing economies.

In contrast to advanced economies, Indian Economy saw a comparatively stronger and faster recovery during the year 2009-10. In spite of deficient rainfall and marginal growth in Agricultural output, the GDP registered a growth rate of 7.4% during 2009-10 as against 6.7% growth rate for 2008-09. The strong rebound in Industrial output with 10.4% growth rate and resilience shown by the service sector with 8.3% growth rate, have contributed considerably to recovery in GDP growth.

The outlook for Indian economy for the 2010-11 appears encouraging, with growth rate projected at over 8 percent, assuming a normal monsoon and higher Agricultural output. The continued buoyancy in Industrial output and Exports will help boost the growth momentum of the economy. However, any adverse global development may dampen the growth prospects.

HIGHLIGHTS OF THE YEAR

Acquisition of further stake in Sri Vatsa Hotels Limited, a subsidiary of the Company:

The Company has further acquired 36.75% of stake in Sri Vatsa Hotels Limited (SVHL) by paying Rs. 7,01,86,980 in accordance with the terms and conditions of Share Purchase and Escrow Agreements entered into by the Company with the shareholders of Sri Vatsa Hotels Ltd. Subsequent to the said acquisition the company is holding in Sri Vatsa Hotels Ltd. has now gone up to 87.75%. The SVHL owns a multi-storied structure on an undivided piece of land to be constructed into 85 rooms 4 star hotel which is conveniently located near Secunderabad railway station. The proposed hotel will also have suites and all basic facilities like Multicuisine Restaurant, Bar, Banquet Hall and Conference Hall. The construction at the SVHL site is in full swing and the proposed 4 star hotel is expected to become operational very soon.

IT Unit at Mahape, Navi Mumbai

During the year, the Company has started operations of its Information Technology (IT) unit at Mahape, Navi Mumbai.

DIVIDEND

Cumulative Non-convertible Redeemable Preference Shares

The Board has recommended a dividend of 35 Paise (7%) per Cumulative Non-convertible Redeemable Preference Share

involving a cash outflow of Rs. 3,50,00,000/- for the year. (excluding dividend tax)

Equity Shares

The Board during the year paid an interim dividend of Rs. 2.50/- (50%) per equity share involving a cash outflow of Rs. 3,23,94,367/- (excluding dividend tax). The Board has further recommend that the interim dividend of Rs. 2.50/- per equity share be considered as the Final dividend to be appropriated from the profits for the financial year 2009-2010 subject to approval by the members of the Company at the annual general meeting.

During the year 2009-10, unclaimed dividend of Rs. 42,795/- pertaining to financial year 2001-02 transferred to the Investor Education and Protection Fund, as required by the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

TRANSFER TO RESERVES

The Board of Directors proposed to transfer an amount of Rs. 2,53,85,204/- to General Reserves.

ISSUE OF BONUS SHARES

Your Board of Directors approved issue of Bonus Shares in the ratio of five equity shares for every one existing equity share outstanding as on the record date. Issue of Bonus Shares has also been approved by the shareholders of the Company through Postal Ballot on June 10, 2010. Subsequent to this approval, the record date to determine the eligible shareholders who were entitled to receive the Bonus Shares was fixed as June 22, 2010. After the allotment of bonus shares the paid up equity share capital of the Company has increased to Rs. 38,87,25,000/- (Rs. 6,47,87,500/-)

DIRECTORS

Mr. Siddhartha Moravekar and Mr. Mehul Parekh are Directors who retire by rotation and being eligible have offered themselves for re-appointment.

Your Board recommends the above re-appointment of Directors in the best interest of the Company.

Mr. Dnyanaraj Moravekar was appointed as an Additional Director of the Company with effect from October 30, 2009 in accordance with Section 260 of the Companies Act, 1956. Mr. Dnyanaraj Moravekar would hold office till the conclusion of the Annual General Meeting of the Company scheduled to be held on September 28, 2010. The requisite notices together with necessary deposits have been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the election of Mr. Dnyanaraj Moravekar as a Director of the Company.

Mr. Rajendra Gawde was appointed as an Additional Director of the Company in accordance with Section 260 of the Companies Act, 1956 by the Board of Directors with effect from October 30, 2009. The Additional Director would hold office till the date of the Annual General Meeting of the Company scheduled to be held on September 28, 2010. The requisite notices together with necessary deposit have been received from a member pursuant to Section 257 of the Companies Act, 1956 proposing the election of Mr. Rajendra Gawde.

STATUTORY AUDITORS

M/s. H. H. Topiwala & Co., Chartered Accountants (Firm Registration No. 111022W), Mumbai, who are the Statutory Auditors of the Company, hold office, in accordance with the provisions of the Act upto the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

FIXED DEPOSITS

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on date of the Balance Sheet.

PARTICULARS OF EMPLOYEES

Information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are given in an Annexure "A" forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Board of Directors, based on the representations received from the Management, hereby confirms that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- ii. It has in the selection of the accounting policies, consulted the Statutory Auditors and has applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2010 and of the profit of the Company for that period.
- iii. It has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability. There are however, inherent limitations, which should be recognised while relying on any system of internal control and records.

Directors' Report (contd.....)

- iv. It has prepared the annual accounts on a going concern basis.

ENERGY CONSERVATION, TECHNOLOGY TRANSFER AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Section 217(l)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is furnished hereunder :

a. **Conservation of Energy:**

The Company continued the energy conservation efforts during the year. It has closely monitored power consumption and running hours on day to day basis thus resulting in optimum utilization of energy. The hotel is fitted with energy saving devices to conserve energy in the long run.

b. **Technology Absorption:**

The activity of the Company is not covered under the list of specified industries in the Schedule to the Rules as stated above.

- c. The details on foreign exchange earnings and outgo are furnished in Notes on Accounts (Refer note no. 17 of Schedule 22).

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on the Management discussion and analysis of the financial condition and the results of operations of the Company for the year under review is annexed to this report as required under Clause 49 of the listing agreement with the Stock Exchanges.

SUBSIDIARIES

As on March 31, 2010, your company has a total of 10 subsidiary companies. The list of these subsidiary companies is provided as Annexure "B" to this report.

In terms of Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheets, Profit and Loss Account of its subsidiary companies to its Annual Report. The Ministry of Corporate Affairs (MCA), Government of India, New Delhi vide its orders No. 47/251/2010-CL-III dated 9th April, 2010 has granted exemption to your company for not attaching the above documents of subsidiaries with Annual Report of the Company for the financial year 2009-10.

Accordingly, this annual report does not contain the reports and other statements of the subsidiary companies. The company will make available the annual audited accounts and related detailed information of the subsidiary companies upon request by any member of the Company. The financial results of the subsidiaries of the Company are available on the Company's website www.panoramiconiversal.com. These documents will also be available for inspection during business hours at the registered office of the company and also at the registered offices of the subsidiary companies.

In terms of the said orders of the MCA, a summary of financial information of each of the subsidiary companies is provided as Annexure "B" to this report.

OTHER DISCLOSURES

The Company has also received from Central Government, an exemption vide its order No. 46/166/2010-CL-III dated August 05, 2010 in respect of disclosure of quantitative details as per para 3(ii)(d) of Part-II, Schedule - VI to the Companies Act, 1956 as amended vide Notification No. GSR 494(E), dated 30th October, 1973 in respect of financial year ending on 31.03.2010, 31.03.2011 and 31.3.2012.

ACKNOWLEDGMENTS

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions for their consistent support and encouragement to the Company. Last but not the least, I on behalf of the board of directors convey our sincere appreciation to all employees of the Company for their continued hard work and commitment.

By Order and on behalf of the Board

Sd/-

Sudhir Moravekar

Chairman

Place: Mumbai

Date: 25th August, 2010

Registered Office:

Aman Chambers, 4th floor,
Opp. New Passport Office,
Veer Savarkar Road, Prabhadevi,
Mumbai -400 025

Annexures To The Directors' Report

Annexure "A"

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2010.

Name	Designation/ Nature of duties	Remuneration Rs.	Qualification	Total Experience (years)	Age (years)	Commencement of Employment	Previous Employment
Ms. Viidyaa Moravekar	Managing Director	50,10,020	B.A	25	53	December 12, 2004	Reserve Bank of India

Notes:

- Remuneration comprises Salary, House Rent Allowances, Reimbursement of Medical Expenses, but does not include Company's contribution to Provident Fund, Gratuity, Leave travel allowance and other funds.
- The Nature of employment of Ms. Viidyaa Moravekar is contractual.
- The appointment is subject to the rules and regulations of the Company in force from time to time.
- Ms. Viidyaa Moravekar is related to Mr. Sudhir Moravekar, Mr. Siddhartha Moravekar and Mr. Dnyanaraj Moravekar, Directors of the Company.

Annexure "B"

Statement pursuant to exemption received under section 212 (8) of the Companies Act, 1956 relating to Subsidiary companies for the year ended 31st March, 2010

(Amt. in Rs.)

Sr. No.	Name of the Subsidiary	Country of Origin	Capital	Reserves	Total Assets	Total Liabilities	Investment other than investment in subsidiary	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1	Panoramic Ace Properties Inc.	USA	527,083,200	205,249,291	1,132,229,887	399,897,396	-	211,555,778	69,711,052	32,336,100	37,374,952	Nil
2	Sai Properties Inc.	USA	24,651,000	173,297,120	217,238,244	19,290,124	-	91,724,196	36,634,610	15,042,770	21,591,840	Nil
3	Sai Living Hudson Inc.	USA	90,645,313	204,424,237	460,928,873	165,859,323	-	217,269,828	63,942,600	21,749,806	42,192,794	Nil
4	Sai Motels Ltd.	New Zealand	40,301,069	(20,366,999)	60,919,159	40,985,089	-	7,897,947	(1,814,504)	-	(1,814,504)	Nil
5	Georgian Motel Corp.	USA	4,482,000	337,329,578	546,776,061	204,964,483	-	250,192,282	69,994,106	27,118,072	42,876,033	Nil
6	Travel Universe Inc.	USA	34,511,400	19,821,864	62,118,050	7,784,786	-	37,887,573	12,583,671	6,124,780	6,458,891	Nil
7	Panoramic Holidays Ltd.	INDIA	500,000	(17,170,991)	5,429,062	11,241,929	-	1,790,225	(13,882,284)	-	(13,882,284)	Nil
8	Indo Pacific Hotels Ltd.	INDIA	350,500,000	1,799,443	352,299,443	-	2,500	-	(11,802)	-	(11,802)	Nil
9	Sri Vatsa Hotels Ltd.	INDIA	80,000,000	(18,181)	129,918,861	49,937,042	-	-	(18,181)	-	(18,181)	Nil
10	Panoramic Tour & Travels Ltd.	INDIA	2,500,000	227,520	11,995,043	9,267,523	-	4,055,231	24,885	10,834	14,051	Nil

Management Discussion and Analysis Report

Economic Overview

The year 2009-10 will be a year which will be remembered in the world over as a year of recovery and revival. After plunging into the steepest economic contraction since the Great Depression, the global economy witnessed significant improvement. Contrary to expectations of a prolonged turmoil, the turnaround was much quicker than that was expected. At the heart of this recovery was the coordinated fiscal action by the leading world powers, including India, to stimulate their economies. This is evident from the statistics available with respect to Gross Domestic Product (GDP).

The growth in GDP during the first half of fiscal 2010 was 7.0% compared to 6.0% during the Second half of fiscal 2009. During the third quarter of fiscal 2010, GDP growth moderated to 6.0% mainly due to a 2.8% decline in agricultural output following below normal monsoons and moderation in services sector growth to 6.6%. The Central Statistical Organisation (CSO) has placed advance estimates of GDP growth for fiscal 2010 at 7.2%. During fiscal 2010, equity markets recovered significantly with the BSE Sensex increasing by 80.5% from 9,709 at March 31, 2009 to 17,528 at March 31, 2010. The rupee appreciated from Rs. 51.0 per US dollar at year-end fiscal 2009 to Rs.45.1 per US dollar at year-end fiscal 2010.

Industry Overview

(A) Hospitality Overview

With the improvement in the World scenario, things also improved for Indian Hospitality sector. India is a land of varied landscapes and possibilities.

The campaign 'Visit India Year 2009' was launched at the International Tourism Exchange in Berlin, aimed to project India as an attractive destination for holidaymakers. The government joined hands with leading airlines, hoteliers, holiday resorts and tour operators, and offered them a wide range of incentives and bonuses during the period between April and December, 2009.

The Indian hospitality sector is certainly the most appropriate replication of the belief 'Atithi Devo Bhava'- touch of tenderness, a helping hand and a welcoming visage. According to the World Travel and Tourism Council (WTTTC), the growth in the hospitality industry is pegged at 15% every year with 200,000 rooms needed, the hotel segment of India is on the brink of an astounding growth.

(B) Tourism Industry Overview

As per the Travel and Tourism Competitiveness Report 2009 by the World Economic Forum, India is ranked 11th in the Asia Pacific region and 62nd overall, moving up three places on the list of the world's attractive destinations. It is ranked the 14th best tourist destination for its natural

resources and 24th for its cultural resources, with many World Heritage sites, both natural and cultural, rich fauna and strong creative industries in the country. India also bagged 37th rank for its air transport network. The Indian travel and tourism industry ranked 5th in the long-term (10-year) growth and is expected to be the second largest employer in the world by 2019. The hotel and tourism industry's contribution to the Indian economy by way of foreign direct investments (FDI) inflows were pegged at US\$ 2.1 billion from April 2000 to March 2010, according to the Department of Industrial Policy and Promotion (DIPP).

According to the Travel & Tourism Competitiveness Report 2009 brought out by the World Economic Forum, the contribution of travel and tourism to GDP is expected to be at US\$ 187.3 billion by 2019.

The report also states that real GDP growth for travel and tourism economy is expected to achieve an average of 7.7% per annum over the next 10 years. Export earnings from international visitors and tourism goods are expected to generate US\$ 51.4 billion by 2019. The travel and tourism sector which accounted for 6.4% of total employment in 2009 is expected to generate 40,037,000 jobs i.e. 7.2% of total employment by 2019.

The hospitality industry in our country has typically been so focused on the approximately 5.5 million international travelers who visit India every year that it has never truly tapped into the 600 million-strong domestic population that travels annually. The domestic market will continue to play a dominant role, not just within hospitality, but across all sectors and will help further insulate the Indian economy from problems in other countries and make India less susceptible to global economic fluctuations.

Besides generating valuable foreign exchange, the tourism industry has a large economic multiplier impact contributing to significant employment creation, a dire need in the Indian context of achieving inclusive growth. However, despite India's enormous potential, its share in world travel and tourism remains extremely low. The country is not able to service even this relatively miniscule demand to full guest satisfaction due to demand-supply mismatch and infrastructural deficiencies. India is grossly under-roomed. This is evident from the fact that some of the much smaller South-East Asian countries like Singapore, Malaysia and Thailand have much larger room capacities in the 5 Star/ Luxury segment. The World Travel and Tourism Council (WTTTC) estimates that the Indian travel and tourism industry will grow at 12% annually until 2019, requiring an additional 50,000 rooms over the next 2 to 3 years. However astronomical land prices remain a key hurdle in realizing this potential

Management Discussion and Analysis Report

According to the Tourism Satellite Accounting (TSA) research, released by WTTC and its strategic partner Oxford Economics in March 2009. Foreign exchange earnings from tourism in Indian Rupee terms was up 24.1 per cent at Rs. 5,507 Crore during March 2010 against a negative growth of 11.9 per cent at Rs. 4,437 Crore in March 2009 compared with Rs. 5,035 Crore in March 2008. These trends, coupled with increasing levels of well-being and changes in lifestyle, indicate very strong growth potential of the travel and tourism sector. These augur well for the sector as a whole and the specific segments in which the Company operates.

Indian Tourism in the year 2009

The aftermath of the terrorist attack in Mumbai in November 2008, the swine-flu pandemic and the general squeeze on corporate travel combined to adversely affect the performance of the Indian hotel industry during the year. The impact was particularly severe during the first half with occupancies and average room rates witnessing steep declines. The situation, however, improved during the second half aided by a strong showing by the Indian economy and the beginning of a gradual recovery in major source markets like the USA and Europe. Reversing a declining trend after twelve consecutive months, foreign tourist arrivals started to increase from December 2009 clocking an average growth of 15% during the last four months of the year. Marked improvement has also been seen in domestic air travel. While the worst is clearly over, RevPar (Revenue per Available Room) levels remain more than 20% below the three year average preceding the downturn in 2008-09.

Measures adopted by India

The Ministry of Tourism, Government of India has undertaken several confidence building measures with a view to giving a boost to the tourism industry. According to the Consolidated FDI Policy, released by DIPP, Ministry of Commerce and Industry, Government of India, the government has allowed 100 per cent foreign investment under the automatic route in the hotel and tourism related industry. The terms hotel includes restaurants, beach resorts and other tourism complexes providing accommodation and /or catering and food facilities to tourists. The following incentives have been offered by the Ministry to the tourism industry:

- Road Shows: A series of Road Shows are being organized in important tourist generating countries, in collaboration with the Indian Association of Tour Operators and with participation of different segments of the tourism industry. The focus of these Road Shows is on one-to-one business meetings between the seller delegates from India and buyer delegates overseas, with a view to promoting inbound tourism to India.
- Commonwealth Games 2010: To make maximum use of the opportunities that will be presented to India when we host

the 2010 Commonwealth Games in New Delhi. The Games are expected to significantly boost tourism in India.

- The Government of India has announced a scheme of granting Tourist Visa on Arrival (T-VoA) for the citizens of Finland, Japan, Luxembourg, New Zealand and Singapore. The scheme is valid for citizens of the above mentioned countries planning to visit India on single entry strictly for the purpose of tourism and for a short period of up to a maximum of 30 days
- The Joint Working Group Meeting on Tourism between India and Syria Arab Republic was held. The meeting emphasized the need to exchange visits of tour operators and travel media to promote tourism between the two countries.

Opportunities in the Sector

The hospitality industry is a 3.5 trillion dollar service sector within the global economy. It is an umbrella term for a broad variety of service industries including, but not limited to, hotels, food service, casinos, and tourism. The hospitality industry is very diverse and global. The industry is cyclical; dictated by the fluctuations that occur within the economy every year. Today hospitality sector is one of the fastest growing sectors in India. Likewise, internal tourism is another area with great potentials.

India is probably the only country that offers various categories of tourism. These include History tourism, Adventure tourism, Medical tourism (ayurveda and other forms of Indian medications), Spiritual tourism, Beach tourism etc. Travel through Indian states and cities brings to light, the cultural and the geographical richness of India.

Foreign Tourist Arrivals in January-February 2010 were higher than during the same month of 2009. The arrival of foreign tourists has shown a compounded annual growth of 6 per cent over the past 10 years. Besides, travel and tourism is the second highest foreign exchange earner for India. Moreover, it is also estimated that the tourism sector will account for nearly 5.3 per cent of GDP and 5.4 per cent of total employment. A study by the World Travel & Tourism Council (WTTTC) forecasts that, between 2008 and 2018, India will report the highest annualized real growth of travel and tourism demand worldwide, at 9.4%. By 2020, tourism related activities will contribute about Rs.8500 billion to the GDP.

'Hotels in India' have supply of 110,000 rooms. According to the tourism ministry, 4.4 million tourists visited India last year and at current trend, demand will soar to 10 million in 2010 - to accommodate 350 million domestic travelers. 'Hotels in India' has a shortage of 150,000 rooms. With tremendous pull of opportunity, India is a destination for hotel chains looking for growth. The World Travel and Tourism Council, India, data says, India ranks

Management Discussion and Analysis Report

18th in business travel and will be among the top 5 in this decade. Sources estimate, demand is going to exceed supply by at least 100% over the next 2 years. With demand-supply disparity, 'Indian Hotel' room rates are most likely to rise 25% annually and occupancy to rise by 80%, over the next two years.

Medical Tourism

Despite the economic slowdown, medical tourism in India is the fastest growing segment of tourism industry, according to the market research report "Booming Medical Tourism in India". The report adds that India offers a great potential in the medical tourism industry. Factors such as low cost, scale and range of treatments provided in the country add to its attractiveness as a medical tourism destination.

In addition to the existence of modern medicine, indigenous medical practitioners are providing their services across the country with more than 3,000 hospitals and 726,000 registered practitioners catering to the needs of traditional Indian healthcare. A number of Indian hotels will tie up with professional organisation in a range of wellness fields to enter the wellness services market.

According to a report by RNCOS, medical tourism will grow at a CAGR of over 27 per cent in the period 2009-12 to generate revenues worth US\$ 2.4 billion by 2012. The number of medical tourists is anticipated to grow at a CAGR of over 19 per cent to reach 1.1 million by 2012. The report adds that India's share in the global medical tourism industry will climb to around 2.4 per cent by the end of 2012.

India is most sought for Alternative medicine, Bone-marrow transplant, Cardiac bypass surgery, Eye surgery and Orthopedic surgery. It is estimated that the medical tourism market in India would continue its journey of growth with growing high quality cost effective nursing facilities, improving equipments and expertise of medical practitioners. Medical tourism in India is growing at a competitive rate and is expected to reach a mark of 9,500 Crore by 2015. Chennai is regarded as the healthcare capital of India. The healthcare services are so cost effective that the cost of surgery is lower by over 30% as compared to other countries.

The Road Ahead

According to the latest Tourism Satellite Accounting (TSA) research, released by the World Travel and Tourism Council (WTTC) and its strategic partner Oxford Economics in March 2009:

- The demand for travel and tourism in India is expected to grow by 8.2 per cent between 2010 and 2019 and will place India at the third position in the world.
- India's travel and tourism sector is expected to be the second largest employer in the world, employing 40,037,000

by 2019.

- Capital investment in India's travel and tourism sector is expected to grow at 8.8 per cent between 2010 and 2019.
- The report forecasts India to get capital investment worth US\$ 94.5 billion in the travel and tourism sector in 2019.
- India is projected to become the fifth fastest growing business travel destination from 2010-2019 with an estimated real growth rate of 7.6 per cent.

Information Technology

The Information technology business has put India on the World map. The Indian IT prowess is respected world over and the country is widely recognized as the preferred destination for technology services. According to NASSCOM Strategic Review Report 2010, IDC forecasts a cumulative annual growth rate (CAGR) of over 4.08% in worldwide IT services and IT enabled services (IT-ITeS) spending and a CAGR of over 6.18% in offshore IT spending, for the period 2008-13. The combined market for Indian IT-ITeS in fiscal 2010 was nearly \$ 63 billion. Key factors supporting this projection are the growing impact of technology led innovation, the increasing demand for global sourcing and gradually evolving socio-political attitudes.

Companies are increasingly turning to offshore technology service providers in order to meet their need for high quality, cost competitive technology solutions. Technology companies have been outsourcing software research and development and related support functions to offshore technology service providers to reduce cycle time for introducing new products and services.

Government Initiatives

- The government set up the National Taskforce on Information Technology and Software Development with the objective of framing a long term National IT Policy for the country.
- Enactment of the Information Technology Act, which provides a legal framework to facilitate electronic commerce and electronic transactions. The government-led National e-Governance Programme, has played an important role in increasing internet penetration in rural India.

Road Ahead

The Indian information technology sector continues to be one of the sunshine sectors of the Indian economy showing rapid growth and promise.

According to a report prepared by McKinsey for NASSCOM, the exports component of the Indian industry is expected to reach US\$ 175 billion in revenue by 2020. The domestic component will contribute US\$ 50 billion in revenue by 2020. Together, the export and domestic markets are likely to bring in US\$ 225 billion in revenue, as new opportunities emerge in areas such as public sector and healthcare and as geographies including Brazil, Russia, India, China (BRIC) and Japan opt for greater outsourcing.

Management Discussion and Analysis Report

Sector-wise Company Performance and future plans

(A) Hospitality

For its future growth, your Company is actively looking at newer markets to suit the needs of specific consumer segments. In the next couple of years, the company aims to double the number of room inventory from the current 994 rooms and focuses more on reaching out in Indian market. With this objective, the company has chalked out the expansion plans and has acquired land at several strategic locations for its upcoming star category hotel & mixed use projects in the country. The company presently is in process of branding its hospitality business under brand name "United 21".

A 4 star hotel and life style club by the name of United 21 of one of the group company is being managed by PUL has come up at Thane. The hotel is sprawled over spacious 35,000 sq. ft. consisting of 46 elegant and luxurious rooms, spacious banquet hall, fully equipped world class gymnasium, health club, table tennis, squash, billiard, discotheque, multi-cuisine restaurant, specialty restaurant, 24hrs coffee shop and bar, and a roof top swimming pool with a terrace cafe.

The company has several hotel projects in the pipeline at Pune, Goa, Hyderabad, Jaipur, Munnar and Alleppey in India, your Company plans to emerge in the years to come as one of the most happening and competitive players in the hospitality Industry.

(B) Travel & Tours

Panoramic's entry into the domestic travel and tourism segments was marked by acquisition of controlling stake in the reputed Indian travel agency, Hi-Flyers Travel Services Ltd. (now known as Panoramic Tour & Travels Ltd.) a full service travel outfit catering to premium corporate and HNI clients like Sharekhan, Akruiti Foundation, IDFC - SSKI, Jain Irrigation, Supreme Industries, Boroughs India and several others. The acquisition marked the Company's entry into the fast-growing field of domestic travel and tourism, catering to international and domestic ticketing, package tours to popular destinations worldwide, forex services and other allied services like visa approvals, passport assistance etc.

To consolidating its travel foray in the international travel and tourism business, the Company acquired the business of Future Travels - a travel agency based in the heart of New York City. Working in close association with 600 small and big businesses, Future Travels serves more than 15,000 customers, with a turnover of USD 10 million and has tie-ups with Air India, Kuwait Airways, Delta, Air France, Lufthansa, British Airways, American Airlines etc.

Future Travels specializes in customized worldwide holiday

tours including summer vacations, honeymoon packages and educational packages to destinations like Spain, Portugal, Morocco, China, Japan, Australia, New Zealand, Europe and South America. The agency also arranges summer tours to Alaska, including Canadian Rockies and Denali National Park and in India to unique destinations like Mansarovar and Kailash Parbat.

Travel portals

The company is in the process of launching travel portals named as www.travelhot.in and www.traveluniversally.com. The portal aims to offer comprehensive travel solutions to its customers - right from air ticket booking, travel arrangements to staying in our own hotels, travel and tour packages catering to B2B and B2C segments.

This one-stop travel portal/s will go a long way in enhancing the immense potential in the tourism and hospitality business by providing hassle-free travel and hospitality options to business and other travelers. By inter-linking various travel options with the Company's ever-expanding hospitality options in India and abroad, Panoramic is confident of providing a relaxed travel experience to its valued customers through this portal.

(C) IT Sector

Your Company continues to offer a wide range of products and services that help clients lower their costs and increase their speed of innovation. The Company specializes in customized software application development, e-business applications, supply chain management solutions, ERP solutions, IT education & training, data processing services, customer relationship management and web site design, development & hosting services.

Critical Success Factors

The key success factors for the Hotel Industry are mentioned as follows:

■ Site and Location

This can be considered the most critical factor in determining the success of a hotel property. In addition to identifying a city, the site location within the city also assumes significance and issues like distance from the Central Business District (for metro hotels) and connectivity (access to roads, proximity to airports) assume importance.

■ Positioning

Equally important is the positioning of the hotel according to the target guest segment. For example, business hotels set up to cater to the high yielding corporate clientele in metro cities would have a distinct competitive advantage over facilities targeted towards leisure travellers in the same city for attracting business travellers.

■ Financial Flexibility

Development of hotels is a highly capital intensive activity

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and new hotel properties, typically, have a high break-even point. Therefore, financial flexibility is essential, especially during early years of operations.

■ Brand Equity

Branded hotels can be further classified into chain hotels and independent hotels. Chain hotels would typically be affiliated to one of the large national or international hotel chains. Association with a hotel chain allows the property to be branded with one of the chain brands. In such cases the property benefits from the equity of the chain brand and promotion and advertising efforts made by the chain not only in India but also overseas. This way the property is able to attract tourists from areas where an independent hotel may not be able to reach effectively.

Challenges

As the number of players increases, the competitive intensity in the sector is likely to increase. Remarkably, unlike earlier, many new entrants are reportedly considering entry into the mid-market segment, which is currently dominated by non-chain properties.

Besides, the hospitality sector in India continues to face the following challenges:

- Tourism ministry is not equipped with executive powers to bring about sweeping changes in the system
- Absence of an updated master plan for tourism to take into account a changing global scenario
- Tourism considered a state subject, which leads to fragmented and piecemeal approach to address the needs of the sector
- 'Industry' status to tourism not granted by all states
- Tough lending norms by Indian banks
- Multiplicity of taxes; local governments unaware of the potential of tourism industry
- Opaque licensing process is a major reason for delay in project execution

Risks and concerns

(A) Information Technology

The following lists our risks and concerns pertaining to Information Technology:

- Our revenues and expenses are difficult to predict and can vary significantly from period to period. We may not be able to sustain our previous profit margins or levels of profitability.
- Our success depends largely upon our highly skilled technology professionals and our ability to hire, attract, motivate, retain and train these personnel.

- We may face difficulties in providing end-to-end business solutions for our clients, which could lead to clients discontinuing their work with us, which in turn could harm our business.
- Intense competition in the market for technology services could affect our cost advantages, which could reduce our share of business from clients and decrease our revenues.
- Our revenues are highly dependent upon a small number of clients, and the loss of any one of our major clients could significantly impact our business.
- Our failure to complete fixed-price, fixed-time frame contracts or transaction-based pricing contracts within budget and on time may negatively affect our profitability.
- Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and in the industries on which we focus.
- We may be liable to our clients for damages caused by disclosure of confidential information, system failures, errors or unsatisfactory performance of services.

(B) Hospitality and Tourism

General economic conditions

As is typical in the hotel industry, your Company faces the risks from socio-political environment from both natural and political factors. Natural calamities, international political conflicts, cross border terrorism which affect the travel, affects the business.

The hotel sector is also unfavourably affected by factors such as changes in the global and domestic economies, local market conditions, excess hotel supply or reduced international or local demand for hotel rooms and associated services, competition in the industry, changes in interest rates, the availability of finance and other natural and social factors. Since demand for hotels is affected by world economic growth, a global recession could lead to a downturn in the hotel industry.

Risks associated with the Company

Company Specific Risks

The Company specific risks remain by and large the same as enumerated in the last year. These are:

Business Risk

Diversity of revenue streams on the basis of guest profile mix of foreign versus domestic guests, dependence on airline crew and corporate versus free individual travellers is also evaluated while rating a hotel company. These segments display quite different characteristics at various points in time and can impact the revenues of a hotel company in different ways. For example, a higher dependence on airline crew is likely to result in lower

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ARRs for a hotel company, although it provides stability to occupancies, which could be particularly beneficial during slack seasons

The quality and location of a property portfolio are important in determining the relative level and volatility of a hotel company's earnings. Portfolios with properties in gateway cities, key business centres and popular leisure destinations may provide some buffer during periods of economic slowdowns as occupancies may not decline as sharply. The strategic location of a property near a place of interest, commercial area, etc. also helps attract more and repeat customers. Quality of property is also important, not only to attract customers, but also to create brand strength. Room (occupancy) market share in key markets is a widely used indicator of brand strength.

Branding and marketing strengths are critical success factors for any hotel company. Company's investment in advertising and brand building, as reflected by its ability to command premium pricing, maintain customer loyalty, and secure attractive management contracts

Heavy Dependence on India

A significant portion of your Company's revenues are realised from its Indian operations, making it susceptible to domestic sociopolitical and economic conditions. Moreover, within India, the operations and earnings are primarily concentrated in hotel properties in Pune, Kerala, Shirdi, Malvan, Goa and Panvel (Mumbai).

Risk of wage inflation

The hotel industry needs employees with aptitude and skills and with demand for the same improving across the industry, the Company is of the opinion that wage inflation is a critical factor in determining costs for the Company. Thus, your Company will continue to focus on improving manpower efficiencies and creating a lean organisation, while maximizing effectiveness in terms of customer service and satisfaction, as an area of great importance for the management of your Company.

Increased outbound travel

Recent competitiveness in international airfares has resulted in destinations like Europe, South East Asia and Australia becoming more affordable to the average Indian traveler. This has increased outbound travel and presents a risk to the domestic segment for leisure resorts

Foreign exchange fluctuation risks

Your Company also has a portfolio of foreign currency debt, in respect of which it faces exposure to fluctuations in currency as well as interest rate risks

Risk mitigation initiatives

To successfully counter the risk from growing competition and

new properties, your Company is renovating and repositioning its properties and improving its service standards. Operating and financial leverage, leveraging the strengths of its Associates and subsidiary companies.

Envisaging entering into Joint ventures, forming Limited Liability Partnerships, Business Management agreements for generating additional revenues this would also assist the Company in mitigating foreseeable risk.

Acquiring and constructing newer projects/ hotels and mixed use projects will certainly add to the top line and bottom-line of the company and will give competition to other industry players.

Internal control systems and their adequacy

Your Company has established proper and adequate system of internal control to ensure that all resources are put to optimum use and are well protected against loss, and all transactions are authorized, recorded and reported correctly. There is proper adherence to policies, processes and guidelines in terms of efficiencies and effectiveness. The thrust of the reviews were as follows:

- 1) Identify weaknesses and areas of improvement.
- 2) Management of business and operational risks
- 3) Safeguarding tangible and intangible assets
- 4) Compliance with defined policies and processes.
- 5) Compliance with applicable statutes.
- 6) Compliance with the Panoramic Universal's Code of Conduct.

The Audit Committee of the Board has reviewed the adequacy of the internal control environment through continuous review of the audit findings and monitoring the implementation of the Internal Audit recommendations through the compliance reports submitted by the management.

As in the earlier years, the Company continued its practice of implementing the ethical standards as defined in the Panoramic Universal's Code of Conduct.

Analysis of financial performance with respect to operational performance

Financial Performance Summary (stand-alone)

Revenues

Your company has earned total revenue of Rs. 4,814 Lacs as against the previous year's revenue of Rs. 4,541 Lacs, an increase by 6% over the last year.

The income from information technology increased by 14% to Rs. 4,155 Lacs from Rs. 3,635 Lacs in the previous year.

The income from hospitality business increased by 59% to

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Rs. 547 Lacs from Rs. 345 Lacs in the previous year and other income decreased by 80% to Rs. 113 Lacs from Rs. 561 Lacs in the previous year.

Expenditure

The total expenditure increased by 3% to Rs.2,466 Lacs from Rs. 2,391 Lacs in the previous year. The increase of Rs. 75 Lacs is largely on account of increase in payroll costs and General and Administration Expenses.

Profit Before Tax (PBT)

The PBT grew by 9% to Rs. 2,348 Lacs from Rs. 2,150 Lacs in the previous year.

Profit After Tax (PAT)

The PAT rose by 12% to Rs. 2,134 Lacs from Rs. 1,904 Lacs in the previous year.

Financial Performance Summary (consolidated)

Revenues

Your company has earned total revenue of Rs. 13,378 Lacs as against the previous year's revenue of Rs. 15,105 Lacs, a decrease of 11% compared to last year on account of subdued performance of US operations.

Expenditure

The total expenditure has shown a decrease of 11% to Rs. 8,633 Lacs as compared to Rs. 9,698 Lacs in the previous year.

Profit Before Tax (PBT)

The PBT dropped by 12% to Rs. 4,745 Lacs from Rs. 5,407 Lacs in the previous year.

Profit After Tax (PAT)

The PAT dropped by 11% to Rs. 3,482 Lacs from Rs. 3,892 Lacs in the previous year.

The Company has been on an augmentation lane and the constant efforts by the Company to improve its efficiency, productivity and profitability will perk up overall returns in the coming years.

Human Resources and Industrial Relations

An organization's performance largely depends on its talent. Employers are challenged, not only by the intensity and the focus required to attract and recruit top talent into the organization but also the effort it takes to keep new associates engaged for

long term satisfaction and loyalty. Your Company is committed to building an organization of high performers who possess:

- Ability to seize new opportunities
- Flexibility to anticipate and respond to changing business needs
- Motivation to attain greater levels of success

During the year ended 31st March, 2010 your Company employed 130 persons which includes executives, bargainable staff, probationers, apprentices and contract employees.

Your Company seeks regular feedback from its employees to ascertain their levels of satisfaction and to ensure that employees' morale and motivation are constantly improved. Critical human resource issues are analysed, corrective action initiated and results monitored regularly. Your company believes that alignment of all employees to a shared vision and purpose is important for winning in the market place.

The Company's mission is to make a mark in the Hospitality industry and to deliver value to its customers by rewarding and recognizing quality customer care based upon individual and team performance. The Company provides opportunities for continuous learning and development and abides by fair policies to ensure the well being of its employees, their family, the community and the environment.

Industrial relations throughout the year were cordial at all hotels and operating units of your Company.

Forward-looking Statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'envisage', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

1. COMPANY'S PHILOSOPHY

The Company adheres to high standards of business ethics. It has a commitment to corporate social responsibility and believes that it would help the Company achieve its goal of maximizing value for all its stakeholders. The Board believes that sound corporate practices based on openness, credibility and accountability is essential to its long-term success.

Corporate Governance systems have evolved over centuries, often in response to corporate failures or systemic crisis. Each crisis or major corporate failure often a result of incompetence, fraud or abuse was met by new elements of an improved system of corporate governance. Through this process of continuous change, countries have established a complex mosaic of laws, regulations and implementation capacity in the Government and the private sector. The objective is not to shackle corporations but rather to balance the promotion of enterprise with greater accountability. The systematic enforcement of laws and regulations has created a culture of compliance that has shaped business culture and the management ethos of companies, spurring them to improve as a means of attracting human and financial resources on the best possible terms.

(iii) Director's Attendance record and directorship held:

Table 'I'

Name of Director	Category	Attendance		No. of Directorships held in other companies ⁽¹⁾	No. of Committee Positions held in other companies ⁽²⁾	
		Board	Last AGM		Chairman	Member
Mr. Sudhir Moravekar ⁽³⁾	Promoter, Non-Executive Chairman	1	Yes	5	None	None
Ms. Viidya Moravekar ⁽³⁾	Managing Director	3	Yes	9	None	None
Mr. Arun Tari	Whole-Time Director	4	Yes	2	None	None
Mr. Siddhartha Moravekar ⁽³⁾	Non-Executive	1	Yes	2	None	None
Mr. Mehul Parekh	Non-Executive, Independent	-	No	None	None	None
Ms. Hemalata Sawant	Non-Executive, Independent	5	Yes	1	None	None
Mr. Vilas Mitbawkar	Non-Executive, Independent	5	Yes	2	None	None
Mr. Abeezar Faizullahbhoj	Non-Executive, Independent	1	No	1	None	2
Mr. Rajendra Gawde ⁽⁴⁾	Non-Executive, Independent	1	No	None	None	None
Mr. Dnyanaraj Moravekar ^{(3) (4)}	Non-Executive	1	No	None	None	None
Dr. Arun Pradhan ⁽⁵⁾	Non-Executive, Independent	-	No	None	None	None

Notes :

(1) Directorship in other companies does not include alternate directorships, directorships of private companies, companies incorporated under Section 25 of the Companies Act, 1956

In addition to its staunch adherence to its philosophy and values, the Company has fully complied with all the mandatory requirements stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, which deals with the compliance of Corporate Governance requirements.

2. BOARD OF DIRECTORS

(i) Composition of the Board:

As on 31st March, 2010 the Board comprises of ten Directors, with a Non-Executive Chairman. Of the ten directors, eight (i.e. 80%) are Non-Executive Directors and five (i.e. 50%) are Independent Directors. The aforesaid composition of the Board is in conformity with the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges. Details about Board of Directors are given in Table 'I'.

(ii) Number of Board meetings:

During the period under review, five Board meetings were held on 29th April 2009; 30th July 2009, 25th August 2009, 30th October 2009 and 28th January 2010. As required under Clause 49 of the Listing Agreement, the time gap between two Meetings did not exceed four months.

and of companies incorporated outside India.

(2) In counting the number of Committees of which a Director is a Member or Chairman in other Companies, Audit Committee and Share Transfer cum Investor Grievance

Corporate Governance Report (contd.....)

Committee have been considered.

- (3) Mr. Sudhir Moravekar, Ms. Viidyaa Moravekar, Mr. Siddhartha Moravekar and Mr. Dnyanaraj Moravekar are relatives within the meaning of Section 6 read with Schedule IA of the Companies Act, 1956.
- (4) Appointed as Additional Directors with effect from 30-10-2009.
- (5) Ceased to be a Director with effect from 20-04-2009.

(iv) Company's Code of conduct

The Board has laid down a code of conduct for all directors and senior management personnel of the Company, which is also available on the Company's website www.panoramicuniversal.com. The Code is circulated annually to all the Board members and senior management and the compliance of the same is affirmed annually. Any breach of the aforesaid Code is required to be brought to the notice of the Compliance Officer or the Managing Director and is required to be reported to the Board of Directors of the Company for necessary action.

A declaration signed by the Managing Director regarding affirmation of the compliance with the Code of Conduct is appended at the end of this report.

3. BOARD COMMITTEES

In Compliance with the Listing Agreement (both mandatory and non-mandatory), the SEBI Regulations, the Board has constituted a set of committees with specific terms of reference and scope. The committees operate as empowered agents of the Board as per their charter/terms of reference.

The details of the Committees constituted by the Board are given below:

(i) AUDIT COMMITTEE

Your Company has an Audit Committee at the Board level which acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors and oversees the financial reporting process. The Committee performs the functions enumerated in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

- **Broad Terms of Reference**

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter-alia perform the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment of any other service;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing with the Management, the quarterly financial statements before their submission to the Board for approval;
- reviewing with the Management the annual financial statements of the subsidiary companies;
- reviewing with the Management and the external and internal auditors, the adequacy of internal control systems;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- monitoring the Code of Conduct of the Directors and Senior Management of the Company.

- **Composition and Details of Meetings**

During the year, the Audit Committee met five times on 29th April, 2009; 30th July 2009; 25th August 2009; 30th October 2009 and 28th January, 2010. The attendance of the members was as follows:-

The Composition of the Audit Committee and the meetings attended by its members are given below:

Name of Director	Status	Category	No. of Meetings	
			Held	Attended
Mr. Mehul Parekh	Chairman	Non-Executive, Independent	5	5
Mr. Vilas Mitbawkar	Member	Non-Executive, Independent	5	5
Ms. Hemalata Sawant	Member	Non-Executive, Independent	5	5

Mr. Sanjive Arora, Company Secretary, acts as the Secretary of the committee.

Corporate Governance Report (contd.....)

(ii) REMUNERATION CUM COMPENSATION COMMITTEE

The Company has set up a Remuneration Committee in terms of Clause 49 of the Listing Agreement and Schedule XIII to the Companies Act, 1956.

- **Broad Terms of Reference**

The scope of the remuneration cum compensation committee is to consider and recommend remuneration of Executive, Whole-time or Managing Director or Manager at the time of appointment or alteration thereof subsequent to the appointment.

The enhanced scope of the committee consequent to floating of Employee Stock Option Scheme (ESOS) is as under:

1. Formulation, from time to time, of an Employee Stock Option Scheme/s and/or Employee Stock Purchase Scheme for the employees of the Company and its associate/group companies; and to decide the terms and conditions of the Scheme including:
 - a. The quantum of options to be granted under an ESOS per employee and in aggregate
 - b. The conditions under which options vested in employees may lapse in case termination of employment for misconduct
 - c. The exercise period within which the employee shall exercise the vested options in the event of termination or resignation of an employee
 - d. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee
 - e. The right of an employee to exercise all options vested in him at one time or at various points of time during the exercise period
 - f. The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issue, bonus issue, merger, sale or sub-division and others. In this regard, following shall be taken into consideration by the Remuneration cum Compensation Committee -
 - (i) the number and price of ESOS shall be adjusted in a manner such that the total value of the ESOS remains the same after corporate action
 - (ii) for this purpose global best practices in this area including the procedures followed by the derivative markets in

India and abroad shall be considered (iii) the vesting period and the life of options shall be left unaltered as far as possible to protect the rights of the option holders

- g. The grant, vesting and exercise of options in case of employees who are on long leave
 - h. The procedure for cashless exercise of options.
2. Acting as Administrator of the Company's Employee Stock Option Scheme/s drawn up from time to time and administering within the terms and conditions of the said Scheme/s and,
 3. Granting stock options or stock purchase rights to individuals eligible for such grants under the Scheme/s and applicable law (including grants to individuals subject to the provisions of the Companies Act, 1956, Securities and Exchange Board of India Act 1992 and any other Guidelines/ Rules/Regulation prevailing or introduced or modified from time to time and amending such stock options or stock purchase rights.
 4. Frame suitable policies and systems to ensure that there is no violation of SEBI (Prohibition of Insider Trading) Regulations 1992 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 1995.
 5. Making recommendations to the Board of Directors with respect to amendments to the plans and changes in the number of shares reserved for option holders under the ESOS Scheme 2009 of the Company."

- **Composition and Details of Meetings**

Name of Director	Status	Category
Mr. Mehul Parekh	Chairman	Non-Executive, Independent
Mr. Vilas Mitbawkar	Member	Non-Executive, Independent
Ms. Hemalata Sawant	Member	Non-Executive, Independent

During the year, no meeting of the committee was held.

- **Remuneration Policy**

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed, pay, benefits and Economic Value Added Analysis based variable pay. Individual performance pay is determined by business performance and the

Corporate Governance Report (contd.....)

performance of individual measured through the annual appraisal process.

The recommendations of the Committee are based on evaluation of the performance of Managing Director and Whole-time Director on certain parameters, as laid down by the Board as part of the self-evaluation process and Company's Rules / Policies. In terms of the guidelines, the Company ensures that the remuneration by way of salary and other allowances and monetary value of perquisites should be within the

overall limit as specified under the Companies Act, 1956. In the event of absence or inadequacy of Net profits in any financial year, the remuneration payable to the managerial person(s) shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956 or any modification thereto.

Details of remuneration paid to the Managing Director and Executive Director of the Company during the year under report are as under:

Name of Director & Period of Appointment	Salary (Rs In Lakhs)	Benefits Perquisites & Allowances (Rs. in Lakhs)	Commission (Rs. in Lakhs)	Stock option
Ms. Viidyaa Moravekar – Managing Director (w.e.f. 1 st December, 2008 for a period of 3 years)	26.04	12.21	24.06	Nil
Mr. Arun Tari – Whole Time Director (w.e.f. 1 st December, 2006 for a period of 5 years)	10.13	5.00	-	Nil

The Non Executive Directors do not receive any compensation from the Company.

None of the Non Executive Directors have any pecuniary relationship or transaction with the Company.

(iii) SHARE TRANSFER CUM INVESTOR GRIEVANCE COMMITTEE

• Broad Terms of Reference

The Committee looks into redressal of the shareholders' complaints in respect of any matters including the transfer/ transmission of shares, non-receipt of dividend/ annual reports/ notices, dematerializations/ rematerializations of shares, etc.

The Committee monitors operations of the Investors' services department and encourages its team members to provide qualitative services and ensures expeditious redressal of investor grievances.

• Composition and Details of the Share Transfer cum Investors' Grievances Committee Meetings

During the year, the Share Transfer Committee met twelve times on 29th April, 2009; 15th June, 2009; 30th July, 2009; 1st

September, 2009; 18th September 2009; 30th October 2009; 18th November 2009; 10th December 2009; 31st December 2009; 30th January, 2010; 8th March 2010 and 31st March, 2010.

The details of attendance are as below:

Name of Director	Status	Category	No. of Meetings	
			Held	Attended
Mr. Mehul Parekh	Chairman	Non-Executive, Independent	12	12
Mr. Siddhartha Moravekar	Member	Non-Executive	12	6
Mr. Arun Tari	Member	Executive	12	12

Mr. Sanjive Arora, Company Secretary, is the Compliance Officer.

The status of investor complaints received, during the year are given below:-

Number of complaints received during the year	Nature of complaints	No. of complaints resolved	No. of Complaints pending
Share Transfer/ Transmission	0	0	0
Dividend	0	0	0
Others	0	0	0
Total	0	0	0

The status of complaints is reported to the Board on a quarterly basis.

Corporate Governance Report (contd.....)

4. GENERAL BODY MEETINGS

• Details of Annual General Meetings held during three previous financial years

Year	Date and Time	Venue	Special resolutions
2008-09	30.09.2009 11.00 a.m.	Hotel Kohinoor Park, Veer Savarkar Marg, Opposite Siddhivinayak Temple, Prabhadevi, Mumbai - 400 025	<ul style="list-style-type: none"> Issue of ADR/ GDR/ FCCB/ Other Securities. Issue of Securities through Qualified Institutional Placement Route.
2007-08	29.09.2008 11.00 a.m.	Hotel Kohinoor Park, Veer Savarkar Marg, Opposite Siddhivinayak Temple, Prabhadevi, Mumbai - 400 025	<ul style="list-style-type: none"> Re-appointment of Ms. Viidyaa Moravekar as Managing Director of the Company. Issue of preference Shares to Promoters Group Company on private placement basis. Issue of GDR/ FCCB/ Other Securities. Issue of Securities through Qualified Institutional Placement Route. Insertion of new sub-clause under Clause III (C) of the Memorandum of Association of the Company. Place of keeping of register and Index of Members.
2006-07	29.09.2007 11.00 a.m.	Hotel Kohinoor Park, Veer Savarkar Marg, Opposite Siddhivinayak Temple, Prabhadevi, Mumbai - 400 025	<ul style="list-style-type: none"> Issue of Preference shares to Promoter Group Company on private placement basis. Issue of GDR/FCCB/Other Securities. Issue of securities through Qualified Institutional Placement Route. Issue of further equity shares on Right basis. Increase in limits for FII Investments.

• Details of special resolution passed through postal ballot

The Company sought approval of members of the Company by means of Postal Ballot vide Notice dated 29th April, 2010, for passing the special resolution under section 17 of the Companies Act, 1956, for insertion of new sub-clause under clause III(C) of Other Objects of Memorandum of Association of the Company. Mr. Makarand Joshi, Practicing Company Secretary was appointed as the Scrutinizer for overseeing the Postal Ballot process. The aforesaid resolution was passed with the requisite majority, with 99.99% votes being cast in favour of the resolution.

The Company had complied with the procedure as specified by Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001 and amendments thereto. The Board has not recommended conducting of any Special Resolution for approval of the Members through Postal Ballot.

5. DISCLOSURES

• Related Party Transactions

In compliance with the Accounting Standard -18, transactions pertaining to related parties are given under Note No. 15 of Schedule 22 (Disclosures of related parties) to the Balance Sheet as at 31st March, 2010, and the Profit & Loss Account for the year ended on that date.

None of the transactions with any of the related parties were in conflict with the interest of the Company. All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.

• Legal Compliances

There has been no significant non-compliance by the Company

during the last three years. The Company has an elaborate reporting system on compliance of all major laws applicable to the Company, which is reviewed by the Board on quarterly basis. The Company has complied with all the mandatory requirements with regard to Clause 49 of the listing agreement. The Company is also actively considering compliance with the non mandatory requirements of Clause 49 with regard to Corporate Governance.

• Conflict of Interest

Based on the disclosures received by the Board from the Company's Senior Management Personnel, none of the Senior Management Personnel had any material financial or

Corporate Governance Report (contd.....)

commercial transactions wherein they had personal interest that could have a potential conflict with the interest of the Company at large.

• Accounting Treatment

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

• Business Ethics and Confidentiality

The Company promotes ethical behaviour in all its business activities. Employees are free to report violation of laws, rules, regulations or unethical conduct to their immediate supervisor. The report received from any employee is reviewed by the core committee. The Directors and Senior Management Personnel are obligated to maintain confidentiality of such reporting.

• CEO Certification

A certificate, in accordance with the requirements of Clause 49(V) of the Listing Agreement, duly signed by the Managing Director in respect of the year under review was placed before the Board and taken on record by it.

6. SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The Secretarial audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

7. MEANS OF COMMUNICATION

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreement within one month of the close of the respective period.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in the Free Press Journal and Navshakti newspapers within forty-eight hours of approval thereof.
- The Corporate Filing and Dissemination System (CFDS) jointly owned and managed by BSE and NSE is a site source to view information filed by listed companies. Pursuant to Clause 52 of the Listing Agreement, all disclosures and communication to BSE and NSE are filed electronically through the CFDS portal and physical copies of the said documents and correspondence are also filed with the stock

exchanges, all data related to quarterly financial results, shareholding pattern, etc.

- The Company's financial results, shareholding pattern and official news releases are displayed on the Company's Website www.panoramiconiversal.com. The financial results of subsidiaries of the Company are also available on the website of the Company.

- No formal presentations were made to the institutional investors and analysts during the year under review.

8. GENERAL SHAREHOLDER INFORMATION

• Annual General Meeting

Date and Time: 28th September, 2010 at 11.30 a.m.
Venue: Hotel Kohinoor Park, Veer Savarkar Marg, Opp. Siddhivinayak Temple, Prabhadevi, Mumbai-400 025

- The Financial year of the Company commences on April 1 each year and ends on March 31 of the following year.

• Financial Calendar

Financial reporting for quarter ended June 30, 2010	Last week of July 2010
Financial reporting for quarter ended September 30, 2010	Mid week of November 2010
Financial reporting for quarter ended December 31, 2010	Mid week of February 2011
Financial reporting for quarter ended March 31, 2011	Mid week of May 2011

• Date of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from 24th September, 2010 to 28th September, 2010 (both days inclusive) for the purpose of Annual General Meeting.

• Dividend Payment Date

Financial Year	Date of Declaration of Dividend	Proposed date for transfer to IEPF
2002-03	30th September, 2003	28 th October, 2010
2003-04	29th December, 2004	27 th January, 2012
2004-05	30th September, 2005	28 th October, 2012
2005-06	30th September, 2006	28 th October, 2013
2006-07	29th September, 2007	27 th October, 2014
2007-08	29th September, 2008	27 th October, 2015
2008-09	30th September, 2009	28 th October, 2016
2009-10 (Interim Dividend)	29th April, 2010	27 th May, 2017

Corporate Governance Report (contd.....)

• Listing on Stock Exchange

The equity shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The listing fees for the year 2010-11 have been paid to the Stock Exchanges.

• Stock Code

Trading symbol on NSE	PANORAMUNI
Trading scrip code on BSE	531816

• Corporate Identification Number

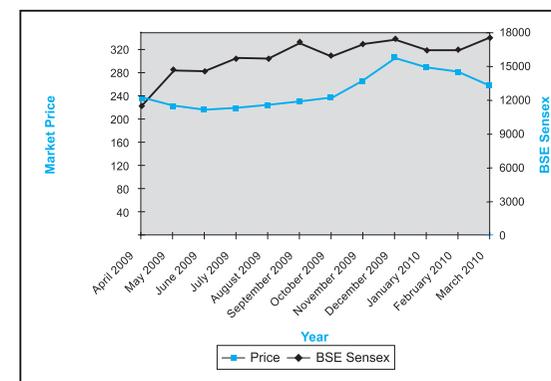
Corporate Identification Number of the Company allotted by the Ministry of Corporate Affairs, Government of India is L67190MH1992PLC066856.

• Market price Data (High, Low during each month in last financial Year)

The monthly high and low figures along with the trading volumes of shares of the company traded on the Bombay Stock Exchange and the National Stock Exchange are as under:-

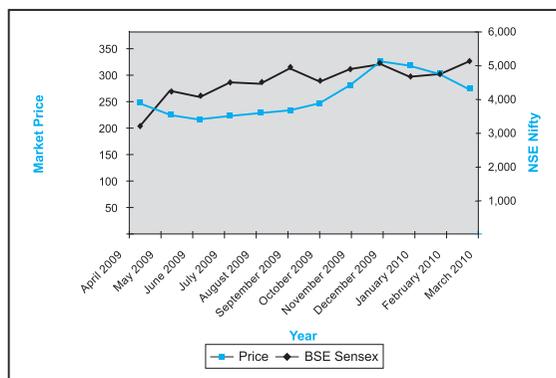
Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
April 2009	253.00	213.20	1,17,572	275.00	217.00	21,632
May 2009	259.70	200.00	3,20,598	265.00	206.00	2,31,118
June 2009	236.90	206.00	3,54,843	254.00	186.05	2,20,407
July 2009	239.95	200.00	3,44,436	230.00	186.75	3,77,464
August 2009	239.80	205.10	8,68,379	255.00	205.10	8,04,659
September 2009	242.00	215.55	9,62,984	258.00	215.10	7,89,991
October 2009	246.00	223.70	5,95,109	265.00	220.70	8,11,100
November 2009	285.00	227.00	7,11,986	279.90	220.25	10,17,760
December 2009	317.00	255.00	9,60,704	310.00	255.00	9,42,015
January 2010	323.95	276.20	8,54,002	324.90	282.00	7,81,737
February 2010	349.90	277.05	10,18,261	349.00	275.00	8,43,828
March 2010	310.05	250.05	3,20,211	304.70	251.00	1,90,928

• Panoramic Universal Limited share performance versus BSE Sensex



Corporate Governance Report (contd.....)

● Panoramic Universal Limited share performance versus NSE Nifty



● Registrar & Share Transfer Agents

As per the directions of the Securities and Exchange Board of India (SEBI) vide its Circular No. D&CC/FITTC/CIR-15/2002 dated December 27, 2002, M/s Sharex Dynamic (India) Private Limited have been appointed as the Registrar and Share Transfer Agents of the Company. The Details of the same are given below:

Name & Address : M/s. Sharex Dynamic (India) Private Limited
Unit No. 1, Luthra Industrial Premises, Safed Pool,
Andheri Kurla Road, Andheri (East), Mumbai – 400 072

Phone Number : 91 22 2851 5606 Fax: 91 22 2851 2885

E-mail ID : sharexindia@vsnl.com

Website : www.sharexindia.com

● Share Transfer System

Share Transfer cum Investors' Grievance Committee is authorised to approve transfer, transmission, etc. of Company's equity shares. Share transfer requests, which are received in physical form are processed and the share certificates returned within a period of 15 days in most cases, and in other cases within 30 days, from the date of receipt, subject to the documents being in order and complete in all respects. The Company obtains from a Company Secretary in practice a half yearly certificate of compliance with the share transfer formalities as required under clause 47(c) of listing agreement and files a copy of the same with the Stock Exchanges.

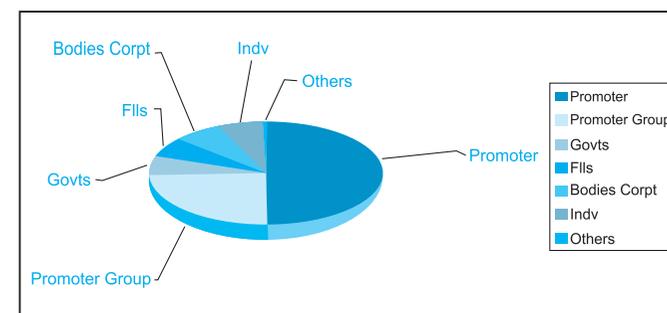
● Distribution of Shareholding as on 31st March 2010

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
I - 5000	1,471	91.77	2,24,356	1.73
5001 - 10000	39	2.43	64,501	0.50
10001 - 20000	25	1.56	71,198	0.55
20001 - 30000	23	1.44	1,13,604	0.88
30001 - 40000	2	0.12	14,036	0.11
40001 - 50000	6	0.37	56,282	0.43
50001 - 100000	13	0.81	1,98,468	1.53
100001 and above	24	1.50	1,22,15,055	94.27
Total	1,603	100.00	1,29,57,500	100.00

Corporate Governance Report (contd.....)

● Shareholding Pattern by ownership as on 31st March, 2010

	Category of Shareholder	No. of Shares	% of Shares
I	Promoter and promoter group		
	Promoter	64,49,802	49.78
	Promoter group	31,90,428	24.62
	Total Promoter and promoter group	96,40,230	74.40
II	Public Shareholding		
	Central Government / State Government(s)	8,01,386	6.18
	Foreign Institutional Investors	7,38,290	5.70
	Bodies Corporate	9,01,145	6.95
	Individuals	7,87,353	6.08
	NRIs	78,518	0.61
	Clearing Member	1,719	0.01
	Foreign Company	8,859	0.07
		Total Public Shareholding	33,17,270	25.60
	Total Shareholding (I+II)	1,29,57,500	100.00



● Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares representing 99.21% of the Company's share capital are dematerialized as on March 31, 2010.

The Company's shares are frequently traded at the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. ISIN for the Company's shares is INE194B01029.

- **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity**
The Company does not have any Outstanding GDRs / ADRs / Warrants or any convertible instruments, which has a likely impact on the equity of the Company.

Auditors' Certificate

Corporate Governance Report (contd.....)

- **Software Location**

The Company's Software Division and Business Development Centre is located at 357, Kalyandas Udyog Bhavan, Near Century Bazar, Prabhadevi, Mumbai 400 025. The Company has also commenced the operations of its Information Technology (IT) unit at Mahape, Navi Mumbai.

- **Indian Hotel Locations**

Hotel Sai Sahavas	Shirdi, Maharashtra
Graciano Cottages	Colva Beach, Goa
Hotel Sagar Kinara	Malvan, Maharashtra.
Panoramic Resort & Water Park	Panvel, Maharashtra

- **USA Hotel Locations**

The Georgian Resort	New York, USA.
Clarion Inn	Ohio, USA.
Econo Lodge	North Carolina, USA.
United Inn	New York, USA.
Baymont Inn and Suites	North Carolina, USA.

- **New Zealand Hotel Locations**

Sai Motels	Auckland, New Zealand
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- **Address for Correspondence**

For all queries related to Share Transfer, Dividend and correspondence for change of name, bank mandates etc.	For any other queries
Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072 Tel: 91 22 2851 5606 • Fax: 91 22 2851 2885 E-mail : sharexindia@vsnl.com	The Company Secretary Panoramic Universal Ltd. Aman Chambers, 4th Floor, Opp. New Passport Office, Veer Savarkar Road, Prabhadevi, Mumbai- 400 025. Tel: 91 22 6616 4000 • Fax: 91 22 2421 1260 E-mail : sanjive.arora@panoramicworld.biz

Declaration under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct

In accordance with sub-clause I(D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct laid down by the Company, for the financial year ended 31st March, 2010.

Viidyaa Moravekar
 Managing Director

Date : August 25, 2010

Place: Mumbai

Auditors' Certificate on Compliance with the conditions of Corporate governance under Clause 49 of the Listing Agreement
**To
 The Members of
 Panoramic Universal Limited**

We have examined the compliance of conditions of Corporate Governance by Panoramic Universal Limited (the Company) for the year ended 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with the 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 compliance with the conditions of Corporate Governance as stipulated in the said clause. 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the report given by the Registrar and Transfer Agent of the Company and placed before the Investors' Grievance Committee, as on 31st March, 2010, there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

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

For H. H. Topiwala & Co.
 Chartered Accountants
 Firm Registration No. 111022W

H. H. Topiwala
 Proprietor
 Membership No. 38660

Place : Mumbai
 Date : August 25, 2010

Auditors' Report

To the Members of Panoramic Universal Limited

Annexure to the Auditors' Report (contd.....)

We have audited the attached Balance Sheet of **Panoramic Universal Limited** ("the Company") as at March 31, 2010 and also the Profit and Loss Account for the year ended on that date annexed thereto 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.

We conducted our audit in accordance with generally accepted auditing standards 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 misstatements. 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 management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (the 'order') issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we give in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

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 purposes 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 those books and proper returns adequate for the purpose of our audit have been received from the USA and UAE branches not visited by us;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account 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) The audited Accountant's Review Report in respect of USA branch and audited Receipts and Payments Statement in respect of UAE branch have been forwarded to us and have been dealt with by us in preparing this report;
- (vi) On the basis of written representations received from the directors, as on March 31, 2010, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of Section 274 (1) (g) of the Companies

Act, 1956;

- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - b. In the case of the Profit and Loss Account, 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 H. H. Topiwala & Co.
Chartered Accountants
Firm Registration No. 111022W

Mumbai
August 25, 2010

H. H. Topiwala
Proprietor
Membership No. 38660

Annexure to the Auditors' Report

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) According to the information and explanation given to us, the management during the year has physically verified the fixed assets in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
 - (c) Substantial part of Fixed Assets has not been disposed off during the year as to affect the going concern.
2. In respect of its inventories:
 - (a) As explained to us, inventories were physically verified during the year by the management at regular intervals.
 - (b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - (c) The company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act 1956.
 - (a) The Company has taken interest free unsecured loan from a Company listed in the register maintained under section 301 of the Companies Act, 1956. In our opinion and according to the information and explanation given to us, the terms and conditions of the loan taken by the Company is not *prima facie* prejudicial to the interest of the Company.
 - (b) The Company has given interest free unsecured loan to a Company listed in the register maintained under section 301 of the Companies Act, 1956. In our opinion and according to the information and explanation given to us, the terms and conditions of the loan given by the Company is not *prima facie* prejudicial to the interest of the Company.
4. 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 inventory, fixed assets and also for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. In our opinion and according to the information and explanations given to us, where the Company has entered into transactions for the purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.500,000/- or more in respect of each party, the same has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits in terms of the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956.
7. In our opinion, the Company has an internal audit system, commensurate with its size and the nature of its business.
8. The central government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
9. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, wealth tax, sales tax, service tax, customs duty, excise duty, cess and other material statutory dues that were outstanding as at March 31, 2010 for a period of more than six months from the dates that they became payable.
10. The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash losses during the current year.
11. Based on our audit procedures and to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in the repayment of dues to financial institutions and banks.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. The Company in its own name has held all shares and other investments.
15. The company has given guarantee for loan taken by its overseas wholly owned subsidiary. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prejudicial to the interests of the company.
16. The Company has obtained Term loan during the year. The Company had not defaulted in repayment of dues to bank.
17. On the basis of review of statements of accounts and as confirmed by the management, fund raised on short-term basis have not been used for long-term purpose.
18. The Company has not made any preferential allotment of Shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. The company has not raised fund by way of public issue of shares during the year. Accordingly, clause 4(xx) of the Order is not applicable to the Company.
21. 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 statements to be materially misstated.

For H. H. Topiwala & Co.
Chartered Accountants
Firm Registration No. 111022W

Mumbai
August 25, 2010

H. H. Topiwala
Proprietor
Membership No.38660

Balance Sheet

AS AT 31st March, 2010

Particulars	Sch.	(Amt. in Rs.)	
		As at 31-03-2010	As at 31-03-2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	564,787,500	564,787,500
Reserves & Surplus	2	855,532,444	682,933,964
Loan Funds			
Secured Loan	3	166,764,434	240,665,074
Unsecured Loan	4	422,069,186	419,241,102
Total		2,009,153,564	1,907,627,640
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	907,041,655	856,293,807
Less: Depreciation		47,517,166	34,103,514
Net Block		859,524,489	822,190,293
Capital Work-In-Progress		26,840,971	5,720,971
Investments (At Cost)	6	745,070,379	750,341,894
Current Assets, Loans and Advances			
Inventories	7	921,443	1,751,585
Sundry Debtors	8	192,412,703	189,776,375
Cash and Bank Balances	9	13,954,158	58,157,983
Loans & Advances	10	211,917,670	165,396,122
		419,205,974	415,082,065
Current Liabilities and Provisions			
Current Liabilities	11	21,610,941	20,746,697
Provisions		85,786,817	82,556,799
		107,397,758	103,303,496
Net Current Assets		311,808,216	311,778,569
Deferred Tax Asset (Net)		55,829,509	-
Miscellaneous Expenditure	12	10,080,000	17,595,913
(To the extent not written off or adjusted)			
Total		2,009,153,564	1,907,627,640
Notes forming part of the Accounts & Accounting Policies	22		

As per our Report of even date For and on behalf of the Board
For H. H. Topiwala & Co.
 Chartered Accountants

(H. H. Topiwala)
 Proprietor
 Membership No.38660

(Viidyaa Moravekar)
 Managing Director

(Arun Tari)
 Whole - Time Director

(Sanjive Arora)
 Company Secretary

Mumbai, August 25, 2010

Mumbai, August 25, 2010

Profit and Loss Account

for the year ended 31st March, 2010

Particulars	Sch.	(Amt. in Rs.)	
		Year ended 31-03-2010	Year ended 31-03-2009
INCOME			
Income from Information Technology	13	415,486,019	363,466,822
Income from Hospitality	14	54,658,750	34,513,014
Other Income	15	11,284,293	56,124,892
Total		481,429,062	454,104,728
EXPENDITURE			
Materials Consumed	16	9,623,457	9,396,706
Personnel Expenditure	17	78,380,469	64,907,584
Software Development Expenses	18	58,484,369	78,722,140
General & Administrative Expenses	19	72,053,998	56,654,333
Depreciation & Amortisation	5	13,512,671	10,884,762
Interest and Finance Charges	20	7,387,205	13,371,055
Miscellaneous Expenditure Written Off	21	7,515,913	4,433,397
Provision for the diminution in value of Investments		(341,369)	700,465
Total		246,616,713	239,070,442
PROFIT BEFORE TAX			
Provision for Fringe Benefit Tax		-	510,000
Provision for Deferred Tax		(17,805,740)	-
Provision for Current Tax		39,195,340	24,095,000
PROFIT AFTER TAX		213,422,749	190,429,286
Add : Tax Paid for earlier year		-	50,760
Add : Deferred Tax Assets (accumulated) for earlier years		38,023,769	-
Add: Profit brought forward from the previous year		431,184,350	334,551,622
Amount available for appropriation		682,630,868	525,031,668
APPROPRIATIONS:			
General Reserve		25,385,204	15,000,000
Proposed Dividend :			
On equity shares		32,394,367	32,393,750
On preference shares		35,000,000	35,000,000
Tax on Dividend including surcharge		11,453,673	11,453,568
Balance carried to Balance Sheet		578,397,624	431,184,350
Total		682,630,868	525,031,668
Earnings Per Share (Equity shares, par value of Rs.5/- each)		13.31	11.54
Notes forming part of the Accounts & Accounting Policies	22		

As per our Report of even date For and on behalf of the Board
For H. H. Topiwala & Co.
 Chartered Accountants

(H. H. Topiwala)
 Proprietor
 Membership No.38660

(Viidyaa Moravekar)
 Managing Director

(Arun Tari)
 Whole - Time Director

(Sanjive Arora)
 Company Secretary

Mumbai, August 25, 2010

Mumbai, August 25, 2010

Cash Flow Statement

for the year ended 31st March, 2010

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
SOURCES OF FUNDS		
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	234,812,349	215,034,286
Adjustments for :		
Depreciation and Amortisation	13,512,671	10,884,762
Dividend received	(988,374)	(82,713)
Interest received	(211,984)	(351,256)
Loss / (Profit) on sale of Fixed Assets	727,804	1,297,483
Loss / (Profit) on sale of investment	-	(871,598)
Interest and Finance Charges	7,387,205	13,371,055
Preliminary Expenditure written off	7,515,913	4,433,397
	27,943,235	28,681,130
Operating profit before working capital changes	262,755,584	243,715,416
Movement in Working Capital :		
(Increase) / Decrease in Sundry Debtors	(2,636,328)	(108,928,862)
(Increase) / Decrease in Loans & Advances	(46,521,548)	(67,181,583)
(Increase) / Decrease in Inventories	830,142	(360,572)
(Increase) / Decrease in Misc Expenditure	-	(14,000,000)
Increase / (Decrease) in Current Liabilities	864,244	2,683,317
Increase / (Decrease) in Provision	3,230,018	74,936,296
	(44,233,472)	(112,851,404)
Cash generated from Operations	218,522,112	130,864,013
Direct Tax Paid	(21,389,600)	(24,605,000)
Prior period Items	38,023,769	50,760
Net Cash Flow from Operating Activities (A)	235,156,281	106,309,773
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(72,941,779)	(129,042,251)
Purchase of Investments	5,271,515	(218,176,495)
Sale of Investments	-	163,398,459
Sale of Fixed Assets	247,110	4,218,798
Dividend received	988,374	82,713
Interest received	211,984	351,256
Net cash Flow from Investing Activities (B)	(66,222,796)	(179,167,520)

Cash Flow Statement

for the year ended 31st March, 2010 (Contd.....)

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Unsecured Loan	2,828,084	(27,373,898)
Secured Loan from Bank	(73,900,640)	178,511,338
Deferred Tax	(55,829,509)	-
Dividend Paid	(67,394,367)	(67,393,750)
Additional Tax on Dividend	(11,453,673)	(11,453,568)
Interest Paid	(7,387,205)	(13,371,055)
Net cash Flow from Financing Activities (C)	(213,137,310)	58,919,067
Net Increase / (Decrease) in cash & cash equivalents (A+B+C)	(44,203,825)	(13,938,681)
Cash and Cash equivalents at the beginning of the year	58,157,983	72,096,664
Cash and Cash equivalents at the end of the year	13,954,158	58,157,983

As per our Report of even date
For H. H. Topiwala & Co.
Chartered Accountants

(H. H. Topiwala)
Proprietor
Membership No.38660

Mumbai, August 25, 2010

For and on behalf of the Board

(Viidya Moravekar)
Managing Director

Mumbai, August 25, 2010

(Arun Tari)
Whole - Time Director

(Sanjive Arora)
Company Secretary

Schedules forming part of the Balance Sheet

Particulars	(Amt. in Rs.)	
	As at 31-03-2010	As at 31-03-2009
SCHEDULE 1 : SHARE CAPITAL		
Authorised :		
50,000,000 Equity Shares of Rs.5 each	250,000,000	250,000,000
500,000,000 (Previous Year 500,000,000) Preference Shares of Rs.5 each	2,500,000,000	2,500,000,000
	2,750,000,000	2,750,000,000
Issued, Subscribed and Paid Up :		
12,957,500 Equity Shares of Rs.5 each fully paid up (includes 1,400,000 equity shares of Rs. 5 each, allotted as fully paid up Bonus shares out of free reserves)	64,787,500	64,787,500
100,000,000 7% Cumulative Non Convertible Redeemable Preference Shares of Rs.5 each (Redeemable within 20 years from the date of allotment)	500,000,000	500,000,000
	564,787,500	564,787,500
SCHEDULE 2 : RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	122,030,414	122,030,414
	122,030,414	122,030,414
Securities Premium Account		
As per last Balance Sheet	669,200	669,200
General Reserve		
As per last Balance Sheet	129,050,000	114,050,000
Transferred from Profit and Loss Account	25,385,204	15,000,000
	154,435,204	129,050,000
Profit and Loss Account		
Balance Carried Forward	578,397,626	431,184,350
	855,532,444	682,933,964
SCHEDULE 3 : SECURED LOAN		
From Banks		
Cash Credit	69,457,012	197,099,880
(Against mortgage of Office Premises and Property at Panvel Resort)		
Term Loan	83,601,143	43,565,194
(Against hypothecation of Motor Vehicles and mortgage of Office Premises.) (Repayable within one year Rs.71,541,291/-)		
From a Company	13,706,279	-
(Against mortgage of Office Premises) (Repayable within one year Rs.1,751,215/-)		
	166,764,434	240,665,074
SCHEDULE 4 : UNSECURED LOAN		
From Companies	422,069,186	419,241,102
	422,069,186	419,241,102

Schedules forming part of the Balance Sheet

DESCRIPTION	GROSS BLOCK (At Cost)		DEPRECIATION		NET BLOCK	
	As at 01-04-2009	Additions during the year	Deductions during the year	As at 01-04-2009	For the year	As at 31-03-2010
Freehold Land	427,513,444	-	-	-	427,513,444	427,513,444
Building	90,267,660	6,319,288	-	1,521,528	90,382,445	85,584,685
Office Premises	230,423,998	23,087,331	-	3,032,866	245,482,577	225,438,112
Plant & Machinery	21,951,769	233,576	-	1,046,889	16,947,716	17,761,029
Computers	18,904,411	12,887,942	-	3,315,495	19,791,890	10,219,443
Furniture & Fixtures	33,848,746	2,176,175	993,533	2,185,578	26,939,006	27,888,170
Vehicles	15,031,406	1,744,152	-	1,437,063	11,955,880	11,648,791
Office Equipments	6,895,757	3,163,851	-	387,931	8,920,266	6,144,346
Air Conditioner	4,951,475	1,007,830	80,400	255,752	4,738,639	4,051,714
Electrical Installations	6,505,141	1,201,636	-	329,568	6,852,627	5,980,559
Total	856,293,807	51,821,781	1,073,933	13,512,671	859,524,489	822,190,293
Previous Year	739,484,901	123,402,460	6,593,554	10,884,762	822,190,293	715,188,877
						26,840,971
						Capital Work in Progress (Previous year : Rs.5,720,971/-)

Schedules forming part of the Balance Sheet

Schedules forming part of the Balance Sheet

SCHEDULE 6 : INVESTMENTS (At Cost) - Long Term

Sr. No.	Name of the Company	No. of Shares / Units 31-03-2010	No. of Shares / Units 31-03-2009	Face Value Per Share (Rs.)	(Amt. in Rs.)	
					As at 31-03-2010	As at 31-03-2009
A)	Investment in Equity Shares (Non - Trade - Quoted, fully paid)					
1	Himachal Fut. Comm.	53,600	53,600	10	1,501,802	1,501,802
2	Swaraj Mazda (Punjab Tractors Ltd.)	300	300	10	62,133	62,133
3	Silverline	5,300	5,300	10	37,443	37,443
4	Tips Industries	5,000	5,000	10	197,837	197,837
5	Wellwin Industries Ltd.	3,500	3,500	10	53,350	53,350
6	Carol Info services Ltd.	1,900	1,900	10	60,115	60,115
	Total				1,912,680	1,912,680
	Less : Provision for Diminution in Value of Long Term Investments				898,528	1,239,897
	Total Long Term Investments				1,014,152	672,783
B)	Investment in Equity Shares (Non - Trade - Unquoted, fully paid)					
1	Inter-Connected Stock Exchange of India Ltd.	62,413	-	1	15,604,250	15,604,250
2	Panoramic Investment Advisors Pvt. Ltd.	2,400	2,400	10	24,000	24,000
3	Saraswat Co-Op Bank Ltd.	-	-	-	43,580	43,580
4	Zoarastrian Co op Bank Ltd	250	-	10	2,500	-
C)	Investment in Subsidiary Companies (Unquoted, fully paid)					
1	Shares with no par value of Panoramic Ace Properties Inc., USA	4,704	4,204	-	522,716,060	522,716,060
2	Shares with no par value of Sai Properties Inc., USA	220	220	-	24,084,000	24,084,000
3	Shares @ NZ\$ 1 each of Sai Motel Ltd, New Zealand	1,258,665	1,258,665	-	27,710,073	27,710,073
4	Shares of Panoramic Holidays Ltd	50,000	50,000	10	500,000	500,000
5	Shares of Indo Pacific Hotels Ltd	50,000	50,000	10	500,000	500,000
6	Shares of Panoramic Tour & Travels Ltd.	250,000	250,000	10	11,400,000	11,400,000
7	Shares of Sri Vatsa Hotels Ltd.	4,080,000	4,080,000	10	84,909,000	81,600,000
D)	Investment in Mutual Funds					
1	Reliance Natural Resource Fund Dividend Plan (NAV as on 31-03-2010 - Rs.9,893,203/-)	977,995	977,995	10	10,000,000	10,000,000
2	Sundaram BNP Paribas Growth Fund (NAV as on 31-03-2010 - Rs.4,801,467/-)	424,124	424,124	10	10,000,000	10,000,000
E)	National Savings Certificate	-	-	-	6,000	6,000
F)	Investment in Partnership Firms :-					
1	Graciano Cottages	-	-	-	25,738,726	23,729,399
2	Grand View Hotel Restaurant & Bar	-	-	-	10,818,038	21,751,749
	Grand Total				745,070,379	750,341,894

Aggregate Book Value of Investments

- Quoted - Market Value Rs. 1,133,022/- (Previous Year - Rs.6,82,203/-)
- There were no purchases and sales of units of Mutual Funds during the year

(Amt. in Rs.)

Particulars	As at 31-03-2010	As at 31-03-2009
SCHEDULE 7 : INVENTORIES (At Cost)		
Raw Materials (As taken, valued & certified by the management)	921,443	1,751,585
	921,443	1,751,585
SCHEDULE 8 : SUNDRY DEBTORS		
(Unsecured, Considered good subject to confirmation)		
Over six months	1,861,981	73,331
Others	190,550,722	189,703,044
	192,412,703	189,776,375
SCHEDULE 9 : CASH AND BANK BALANCES		
Cash in hand	2,148,347	2,465,783
Bank balances		
With Scheduled Banks	9,208,421	53,018,555
Commercial Bank of Dubai - UAE (Maximum balance during the year Rs.1,706,193/-)	645,350	1,263,645
Fixed Deposits with Scheduled Banks	1,410,000	1,410,000
T.T. in Transit	542,040	-
	13,954,158	58,157,983
SCHEDULE 10 : LOANS AND ADVANCES		
(Unsecured, Considered good subject to confirmation)		
Advances recoverable in cash or in kind or for value to be received	78,430,369	88,738,240
Accrued Interest	349,730	201,418
Loan to Subsidiaries	103,050,727	62,634,653
Advance for Technical Know How	-	10,112,387
Deposits	21,608,123	1,336,413
Advance Income Tax (Net of Provisions)	7,485,138	1,631,633
Prepaid Expenses	993,583	741,378
	211,917,670	165,396,122

Schedules forming part of the Balance Sheet

Particulars	(Amt. in Rs.)	
	As at 31-03-2010	As at 31-03-2009
SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	4,007,451	5,557,518
Unclaimed Dividend	865,395	778,746
Duties & Taxes	2,826,557	1,465,956
Other Liabilities	13,911,538	12,944,477
	21,610,941	20,746,697
PROVISIONS		
Provision for Gratuity	3,813,317	2,158,410
Provision for Leave Encashment	3,092,748	1,517,728
Provision for Proposed Dividend	67,394,367	67,393,750
Provision for Dividend Tax	11,453,673	11,453,568
Provision for Wealth Tax	32,712	33,343
	85,786,817	82,556,799
	107,397,758	103,303,496
SCHEDULE 12 : MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
GDR Issue Expenses	3,433,754	3,433,754
Less : Written off during the year	3,433,754	-
	-	3,433,754
Preliminary Expenses	-	75,118
Less : Written off during the year	-	75,118
	-	-
Pre-operative Expenditure	722,159	1,720,438
Less : Written off during the year	722,159	998,279
	-	722,159
Share Issue Expenses	13,440,000	2,800,000
Add : Addition during the year	-	14,000,000
	13,440,000	16,800,000
Less : Written off during the year	3,360,000	3,360,000
	10,080,000	13,440,000
	10,080,000	17,595,913

Schedules forming part of the Profit and Loss Account

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
SCHEDULE 13 : INCOME FROM INFORMATION TECHNOLOGY		
Income from I T Export	415,477,019	363,460,822
Income from DTA Sales	9,000	6,000
	415,486,019	363,466,822
SCHEDULE 14 : INCOME FROM HOSPITALITY		
Income from Lodging & Boarding	17,314,376	17,284,133
Income from sale of Food & Beverages	22,344,374	17,228,881
Management Fees	15,000,000	-
	54,658,750	34,513,014
SCHEDULE 15 : OTHER INCOME		
Dividend on Long Term Investments	988,374	82,713
Exchange Rate Fluctuations - Gain	-	40,322,096
Interest on FDR (TDS Rs 9,937/-)	211,984	351,256
Other Income	6,855,848	7,822,194
Profit on sale of Investments	-	871,598
Profit on Forward Booking	-	4,351,000
Share of Profit from Partnership Firms	3,228,087	2,324,035
	11,284,293	56,124,892
SCHEDULE 16 : MATERIALS CONSUMED		
Opening Stock	1,751,585	1,391,014
Add : Purchases during the year	9,821,043	9,757,277
	11,572,628	11,148,291
Less: Stock setoff against arbitration claim received	1,027,728	-
Less : Closing Stock	921,443	1,751,585
	9,623,457	9,396,706
SCHEDULE 17 : PERSONNEL EXPENDITURE (Salaries including Overseas Staff Expenses)		
Salaries & Allowances	60,515,154	50,386,443
Bonus & Ex-Gratia	130,115	220,352
Contribution to PF & ESIC	5,217,636	4,646,104
Director's Remuneration	7,744,458	5,788,572
Gratuity	1,098,907	699,956
Leave Encashment	1,680,686	1,363,646
Staff Training & Development Exps.	-	57,102
Staff Welfare Expenses	1,993,513	1,745,409
	78,380,469	64,907,584
SCHEDULE 18 : SOFTWARE DEVELOPMENT EXPENSES		
Consultancy charges	58,484,369	78,722,140
	58,484,369	78,722,140

Schedules forming part of the Profit and Loss Account

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
SCHEDULE 19 : GENERAL & ADMINISTRATIVE EXPENSES		
Advertisement & Sales Promotion	1,373,440	1,177,109
Audit Fees	423,618	332,614
Bad & Doubtful Debts Written off	32,089	-
Books & Periodicals	51,745	39,709
Commission / Discount Expenses	138,875	1,893,746
Communication Expenses	3,456,412	3,041,060
Computer Expenses	159,631	137,209
Consumables	34,825	54,361
Donation & Gifts	3,000	75,502
Electricity & Water Charges	5,704,736	3,583,575
Entertainment Expenses	55,080	61,085
Event Expenses	15,290	754,763
Exchange Rate Fluctuation Loss	10,948,353	-
Fuel	1,157,753	3,158,460
Housekeeping Expenses	889,412	1,148,953
Insurance Charges	597,805	281,643
Kitchen & Restaurant Expenses	276,764	175,972
License & Fees	1,414,232	1,296,006
Loss on Disposal / Sale of Fixed Assets	727,804	1,297,483
Membership & Subscription	154,747	396,298
Miscellaneous Expenses	318,325	457,324
Office Expenses	695,916	456,737
P.F. Administration Charges	523,518	516,493
Printing & Stationery	1,700,096	2,871,356
Processing Charges	166,259	-
Professional Fees	19,055,132	11,684,192
Rent	2,116,200	2,352,673
Rate & Taxes	3,782,247	1,600,193
Repairs & Maintenance :		
Buildings	635,123	1,553,456
Machinery	651,096	1,017,939
Others	2,809,552	3,180,888
Sales Tax / VAT Expenses	394,525	1,492,474
Security Charges	1,656,867	2,462,049
Software Integration Fees & AMC	661,800	-
Transportation expenses	200,831	390,923
Travel & Conveyance Expenses	6,574,679	5,664,528
Vehicle Expenses	2,463,509	2,014,217
Wealth Tax	32,712	33,343
	72,053,998	56,654,333

Schedules forming part of the Profit and Loss Account

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
SCHEDULE 20 : INTEREST & FINANCIAL CHARGES		
Bank Charges	201,689	302,778
Foreign Bank Charges	367,574	170,254
Interest on Secured Loan	6,817,942	12,898,023
	7,387,205	13,371,055
SCHEDULE 21 : MISCELLANEOUS EXPENDITURE WRITTEN OFF		
Merger & Acquisition Expenses	-	75,118
Miscellaneous Expenditures	706,899	714,859
Preliminary Expenses	15,260	283,420
GDR Issue Expenses	3,433,754	-
Share Issue Expenses	3,360,000	3,360,000
	7,515,913	4,433,397

Schedule 22 : Notes on Balance Sheet and Profit and Loss Account

Notes on Balance Sheet and Profit and Loss Account (contd...)

I SIGNIFICANT ACCOUNTING POLICIES:**a) System of Accounting:**

In compliance with the accounting standards referred to in Section 211 (3C) and other relevant provisions of the Companies Act, 1956 to the extent applicable, the Company follows the accrual system of accounting in general and the historical cost convention in accordance with the generally accepted accounting principles (GAAP), on going concern basis.

The preparation of accounting statements in conformity with GAAP requires the management to make assumption and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statement and the amounts of income and expenses during the period reported under the financial statements. Any revision to the accounting estimates are recognised prospectively when revised.

b) Fixed Assets:

Fixed assets are stated at historical cost less depreciation along with taxes, duties, freights and any directly attributable cost of bringing the asset to its working condition for the intended use up to the date of commissioning for operation, attributable to acquisition / construction of the concerned assets.

Capital work-in-progress includes cost of assets not ready for use, advances, expenditure incurred and interest on funds deployed.

c) Depreciation and Amortization:

Depreciation on fixed assets has been provided on straight - line method as prescribed in the Schedule XIV to the Companies Act, 1956.

d) Investments:

Long term investments are carried at cost of acquisition. However, provision for diminution in value of investments is made to recognise a decline, other than temporary, in the value of investments. Current investments are carried at the lower of cost and fair value.

e) Inventories:

Inventories of food materials and beverages, stores and supplies are valued at cost on First-In, First-Out basis

f) Employees benefit:**Post - employment benefit plans**

Contributions to defined contribution retirements benefits schemes are recognized as an expense when employees have rendered services entitling to contributions.

For defined benefit schemes, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuations at the balance sheet date, carried out by an independent actuary..

Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial gains and losses are charged to the profit and loss account

Leave encashment is another long term employee benefit and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company accrues for the expected cost of short term compensated absences in the period in which the employee renders services.

Contributions payable to the recognized provident fund, which is a defined contribution scheme, are charged to the profit and loss account.

g) Recognition of income and expenses:**Sales and Services :**

On time-and-materials contracts, revenue from software development is recognized as the related services are rendered and

billed to clients as per the terms of specific contracts. On fixed -price contracts, revenue is recognized based on the milestones achieved as specified in the contracts on the basis of the work completed.

In respect of Hospitality business, income comprising of room rentals ,food and beverages and allied services relating to hotel operations are recognized when services are rendered.

Income/ sales excludes taxes, such as Luxury Tax, Service Tax, etc.

Expenditure incurred on renovation/ improvement/replacement/repairs in or in relation to existing facility, structure, plant or equipments are charged off to revenue except in situation where these results in a long term economic benefit, in which cases these are capitalised. Where there is extension to building or increase in capacity of equipment & plant, the amounts incurred thereon are capitalised.

h) Taxation:

Provision for current taxation is on account of Minimum Alternate Tax in accordance with the Income Tax Law applicable to the assessment year and Wealth Tax for the year has been provided as per Wealth Tax Act and Rules, 1957

Deferred Tax is recognised on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation, or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Provision for Deferred Tax asset for earlier years has been shown after "Profit after Tax" in the Profit & Loss Account

i) Impairment of assets:

There was no impairment loss on Fixed Assets on the basis of review carried out by the Management in accordance with Accounting Standard 28 issued by the Institute of Chartered Accountants of India.

j) Foreign Currency Transactions:

Transactions arising from export of software, investment in overseas wholly-owned subsidiaries and remittances to overseas branches during the year have been translated into Indian Rupees at the exchange rate prevailing on the date of the particular transaction. Any gain or loss arising from exchange rate fluctuations has been taken to Profit & Loss Account.

In respect of income and expenditure at the overseas branches, month -end exchange rates have been adopted.

k) Deferred Revenue Expenses:

Deferred Revenue Expenses have been deferred to be written off over a period of five years.

l) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimates. Contingent Liabilities are not recognised in the financial statements but are disclosed by way of Notes to Accounts. The Contingent Assets are neither recognised nor disclosed in the financial statements.

2 Secured Loans:**a) Term Loans:**

(i) Term Loan of Rs. 227.24 lakhs from Saraswat Co-op Bank Ltd. is secured by mortgage of Office Premises at 4th Floor ,Aman Chambers, Prabhadevi, Mumbai 400025.

(ii) Term Loan of Rs.41.40 lakhs from Axis Bank Ltd. is secured by hypothecation of a vehicle

(iii) Term Loan of Rs.1.38 lakhs from Saraswat Co-op Bank Ltd. is secured by hypothecation of a vehicle.

(iv) Term Loan of Rs.566 lakhs from Union Bank India is secured against Mahim office premises and Land at Jaipur.

(v) Term Loan of Rs.137.05 lakhs from Indiabulls Financial Services Ltd. is secured against shop premises at Nav Bhavana Premises CHS Ltd. at Prabhadevi, Mumbai.

Notes on Balance Sheet and Profit and Loss Account (contd...)

b) Cash Credit:-

- (i) Cash Credit from Saraswat Co-Op Bank Ltd is secured by hypothecation of book debts and mortgage of Office Premises at 4th floor, Aman Chambers, Prabhadevi, Mumbai-400 025 and property at Panvel Resorts.

- 3 None of the suppliers had informed the Company that they are micro and small enterprises under the Micro, Small and Medium Enterprises Development Act. Hence information regarding dues to micro and small enterprises could not be furnished.
- 4 The Company has settled arbitration proceedings before the American Arbitration Authority for USD 1.10 millions against USA based TCBY Inc. for non-performance/non-adherence of contract terms and consequent damages and compensation. The compensation received has been adjusted against the receivable amount shown against the said company and related stock. The balance amount has been shown under Other Income in the Profit & Loss Account since the expenditure incurred thereon had been written off to Pre-operative expenditure in the earlier years.
- 5 GDR Issue Expenses amounting to Rs. 3,433,754/- has been written off to Profit & Loss Account since the GDR issue has been shelved by the Company.
- 6 Since the company has not appointed CFO, the Declaration as required under Clause 49 of the Listing Agreement has been signed by the Managing Director of the Company.
- 7 **Retirement benefit Plan:**

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out the non funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March 2010.

	(Amt. in Rs.)	
	As at 31-03-2010	As at 31-03-2009
i) Change in Benefit Obligations :-		
Projected Benefit Obligations ,beginning of the year (01-04-2009)	2,158,410	1,458,454
Service Cost	1,360,570	709,927
Interest Cost	172,673	116,676
Actuarial (Gain) / Loss on obligations	307,421	(126,647)
Benefits Paid	(185,757)	-
Projected Benefit Obligations, end of the year (31-03-2010)	3,813,317	2,158,410
ii) Change in Plan assets :	N.A.	N.A.
iii) Net Gratuity and other cost for the year ended 31st March 2010		
Service Cost	1,360,570	709,927
Interest on defined benefit obligation	172,673	116,676
Expected return on plan assets	N.A.	N.A.
Net actuarial (Gain)/ Loss recognized in the year	307,421	(126,647)
Net gratuity and other cost	1,840,664	699,956
iv) Category of Assets as at 31st March 2010	N.A	N.A
v) Assumption used in accounting for the gratuity plan :		
Discounting Rate (p.a)	8%	8%
Increase in Compensation Level	5%	5%
Expected rate of return on Plan assets	N.A.	N.A.
8 Investment in Partnership Firms	2009-10	2008-09
The details of Partnership Firms are as follows:-		
a) Graciano Cottages, Goa		
Total Capital & Current Account		
Capital Account	83,000	83,000
Current Account	25,655,726	23,646,399

Notes on Balance Sheet and Profit and Loss Account (contd...)

Name of the Partners	Share of Profit / (Loss)	
Panoramic Universal Ltd	95%	95%
Mrs. Usha Tari	5%	5%
b) Grand View Hotel Restaurant & Bar, Pune		
Total Capital & Current Account		
Capital Account	80,000	80,000
Current Account	10,738,038	17,728,752
Name of the Partners	Share of Profit / (Loss)	
Panoramic Universal Limited	80%	80%
Mrs.Viidyya S. Moravekar	15%	15%
Mrs.Usha Tari	5%	5%
9 Contingent Liabilities not provided for :		
I Estimated amount of capital commitments not provided for:	Rs.30.44 Lacs	Rs.264.27 Lacs
II Contingent Liabilities not provided for:	Rs. Nil	Rs.Nil
III Guarantees given on behalf of wholly owned subsidiary	60,507,000	68,269,500
10 Profit & Loss Account includes:		
Remuneration to Directors	7,744,458	5,788,572
Sitting Fees	Rs. Nil	Rs. Nil
Other Perquisites	Rs. Nil	Rs. Nil
11 Payment to Auditors		
For Audit	418,618	327,614
For other services	5,000	5,000
12 Remuneration to Directors of Rs.7,744,458/- includes Rs.2,406,020/- being commission payable to Managing Director		
13 Computation of Net Profit in accordance with Section 349 and 350 of the Companies Act, 1956		
	2009-10	2008-09
	(Amt. in Rs.)	(Amt. in Rs.)
Net Profit Before Tax	234,812,349	215,034,286
Add:		
Depreciation as per Books	13,512,671	10,884,762
Bad Debts Written Off.	32,089	-
Directors Remuneration	7,744,458	5,788,572
Loss on Sale of Fixed Assets	727,804	1,297,483
Provision for Wealth Tax	32,712	33,343
	22,049,734	18,004,160
Less:		
Depreciation as per section 350	13,512,671	10,884,762
Diminution in Value of Investments	341,369	(700,465)
	13,854,040	10,184,297
Net Profit for Managerial Remuneration	243,008,043	222,854,149
Commission payable to Managing Director @ 1% of Net Profit	2,406,020	2,206,477

Notes on Balance Sheet and Profit and Loss Account (contd...)

Notes on Balance Sheet and Profit and Loss Account (contd...)

14 The major components of Deferred Tax Asset / (Liability) are set out below:

Component	As on 31-03-2010 (Amt. in Rs.)	For the year ended 31-03-2010 (Amt. in Rs.)	As on 31-03-2009 (Amt. in Rs.)
Difference between Book & Tax			
Depreciation	(8,696,548)	(572,215)	(8,124,333)
U/s 43B of Income Tax, 1961	1,402,600	701,182	701,418
Accumulated Carried forward Loss & Unabsorbed Depreciation	63,123,457	17,676,773	45,446,684
Deferred Tax Asset / (Liability)	55,829,509	17,805,740	38,023,769

15 Disclosures of related parties for the year ended 31-03-2010

I Enterprises owned by directors / major shareholders of the Company

a) Subsidiaries:-

Panoramic Ace Properties Inc. USA
Sai Properties Inc. USA
Georgian Motel Corp. USA
Sai Living Hudson Inc. USA
Travel Universe Inc. USA
Sai Motels Limited-New Zealand
Indo Pacific Hotels Ltd.
Panoramic Holidays Ltd.
Panoramic Tours and Travels Ltd.
Sri Vatsa Hotels Ltd.

b) Enterprises Controlled by directors/relatives:-

Panoramic Hotels Ltd., Pancard Clubs Ltd., Pan Product Impex Pvt. Ltd, Panoramic Land Developers Pvt. Ltd, Smooth Financials Pvt. Ltd, Panoramic Resorts (India) Ltd., Pan Herbbo Ltd., Herbo Effect (India) Ltd, Panoramic Investment Advisors Pvt. Ltd., Panoramic Structures Pvt. Ltd, Sai Nirmaan Properties Ltd., Pan Ad, Grand View Hotel, Restaurant & Bar, Graciano Cottages, Hotel Pinnacle Ltd., Athiti Resorts Ltd., Golden Valley Hotels Ltd., Seaview Retreats Ltd.

2 Key Management Personnel

- a) Viidya Moravekar Managing Director
b) Arun Tari Whole - Time Director

3 Related party transactions:-

The Company entered into transactions with related parties during the year.
These transactions along with the relevant balances are set out as under:

	2009-10	2008-09
(i) Transactions with Director		
a) Remuneration		
Arun B. Tari	1,513,072	1,012,572
Viidya S. Moravekar	6,231,386	4,776,000
(ii) Transactions with Subsidiary Companies		
a) Reimbursement of expenses received		
Panoramic Tour and Travels Ltd.	953,819	1,138,113
Panoramic Holidays Ltd.	4,875,646	1,282,473
b) Sale of Room Nights		
Panoramic Tour and Travels Ltd.	56,294	-
Panoramic Holidays Ltd.	278,372	-

	2009-10	2008-09
c) Travelling Expenses		
Panoramic Tour and Travels Ltd.	4,961,458	3,424,597
d) Rent Received		
Panoramic Tour and Travels Ltd.	-	110,000
e) Sale of Food & Beverages		
Panoramic Holidays Ltd.	123,213	-
(iii) Transactions with Associates Companies		
a) Management Fee Received		
Pancard Clubs Ltd.	15,000,000	-
b) Sale of Room Nights		
Pan Herbbo Ltd.	139,128	-
Pancard Clubs Ltd.	816,635	48,000
c) Sale of Food & Beverages		
Pancard Clubs Ltd.	263,218	-
Pan Herbbo Ltd.	18,204	-
d) Sale of Assets		
Seaview Retreats Ltd.	275,000	-
(iv) Amount due from Associate Companies		
a) Panoramic Investment Advisors Pvt. Ltd.	50,000	50,000
b) Pan Herbbo Ltd.	-	19,000
(v) Amount due to Subsidiary		
a) Indo Pacific Hotels Ltd.	16,340,500	20,140,500
(vi) Amount due from Subsidiary		
a) Sri Vatsa Hotels Ltd.	49,937,042	24,840,863
b) Panoramic Holidays Ltd.	11,241,929	1,612,213
c) Panoramic Tour and Travels Ltd.	9,255,250	3,496,793
d) Sai Motels Ltd (NZ)	32,616,476	32,616,476
(vii) Dividend paid -Equity Shares		
Pancard Clubs Ltd	7,343,750	3,671,875
Panoramic Resorts (India) Ltd.	203,070	101,535
Panoramic Land Developers Pvt. Ltd.	107,250	53,625
Manda Mohan Phatarphekar	293,500	146,750
Usha Tari	27,500	13,750
Deepashree Tari	1,000	500
Sudhir S Moravekar	16,124,505	8,062,253
(viii) Dividend paid -Preference Shares		
Pancard Clubs Ltd	35,000,000	8,055,044
4 Loans/Advances in the nature of Loans given to Subsidiaries and Associates (Pursuant to clause 32 of the Listing Agreement) :-		
a) Sai Motels Ltd. (NZ) Subsidiary (Maximum Balance during the year Rs.32,616,476 /-)	32,616,476	32,616,476
b) Sri Vatsa Hotels Ltd. (Maximum Balance during the year Rs.49,937,042 /-)	49,937,042	24,840,863
c) Panoramic Holidays Ltd. (Maximum Balance during the year Rs11,241,929. /-)	11,241,929	1,612,213

Notes on Balance Sheet and Profit and Loss Account (contd...)

d) Panoramic Tour and Travels Ltd. (Maximum Balance during the year Rs.9,255,280 /-)	9,255,280	3,496,793
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Notes :-

- 1 Loans/Advances shown above, to subsidiary fall under the category of Loans/Advances in nature of Loans, where there is no repayment schedule and are re-payable on demand.
- 2 There are no investments by the loanees in the shares of the parent company and /or subsidiary companies.

16 Segment Reporting

Segment Identification:

- a) The Company's operations are focused on Software Development and Hospitality activities. Accordingly, these two business divisions comprises the primary basis of the segment information set out in the financial statements:
(Amt. in Rs.)

Particulars	IT Business	Hospitality Business	Total
REVENUE			
External Revenue and Other Income	420,015,759	61,413,303	481,429,062
Inter-Segment Revenue	-	-	-
Total	420,015,759	61,413,303	481,429,062
RESULT			
Profit before Depreciation, Interest & Tax	291,280,064	(17,762,099)	273,517,970
Depreciation	867,594	12,645,077	13,512,671
Interest	3,934,648	3,452,557	7,387,205
Taxation	39,195,340	-	39,195,340
Net Profit	247,282,482	(33,859,733)	213,422,749
OTHER INFORMATION			
Segment Assets	807,499,410	1,201,654,158	2,009,153,568
Segment Liabilities	22,723,949	566,109,675	588,833,624

- b) Secondary Segment Reporting is made on the basis of geographical regions. Revenues are segregated on the basis of the location of the customer who is invoiced or in relation to which the revenue is otherwise recognized.

(Amt. in Rs.)

Particulars	Asia	Rest of the World	Total
External Revenue	365,013,703	116,415,359	481,429,062

17 Additional information pursuant to the provisions of Part II of Schedule VI to the Companies Act, 1956:

(Amt. in Rs.)

	31-03-2010	31-03-2009
a) Value of Imports: (C.I.F. Value)		
Raw Materials	NIL	NIL
Capital Goods	NIL	NIL
Components and Spares	NIL	NIL
b) Expenditure in Foreign Currencies		
Foreign Bank Charges	367,574	170,254
Other Expenses	3,575,330	3,878,135
c) Earning in Foreign Currencies		
Software Export	415,477,019	363,460,822
Interest	-	243,729

Notes on Balance Sheet and Profit and Loss Account (contd...)

d) Quantitative Details

Since it is not practicable to give quantitative wise details in respect of Purchase, Consumption, Turnover, Stock etc. The department of Company Affairs in exercise its powers conferred by sub section (4) of Section 211 of the Companies Act, 1956, by its Order Number 46/166/2010-CL-III dated 5th August, 2010 has exempted the Company from giving such details for the year ending on 31st March 2010, 31st March 2011 and 31st March 2012. However, the said Order require the Company to disclose certain additional particulars which have been disclosed.

18 Earnings Per Share

	2009-10	2008-09
I Profit Attributable to Equity Shareholders (Rs.)	213,422,749	190,429,286
II Number of Equity Shares	12,957,500	12,957,500
III Nominal Value of Equity Share	Rs. 5	Rs. 5
IV Basic Earnings Per Equity Share	13.31	11.54

- 19 Corresponding figures for previous year presented have been regrouped, where necessary, to confirm to this year's classification.

As per our Report of even date
For H. H. Topiwala & Co.
Chartered Accountants

For and on behalf of the Board

(H. H. Topiwala)
Proprietor
Membership No.38660

(Viidyaa Moravekar)
Managing Director

(Arun Tari)
Whole - Time Director

(Sanjive Arora)
Company Secretary

Mumbai, August 25, 2010

Mumbai, August 25, 2010

Auditors' Report

To The Board of Directors of Panoramic Universal Limited on the Consolidated Financial Statements

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1 Registration Details:	
Registration No.	66856
State Code	11
Balance Sheet Date	31st March, 2010
2 Capital raised during the year (Amount in Rs. Thousands)	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement (Preference Shares)	NIL
3 Position of mobilisation and deployment of funds (Amount in Rs. Thousands)	
Total Liabilities	2,009,154
Total Assets	2,009,154
Sources of Funds	
Paid-up Capital	564,788
Reserves & Surplus	855,532
Secured Loans	166,764
Unsecured Loans	422,069
Application of Funds	
Net Fixed Assets	886,365
Investments	745,070
Net Current Assets	311,808
Deferred Tax Assets	55,830
Miscellaneous Expenditure	10,080
Accumulated Loss	NIL
4 Performance of Company (Amount in Rs. Thousands)	
Turnover	481,429
Total Expenditure	246,617
Profit Before Tax	234,812
Profit After Tax	213,423
Earnings Per Share (Rs./Share)	13.31
Dividend (Per Share)	Rs.2.50
5 Name of Principal Service of Company	
Item Code No.	85
Service Description	Software Development
Item Code No.	34
Service Description	Hotel & Tourism Related Industry

We have audited the attached consolidated Balance Sheet of **Panoramic Universal Limited** (the Company) and its subsidiaries and partnership firms (collectively referred to as "the Group") as at March 31, 2010 and the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

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 Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

I. We did not audit the financial statement / consolidated financial statement of certain subsidiaries and a partnership firm, whose financial statement / consolidated financial statements reflect total assets of Rs.110.37 crore as at 31st March, 2010, total revenue of Rs. 84.79 crore and cash flows amounting to Rs 4.96 crore for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.

2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, (AS) 23 and Accounting for Investment in Associates in Consolidated Financial Statement, as notified by the Companies (Accounting Standards) Rules, 2006 .

3. Based on our audit as aforesaid, and on consideration of reports of other auditors on the separate financial statements / consolidated financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March 2010;
- (ii) in the case of the Consolidated Profit and Loss Account, of the Profit of the Group for the year ended on that date; and
- (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For H. H. Topiwala & Co.
Chartered Accountants
Firm Registration No.111022W

Mumbai
August 25, 2010

H. H. Topiwala
Proprietor
Membership No.38660

Consolidated Balance Sheet

as at 31st March, 2010

Particulars	Sch.	(Amt. in Rs.)	
		As at 31-03-2010	As at 31-03-2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	914,787,500	564,787,500
Reserves & Surplus	2	1,690,905,210	1,536,757,808
Loan Funds			
Secured Loan	3	559,564,427	729,213,334
Unsecured Loan	4	475,959,354	803,178,172
Total		3,641,216,491	3,633,936,814
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	3,095,360,451	3,157,436,484
Less: Depreciation		576,702,569	564,115,786
Net Block		2,518,657,882	2,593,320,698
Capital Work-In-Progress		150,051,362	109,825,601
Investments (At Cost)	6	37,666,703	37,299,206
Current Assets, Loans and Advances			
Inventories	7	7,062,659	11,522,741
Sundry Debtors	8	312,814,869	285,561,067
Cash and Bank Balances	9	140,606,430	132,535,621
Loans & Advances	10	689,974,668	771,270,736
Minority Interest		(11,242,724)	(40,205,907)
		1,139,215,902	1,160,684,258
Current Liabilities and Provisions			
Current Liabilities	11	87,187,543	163,872,323
Provisions		187,105,396	123,778,883
		274,292,939	287,651,206
Net Current Assets		864,922,963	873,033,052
Deferred Tax Asset (Net)		48,950,350	(6,500,824)
Miscellaneous Expenditure	12	20,967,231	26,959,081
(To the extent not written off or adjusted)			
Total		3,641,216,491	3,633,936,814
Notes forming part of the Accounts & Accounting Policies	23		

As per our Report of even date For and on behalf of the Board

For H. H. Topiwala & Co.
Chartered Accountants

(H. H. Topiwala)
Proprietor
Membership No.38660

(Viidyaa Moravekar)
Managing Director

(Arun Tari)
Whole - Time Director

(Sanjive Arora)
Company Secretary

Mumbai, August 25, 2010

Mumbai, August 25, 2010

NOTE: Figures pertaining to Foreign Subsidiaries have been translated at exchange rates prevailing as on 31-03-2010

Consolidated Profit and Loss Account

for the year ended 31st March, 2010

Particulars	Sch.	(Amt. in Rs.)	
		Year ended 31-03-2010	Year ended 31-03-2009
INCOME			
Income from Information Technology	13	415,486,019	363,466,822
Income from Hospitality	14	867,997,198	1,033,632,253
Income from Travel Agency	15	39,784,520	47,305,128
Other Income	16	14,536,542	66,103,400
Total		1,337,804,279	1,510,507,603
EXPENDITURE			
Materials Consumed	17	75,143,071	82,253,385
Personnel Expenditure	18	289,115,241	291,285,830
Software Development Expenses	19	58,484,369	78,722,140
General & Administrative Expenses	20	321,936,100	388,245,123
Depreciation & Amortisation	5	73,921,824	60,695,571
Interest and Finance Charges	21	36,569,278	62,515,756
Preliminary Expenses Written Off	22	7,531,335	4,448,819
Provision for the diminution in value of investments		(341,369)	700,465
Minority Interest		974,415	898,646
Total		863,334,264	969,765,735
PROFIT BEFORE TAX		474,470,015	540,741,868
Less : Provision for Fringe Benefit Tax		-	552,915
Less : Provision for Deferred Tax		(17,798,751)	-
Less: Tax for the Current Year		144,048,575	151,017,290
PROFIT AFTER TAX		348,220,191	389,171,663
Less: Extraordinary Items		-	-
PROFIT AFTER EXTRAORDINARY ITEMS		348,220,191	389,171,663
Add: Provision for Taxation Written Back		(15,645)	122,556
Add: Prior Period Adjustments		(8,554,497)	120,075
Add : Deferred Tax Assets (accumulated) for earlier years		38,023,769	-
Add: Profit / (Loss) brought forward from the previous year		1,097,335,244	801,768,268
Amount available for appropriation		1,475,009,062	1,191,182,562
APPROPRIATIONS:			
General Reserve		25,385,204	15,000,000
Proposed Dividend			
On equity shares		32,394,367	32,393,750
On preference shares		35,000,000	35,000,000
Tax on Dividend including surcharge		11,453,673	11,453,568
Balance carried to Balance Sheet		1,370,775,818	1,097,335,244
Total		1,475,009,062	1,191,182,562
Earnings Per Share (Equity shares, par value of Rs.5/- each)		23.71	26.87
Notes forming part of the Accounts & Accounting Policies	23		

As per our Report of even date For and on behalf of the Board

For H. H. Topiwala & Co.
Chartered Accountants

(H. H. Topiwala)
Proprietor
Membership No.38660

(Viidyaa Moravekar)
Managing Director

(Arun Tari)
Whole - Time Director

(Sanjive Arora)
Company Secretary

Mumbai, August 25, 2010

Mumbai, August 25, 2010

NOTE: Figures pertaining to Foreign Subsidiaries have been translated at the average month end rate.

Consolidated Cash Flow Statement

for the year ended 31st March, 2010

	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax	474,470,015	542,654,254
Adjustments for :		
Depreciation and Amortisation	73,921,825	60,695,571
Dividend received	(1,009,502)	(125,380)
Interest received	(278,629)	(359,200)
Profit on sale of investment	-	(871,598)
Loss on Sale of Fixed Assets	-	1,912,386
Interest paid	36,569,277	62,515,756
Provision for diminution in value of investments	(341,369)	700,465
Preliminary Expenditure written off	7,531,335	4,448,819
	116,392,936	128,916,819
Operating Profit before working capital changes	590,862,951	671,571,073
Movement in Working Capital :		
(Increase) / Decrease in Sundry Debtors	(27,253,802)	(22,325,629)
(Increase) / Decrease in Inventories	4,460,082	(5,439,129)
(Increase) / Decrease in Loans & Advances	81,296,068	(260,168,547)
(Increase) / Decrease in Minority Interest	(29,937,598)	34,716,870
(Increase) / Decrease in Misc. Expenditure	(1,539,482)	(19,433,626)
Increase / (Decrease) in Current Liabilities	(76,684,780)	28,366,179
Increase / (Decrease) in Share Capital	350,000,000	-
Increase / (Decrease) in Provision	63,326,513	70,698,152
	363,667,001	(173,585,731)
Cash generated from Operations	954,529,951	497,985,342
Direct Tax Paid	(126,249,824)	(150,162,572)
Prior Period Items	29,453,627	242,631
Net Cash Flow from Operating Activities (A)	857,733,753	348,065,401
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(49,336,405)	(769,117,153)
Purchase of Investments	(26,128)	(125,842,665)
Sale of Investments	-	227,697,998
Sale of Fixed Assets	9,851,636	4,634,880
Extraordinary Items	-	(1,912,386)
Dividend received	1,009,502	125,380
Interest received	278,629	359,200
Net cash Flow from Investing Activities (B)	(38,222,766)	(664,054,746)

Consolidated Cash Flow Statement

for the year ended 31st March, 2010 (Contd....)

	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Secured Loan from Bank	(169,648,907)	65,539,705
Unsecured Loan	(327,218,818)	(4,205,726)
Deferred tax Asset	(55,451,174)	-
Dividend Paid	(67,394,367)	(67,393,750)
Additional Tax on Dividend	(11,453,673)	(11,453,568)
Minority Interest	974,415	898,646
Interest Paid	(36,569,278)	(62,515,756)
Net cash Flow from Financing Activities (C)	(666,761,802)	(79,130,449)
Adjustment on account of exchange rate	(144,678,376)	270,707,149
Net Increase / (Decrease) in cash & cash equivalents (A+B+C)	8,070,809	(124,412,645)
Cash and Cash equivalents at the beginning of the year	132,535,621	256,948,266
Cash and Cash equivalents at the end of the year	140,606,430	132,535,621

As per our Report of even date For and on behalf of the Board
For H. H. Topiwala & Co.
 Chartered Accountants

(H. H. Topiwala)
 Proprietor
 Membership No.38660

(Viidyaa Moravekar)
 Managing Director

(Arun Tari)
 Whole - Time Director

(Sanjive Arora)
 Company Secretary

Mumbai, August 25, 2010

Mumbai, August 25, 2010

NOTE: Figures pertaining to Foreign Subsidiaries have been translated at exchange rates prevailing as on 31-03-2010

Schedules forming part of the Consolidated Balance Sheet

	(Amt. in Rs.)	
	As at 31-03-2010	As at 31-03-2009
SCHEDULE 1 : SHARE CAPITAL		
Authorised :		
50,000,000 Equity Shares of Rs.5 each	250,000,000	250,000,000
500,000,000 (Previous Year 500,000,000) Preference Shares of Rs.5 each	2,500,000,000	2,500,000,000
	2,750,000,000	2,750,000,000
Issued, Subscribed and Paid Up:		
12,957,500 Equity Shares of Rs.5 each fully paid up (includes 1,400,000 equity shares of Rs. 5 each, allotted as fully paid up Bonus shares out of free reserves)	64,787,500	64,787,500
100,000,000 7% Cumulative Non Convertible Redeemable Preference Shares of Rs.5 each (Redeemable within 20 years from the date of allotment)	500,000,000	500,000,000
Share Application Money - Sai Nirman Properties Ltd.	350,000,000	-
	914,787,500	564,787,500
SCHEDULE 2 : RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	122,030,414	122,030,414
	122,030,414	122,030,414
Securities Premium Account		
As per last Balance Sheet	669,200	669,200
General Reserve		
As per last Balance Sheet	129,050,000	114,050,000
Transferred from Profit and Loss Account	25,385,204	15,000,000
	154,435,204	129,050,000
Profit and Loss Account		
Balance Carried Forward	1,370,775,818	1,097,335,244
Currency Translation Reserve	42,994,574	187,672,950
	1,690,905,210	1,536,757,808
SCHEDULE 3 : SECURED LOAN		
From Banks		
Cash Credit	69,457,012	197,099,880
(Against mortgage of Office Premises and Property at Panvel Resort)		
Term Loan	476,401,136	532,113,454
(Against hypothecation of Motor Vehicle and mortgage of Office Premises in India and hotel properties at USA.) (Repayable within one year Rs.88,739,270/-)		
From a Company	13,706,279	-
(Against mortgage of Office Premises) (Repayable within one year Rs.1,751,215/-)		
	559,564,427	729,213,334
SCHEDULE 4 : UNSECURED LOAN		
From Other Companies	475,959,354	803,178,172
	475,959,354	803,178,172

Schedules forming part of the Consolidated Balance Sheet

DESCRIPTION	GROSS BLOCK (At Cost)			DEPRECIATION			NET BLOCK	
	As at 01-04-2009	As at 31-03-2010	As at 01-04-2009	For the year	Deduction during the year	Transation Adjustment	As at 31-03-2010	As at 31-03-2009
Freehold Land	1,005,061,907	982,828,228	-	-	-	-	982,828,228	1,005,061,907
Building	1,215,028,021	1,138,344,697	207,087,938	24,150,721	278,059	(21,344,405)	988,728,502	1,008,340,083
Office Premises	230,023,998	253,511,329	4,995,886	3,032,866	-	-	245,482,577	225,428,112
Plant & Machinery	27,636,054	27,945,591	5,763,490	1,326,839	3,142	14,756	20,843,648	21,872,564
Computers	20,009,964	33,774,576	8,825,261	3,654,875	-	(12,260)	21,906,700	11,384,703
Furniture & Fixtures	408,372,616	398,428,247	287,869,541	27,709,388	90,1653	(33,168,573)	116,919,544	120,503,075
Motor Vehicle	28,366,850	29,921,047	9,308,054	2,978,932	-	(666,063)	18,900,124	19,058,796
Office Equipments	55,634,012	55,222,831	27,843,899	7,697,216	7,447	(3,349,108)	23,036,271	27,790,113
Air Conditioner	5,719,341	6,581,816	1,065,158	290,467	39,579	-	5,245,770	4,654,183
Electrical Installations	6,551,483	7,791,124	525,226	331,134	-	-	6,932,764	6,026,257
Goodwill	92,317,248	90,757,658	-	-	-	-	90,757,658	92,317,248
Borrowing Cost	2,334,867	2,067,233	1,013,908	87,882	(11,9576)	-	1,805,021	1,320,959
Capital Improvement	56,119,775	47,474,708	9,600,075	2,052,237	226,017	(1,179,845)	37,228,258	46,519,700
Franchise	3,260,248	2,071,136	217,350	607,267	-	(54,068)	19,940,817	3,042,898
Total	3,157,336,484	3,095,360,451	564,115,786	73,921,824	1,455,897	(59,879,144)	2,518,657,882	2,593,320,698
Previous Year	2,241,343,099	3,157,456,484	401,792,267	60,895,571	1,768,031	103,395,979	2,593,320,698	1,939,550,835

Capital Work in Progress
(Previous Year As. 09,825,601/-)

150,051,362

Schedules forming part of the Consolidated Balance Sheet

Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 6 : INVESTMENTS (At Cost) - Long Term

						(Amt. in Rs.)	
Sr. No.	Name of the Company	No. of Shares / Units 31-03-2010	No. of Shares / Units 31-03-2009	Face Value Per Share (Rs.)	As at 31-03-2010	As at 31-03-2009	
A)	Investment in Equity Shares (Non - Trade - Quoted, fully paid)						
1	Himachal Fut. Comm.	53,600	53,600	10	1,501,802	1,501,802	
2	Swaraj Mazda (Punjab Tractors Ltd.)	300	300	10	62,133	62,133	
3	Silverline	5,300	5,300	10	37,443	37,443	
4	Tips Industries	5,000	5,000	10	197,837	197,837	
5	Wellwin Industries Ltd.	3,500	3,500	10	53,350	53,350	
6	Carol Info services Ltd.	1,900	1,900	10	60,115	60,115	
	Total				1,912,680	1,912,680	
	Less : Provision for Diminution in Value of Long Term Investments				898,528	1,239,897	
	Total Long Term Investments				1,014,152	672,783	
B)	Investment in Equity Shares (Non - Trade - Unquoted, fully paid)						
1	Inter-Connected Stock Exchange of India Ltd.	62,413	-	1	15,604,250	15,604,250	
2	Panoramic Investment Advisors Pvt. Ltd.	2,400	2,400	10	24,000	24,000	
3	Saraswat Co-op Bank Ltd.	-	-	-	43,580	43,580	
4	Zoarastrian Co-op Bank Ltd	500	-	10	5,000	-	
C)	Investment in Mutual Funds						
1	Reliance Natural Resource Fund Dividend Plan (NAV as on 31-03-2010 - Rs.9,893,203/-)	977,995	977,995	10	10,000,000	10,000,000	
2	Sundaram BNP Paribas Growth Fund (NAV as on 31-03-2010 - Rs.4,801,467/-)	424,124	424,124	10	10,000,000	10,000,000	
3	Franklin Templeton Mutual Fund Reinvested during the year : Units - 2,143, Rs.21,128/- (NAV as on 31-03-2010 - Rs.670,127/-)	66,645	64,502	10	669,721	648,593	
4	UTI Treasury Advantage Fund - Growth Plan (NAV as on 31-03-2010 - Rs.322,363/-)	138	138	10	300,000	300,000	
D)	National Savings Certificate	-	-	-	6,000	6,000	
	Grand Total				37,666,703	37,299,206	

Aggregate Book Value of Investments

- 1) Quoted - Market Value Rs. 1,133,022/- (Previous Year - Rs.6,82,203/-)
- 2) There were no purchases and sales of units of Mutual Funds during the year

(Amt. in Rs.)

		As at 31-03-2010	As at 31-03-2009
SCHEDULE 7 : INVENTORIES (At Cost)			
Raw Materials (As taken, valued & certified by the management)		7,062,659	11,522,741
		7,062,659	11,522,741
SCHEDULE 8 : SUNDRY DEBTORS			
(Unsecured, Considered good subject to confirmation)			
Over six months		4,470,011	1,741,937
Others		308,344,858	283,819,130
		312,814,869	285,561,067
SCHEDULE 9 : CASH AND BANK BALANCES			
Cash in hand		8,035,612	6,599,600
Bank balances			
With Scheduled Banks		16,568,300	56,733,178
Commercial Bank of Dubai - UAE		645,350	1,263,645
(Maximum balance during the year Rs.1,706,193/-)			
ANZ Banking Group (NZ) Ltd - Current account		2,560,808	1,983,294
(Maximum balance during the year Rs.11,28,826/-)			
M & T Bank-Syracuse A/c.8890764262		1,068,419	557,432
(Maximum balance during the year Rs.2,699,846/-)			
Wachovia - Custom Bus-7028		14,521,008	-
(Maximum balance during the year Rs.36,800,249/-)			
Wachovia - M M S A/c No.9304		583	639
(Maximum balance during the year Rs.639/-)			
Wachovia Money Market Account A/c.3134		33,541,630	16,121,970
(Maximum balance during the year Rs.56,148,135/-)			
Merchant Account - Chase Merchant		427,224	791,469
(Maximum balance during the year Rs 791,469/-)			
Wachovia Bank Cash Manager A/c.0140		-	1,517
(Maximum balance during the year Rs.1,517/-)			
M & T Bank		-	101,140
(Maximum balance during the year Rs.101,140/-)			
Wachovia Bank MMS - No 4877		-	10,289,356
(Maximum balance during the year Rs. 10,289,356/-)			
Bank of America A/c No.0643		17,571,681	305,694
(Maximum balance during the year Rs.19,896,713/-)			
Wachovia SM Bus. MM 3946		-	(32)
(Maximum balance during the year Rs. Nil)			
Wachovia Bank - M M S A/c No.9359		2,017,079	61
(Maximum balance during the year Rs.25,212,040/-)			

Schedules forming part of the Consolidated Balance Sheet

	(Amt. in Rs.)	
	As at 31-03-2010	As at 31-03-2009
Bank of America A/c No.0740 (Maximum balance during the year Rs.1,157,074/-)	-	1,159,074
Bank of America -A/c 7218 (Maximum balance during the year Rs. 8,999,991/-)	3,468,115	828,082
Bank of America A/c No.7221 (Maximum balance during the year Rs.974,520/-)	389,710	-
Bank of America -A/c 7749 (Maximum balance during the year Rs.2,529/-)	1,569	2,529
TD Banknorth (Maximum Balance during the year Rs.8,026,363/-)	4,222,470	940,462
First Union Wachovia - Check 1590 (Maximum balance during the year Rs.18,821,338/-)	2,552,365	5,429,199
Wachovia Bank - A/c 8097 (Maximum Balance during the year Rs.20,095,344/-)	2,196,718	354,059
Wachovia Bank A/c No. 8385 (Maximum balance during the year Rs. 1,762,941/-)	552,934	1,239,008
First Merit Bank A/c No. 3895 (Maximum balance during the year Rs. 2,778,357/-)	1,088,105	2,188,153
First Merit Bank A/c No. 3900 (Maximum balance during the year Rs. 451,216/-)	267,016	124,567
Bank of America (Maximum Balance during the year Rs.2,160,615/-)	243,405	113,679
Wachovia - Account 1084 (Maximum balance during the year Rs.13,221,940/-)	848,577	278,637
Commerce Bank - A/c7925188844 (Maximum balance during the year Rs.9,288,657/-)	1,498,915	(5,015)
Wachovia Bank A/c No. 324741 (Maximum balance during the year Rs.6,754,669/-)	797,617	1,961,881
Commerce Bank - A/c.7923075035 (Maximum balance during the year Rs.5,103,071/-)	3,982,481	73,363
Bank of Baroda - Current Deposit Account (USA)	19,586,340	21,688,068
Wachovia Bank -Bus C/kg Fleet 9355 (Maximum balance during the year Rs.912/-)	359	912
Fixed Deposits with Scheduled Banks	1,410,000	1,410,000
T.T. in Transit (UAE Branch)	542,040	-
	140,606,430	132,535,621

Schedules forming part of the Consolidated Balance Sheet

	(Amt. in Rs.)	
	As at 31-03-2010	As at 31-03-2009
SCHEDULE 10 : LOANS AND ADVANCES (Unsecured, Considered good subject to confirmation)		
Advances recoverable in cash or in kind or for value to be received	630,593,295	705,663,361
Accrued Interest	370,147	201,418
Loan to Subsidiaries	-	-
Advance for Technical Know How	-	10,112,387
Deposits	32,618,994	4,282,166
Advance Tax and TDS	17,686,846	44,676,862
Prepaid Expenses	8,705,386	6,334,542
	689,974,668	771,270,736
SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	25,119,441	43,006,854
Unclaimed Dividend	865,395	778,746
Advances	8,617,004	35,477,471
Deferred Tax Liability	-	5,254
Duties & Taxes	3,150,725	55,972,699
Other Liabilities	49,434,978	28,631,299
	87,187,542	163,872,323
PROVISIONS		
Provision for Gratuity	4,044,152	2,373,147
Provision for Leave Encashment	3,215,648	1,636,480
Provision for Fringe Benefit Tax	-	1,129,752
Provision for Proposed Dividend	67,394,367	67,393,750
Provision for Dividend Tax	11,453,673	11,453,568
Provision for Taxation	100,997,556	39,792,186
	187,105,396	123,778,883
Total	274,292,939	287,651,206
SCHEDULE 12 : MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		
GDR Issue Expenses	3,433,754	3,433,754
Less : Written off during the year	3,433,754	-
	-	3,433,754
Preliminary Expenses	4,556,710	4,346,453
Add : Addition during the year	-	239,550
	4,556,710	4,586,003
Less : Written off during the year	5,022	29,293
	4,551,688	4,556,710
Pre-operative Expenditure	5,487,017	4,216,961
Add : Addition during the year	1,539,485	2,806,165
	7,026,502	7,023,126
Less : Written off during the year	722,159	1,536,109
	6,304,343	5,487,017
Share Issue Expenses	13,481,600	2,852,000
Add : Addition during the year	-	14,000,000
	13,481,600	16,852,000
Less : Written off during the year	3,370,400	3,370,400
	10,111,200	13,481,600
	20,967,231	26,959,081

Schedules forming part of the Consolidated Profit and Loss Account

	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
SCHEDULE 13 : INCOME FROM INFORMATION TECHNOLOGY		
Income from I T Export	415,477,019	363,460,822
Income from DTA Sales	9,000	6,000
	415,486,019	363,466,822
SCHEDULE 14 : INCOME FROM HOSPITALITY		
Income from Lodging & Boarding	796,558,858	981,737,043
Income from sale of Food & Beverages	54,852,210	51,895,210
Income from Time Share Activity	1,586,130	-
Management Fees	15,000,000	-
	867,997,198	1,033,632,253
SCHEDULE 15 : INCOME FROM TRAVEL AGENCY		
Income from Foreign Currency	37,393,479	52,006
Income from Commission on Tickets & Other Services	2,391,041	47,253,122
	39,784,520	47,305,128
SCHEDULE 16 : OTHER INCOME		
Dividend on Long Term Investments	1,009,502	125,380
Exchange Rate Fluctuations - Gain	-	40,322,096
Interest on FDR (TDS Amount Rs.11,323/-)	278,629	359,200
Other Income	13,248,411	20,074,126
Profit on sale of Investments	-	871,598
Profit on Forward Booking	-	4,351,000
	14,536,542	66,103,400
SCHEDULE 17 : MATERIALS CONSUMED		
Opening Stock	4,712,136	4,185,667
Add : Purchases during the year	75,336,461	82,619,468
Add : Freight Inward	96,360	160,386
	80,144,957	86,965,521
Less: Stock setoff against arbitration claim received	1,027,728	-
Less : Closing Stock	3,974,158	4,712,136
	75,143,071	82,253,385
SCHEDULE 18 : PERSONNEL EXPENDITURE (Salaries including overseas staff expenses)		
Salaries & Allowances	262,829,243	275,726,018
Bonus & Ex-Gratia	4,289,590	253,390
Contribution to PF & ESIC	5,680,288	4,895,117
Directors' Remuneration	7,744,458	5,788,572
Gratuity	1,162,306	726,038
Leave Encashment	1,744,532	1,410,275
Partners' Remuneration	60,000	60,000
Staff Training & Development Exps.	86,132	344,850
Staff Welfare Expenses	5,518,692	2,081,570
	289,115,241	291,285,830
SCHEDULE 19 : SOFTWARE DEVELOPMENT EXPENSES		
Consultancy charges	58,484,369	78,722,140
	58,484,369	78,722,140

Schedules forming part of the Consolidated Profit and Loss Account

	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
SCHEDULE 20 : GENERAL & ADMINISTRATIVE EXPENSES		
Accounting Fees	305,049	257,670
Administrative Expenses	137,814	-
Advertisement & Sales Promotion	27,236,410	28,259,464
Audit Fees	704,141	585,235
Affiliation Fee	2,475,000	-
Sundry Balance W/ Off.	3,001,260	833,941
Books & Periodicals	54,340	49,970
Cleaning & Sanitation	-	2,107,648
Commission / Discount Expenses	17,275,364	12,555,178
Communication Expenses	12,589,184	10,802,990
Computer Expenses	437,859	498,362
Consumables	963,005	558,693
Donations & Gifts	338,619	133,331
Electricity & Water Charges	39,177,553	30,795,165
Entertainment Expenses	2,975,504	109,945
Event Expenses	30,290	-
Exchange Rate Fluctuation Loss	10,948,353	-
Franchise Fees	-	28,064,472
Fuel	4,309,344	8,358,187
Housekeeping Charges	20,945,956	37,776,672
Insurance Charges	10,690,006	24,772,334
Kitchen & Restaurant Expenses	408,157	4,036,073
Labour Charges	2,615,077	1,492,539
License & Fees	2,597,092	5,177,551
Loss on Discarding / Sale of Fixed Assets	770,793	1,912,386
Membership & Subscription	2,213,554	2,211,187
Miscellaneous Expenses	12,823,001	35,317,093
Office Expenses	8,606,620	7,598,881
PF Administration Charges	565,089	529,096
Printing & Stationery	3,218,978	3,844,384
Processing Charges	17,177,151	-
Professional Fees	31,376,543	54,480,133
Reimbursement of Expenses	-	2,783,879
Rent	4,243,140	5,137,672
Rate & Taxes	39,693,119	28,982,118
Repairs & Maintenance :		
Buildings	5,192,595	5,514,311
Machinery	3,237,707	6,816,030
Others	9,113,682	10,786,574
Sales Tax / VAT Expenses	2,292,422	4,727,911
Software Integration Fees & AMC	661,800	-
Security Charges	2,661,227	2,894,707
Selling & Distribution Expenses	-	56,333
Transportation expenses	265,646	420,970
Travel & Conveyance Expenses	11,168,670	11,222,349
Vehicle Expenses	6,406,274	5,750,346
Wealth Tax	32,712	33,343
	321,936,100	388,245,123

Schedules forming part of the Consolidated Profit and Loss Account

Schedule : 23 Notes on Consolidated Balance Sheet and Profit and Loss Account

	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
SCHEDULE 21 : INTEREST & FINANCIAL CHARGES		
Bank Charges	4,506,489	49,435,479
Foreign Bank Charges	367,574	170,254
Interest Charges - Others	11,121,741	5,443,864
Interest on Secured Loan	20,573,474	7,466,159
	36,569,278	62,515,756
SCHEDULE 22 : PRELIMINARY EXPENSES WRITTEN OFF		
Merger & Acquisition Expenses	-	75,118
Miscellaneous Expenditures	706,899	714,859
Preliminary Expenses	20,282	288,442
GDR Issue Expenses	3,433,754	-
Share Issue Expenses	3,370,400	3,370,400
	7,531,335	4,448,819

I SIGNIFICANT ACCOUNTING POLICIES :

- a) The consolidated financial statements comprise Panoramic Universal Ltd. and its subsidiary companies and partnership firms. The consolidated financial statement have been prepared on following basis:
- i) The financial statement of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21-"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
 - ii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is taken to cumulative currency translation reserve as shown separately.
 - iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
 - iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
 - v) Minority interest in the net assets of considered subsidiaries consists of:-
 - a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made: and
 - b) the minorities' share of investments in equity since the date the parent subsidiary relationship comes into existence.
- b) **Other significant accounting policies**
- i) **Convention:**
The Financial Statements are prepared under Historical Cost Convention in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the presentational requirements laid down by the Companies Act, 1956 on going concern basis
 - ii) **Fixed Assets:**
Fixed assets are stated at their original cost along with taxes, duties, freights and any directly attributable cost of bringing the asset to its working condition for the intended use up to the date of commissioning for operation, attributable to acquisition / construction of the concerned assets except where fixed assets are taken over at consolidated price . Fixed Assets acquired on business purchase at consolidated price have been stated at replacement cost except for land which is stated at fair value.

Capital work-in-progress includes cost of assets not ready for use, advances, expenditure incurred and interest on funds deployed.
 - iii) **Depreciation and Amortization:**
Depreciation on assets other than those situated in the USA and New Zealand has been provided at the rates and in the manner prescribed in the Schedule XIV to the Companies Act, 1956 on the straight line basis. Depreciation in respect of the assets in the USA and New Zealand has been provided according to the provisions of the Taxation Laws prevailing in the respective countries.
 - iv) **Investments:**
Long term Investments are stated at cost. Provision for diminution in the value of long term investments are made into the account. Profit or loss on sale of investments are taken in to account at the time of sale of investments.
 - v) **Inventories:**
Inventories of food materials and beverages, stores and supplies are valued at cost on First-In, First-Out basis

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

vi) Employees benefit:**Post - employment benefit plans-India**

Contributions to defined contribution retirements benefits schemes are recognized as an expenses when employees have rendered services entitling to contributions.

For defined benefit schemes, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuations at the balance sheet date, carried out by an independent actuary.

Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial gains and losses are charged to the profit and loss account

Leave encashment is another long term employee benefit and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. The Company accrues for the expected cost of short term compensated absences in the period in which the employee renders services.

Contributions payable to the recognized provident fund, which is a defined contribution scheme, are charged to the profit and loss account.

vii) Sales and Services:

On time-and-materials contracts, revenue from software development is recognized as the related services are rendered and billed to clients as per the terms of specific contracts. On fixed -price contracts, revenue is recognized based on the milestones achieved as specified in the contracts on the basis of the work completed.

In respect of Hospitality business, income comprising of room rentals, food and beverages and allied services relating to hotel operations are recognized when services are rendered..

In respect of Travel Agency business, income comprise Travel and ticketing, foreign exchange etc.

In respect of business of sale of Room Nights on timeshare basis for utilisation of room nights as per various Holiday plans, where usage benefit is spread over the future years. Accordingly the income from timeshare activity is accounted as income equally on pro rata basis over customer usage periods as per various holiday plans.

viii) Taxation:

- (i) Provision for current taxation is on account of Minimum Alternate Tax in accordance with the Income Tax Laws applicable to the assessment year and Wealth Tax for the year has been provided as per Wealth Tax Act and Rules, 1957
- (ii) Deferred Tax is recognised on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation, or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Provision for Deferred Tax asset for earlier years has been shown after "Profit after Tax" in the Profit & Loss Account
- (iii) Provision for current tax and deferred tax in respect of Indian and overseas subsidiaries has made as per Taxation Laws in the respective countries.

ix) Impairment of assets:

There was no impairment loss on Fixed Assets on the basis of review carried out by the Management in accordance with Accounting Standard 28 issued by the Institute of Chartered Accountants of India.

x) Foreign Currency Transactions

Transaction in foreign currency (currency other than companies' functional currency) are booked at the exchange rate prevailing on the date of the particular transaction. Any gain or loss arising from exchange rate fluctuations has been taken to Profit & Loss Account.

All monetary items denominated in foreign currencies at the end of the period have been translated at the period end rates. In respect of income and expenditure at the overseas branches, average month-end exchange rates have been adopted. Foreign currency translation treatment in respect of foreign subsidiaries is described in I (a) (ii).

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

xi) Deferred Revenue Expenses:

Deferred Revenue Expenses have been deferred to be written off over a period of five years.

xii) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

These are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimates. Contingent Liabilities are not recognized in the financial statements

xiii) Borrowing Costs

Borrowing Costs incurred on acquisition of fixed assets has been classified under "Fixed Assets".

2 The subsidiary companies and partnership firms considered in the consolidated financial statements are:

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest
Panoramic Ace Properties Inc. USA	U.S.A.	100%
Sai Properties Inc., USA	U.S.A.	100%
Sai Motels Limited , NZ	New Zealand	100%
Georgian Motel Corp. USA (Georgian Motel Corp is a wholly owned subsidiary of Panoramic Ace Properties Inc .	U.S.A.	100%
Sai Living Hudson Inc. USA (Sai Living Hudson Inc. is a wholly owned subsidiary of Panoramic Ace Properties Inc	U.S.A	100%
Sai Living Hudson Inc. Travel Universe Inc. (Travel Universe Inc. is a wholly owned subsidiary of Panoramic Ace Properties Inc.	USA	100.00%
Indo Pacific Hotels Ltd.	India	100.00%
Panoramic Holidays Ltd.	India	100.00%
Sri Vatsa Hotels Limited	India	51.00%
Panoramic Tour & Travels Ltd.	India	100.00%

Name of the Partnership Firms	Country of Origin	Proportion of ownership interest
Graciano Cottages, Goa	India	95%
Grand View Hotel, Restaurant & Bar, Pune	India	80%

3 Secured Loans:**a) Term Loans: -India :**

- (i) Term Loan of Rs. 227.24 lakhs from Saraswat Co-op Bank Ltd. is secured by mortgage of Office Premises at 4th Floor, Aman Chambers, Prabhadevi, Mumbai 400025.
- (ii) Term Loan of Rs.41.40 lakhs from Axis Bank Ltd. is secured by hypothecation of a vehicle

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

- (iii) Term Loan of Rs.1.38 lakhs from Saraswat Co-op Bank Ltd. is secured by hypothecation of a vehicle.
- (iv) Term Loan of Rs.566 lakhs from Union Bank India is secured against Mahim office premises and Land at Jaipur.
- (v) Term Loan of Rs.137.05 lakhs from Indiabulls Financial Services Ltd. is secured against shop premises at Nav Bhavana Premises CHS Ltd. at Prabhadevi, Mumbai
- b) Cash Credit : -India :**
- (i) Cash Credit from Saraswat Co-op Bank Ltd. is secured by mortgage of Office Premises at 4th Floor, Aman Chambers, Prabhadevi, Mumbai- 400025 and property at Panvel Resorts.
- c) Term Loans - Outside India :**
- (i) Term Loan of Rs.503.48 lakhs from Zion's Bank is secured by mortgage of Econolodge Quality Inn property in USA
- (ii) Term Loan of Rs.1467.13 lakhs from Bank of West is secured by mortgage of Holiday Inn Hudson property in USA.
- (iii) Term Loan of Rs.1460.39 lakhs from Zion's Bank is secured by mortgage of The Georgian property in USA
- (iv) Term Loan of Rs.120.68 lakhs from Fallbrook Capital Inc.is secured by mortgage of The Georgian property in USA
- (v) Term Loan of Rs.376.32 lakhs from Mission Oaks National Bank is secured by mortgage of The Georgian property in USA
- 4 None of the suppliers had informed the Company that they are micro and small enterprises under the Micro, Small and Medium Enterprises Development Act. Hence information regarding dues to micro and small enterprises could not be furnished.
- 5 The Company has settled arbitration proceedings before the American Arbitration Authority for USD 1.10 millions against USA based TCBY Inc. for non-performance/non-adherence of contract terms and consequent damages and compensation. The compensation received has been adjusted against the receivable amount shown against the said company and related stock. The balance amount has been shown under Other Income in the Profit & Loss Account since the expenditure incurred thereon had been written off to Pre-operative expenditure in the earlier years.
- 6 Advances includes Rs. 33,235,778/- receivable from an ex-employee for funds embezzled by him from few USA subsidiaries. Based on his commitment to return the funds to the companies, for which necessary procedural formalities are under way, the company is confident of recovering the amount in full.
- 7 GDR Issue Expenses amounting to Rs. 3,433,754/- has been written off to Profit & Loss Account since the GDR issue has been shelved by the Company.
- 8 Since the company has not appointed CFO, the Declaration as required under Clause 49 of the Listing Agreement has been signed by the Managing Director. of the Company.

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

9 Retirement benefit Plan: (For Employees in India)

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out the non funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March 2010

	As at 31-03-2010	As at 31-03-2009
i) Change in Benefit Obligations :-		
Projected Benefit Obligations ,beginning of the year (01-04-2009)	2,158,410	1,458,454
Service Cost	1,360,570	709,927
Interest Cost	172,673	116,676
Actuarial (Gain) / Loss on obligations	307,421	(126,647)
Benefits Paid	(185,757)	-
Projected Benefit Obligations, end of the year (31-03-2010)	3,813,317	2,158,410
ii) Change in Plan assets :	N.A.	N.A.
iii) Net Gratuity and other cost for the year ended 31st March 2010		
Service Cost	1,360,570	709,927
Interest on defined benefit obligation	172,673	116,676
Expected return on plan assets	N.A.	N.A.
Net actuarial (Gain)/ Loss recognized in the year	307,421	(126,647)
Net Gratuity and other cost	1,840,664	699,956
iv) Category of Assets as at 31st March 2010	N.A	N.A
v) Assumption used in accounting for the gratuity plan :		
Discounting Rate (p.a)	8%	8%
Increase in Compensation Level	5%	5%
Expected rate of return on Plan assets	N.A.	N.A.

10 Investment in Partnership Firms**2009-10****2008-09**

The details of Partnership Firms are as follows:-

a) Graciano Cottages, Goa

Total Capital & Current Account		
Capital Account	83,000	83,000
Current Account	25,655,726	23,646,399

Name of the Partners**Share of Profit / (Loss)**

Panoramic Universal Ltd	95%	95%
Mrs. Usha Tari	5%	5%

b) Grand View Hotel, Restaurant & Bar, Pune

Total Capital & Current Account		
Capital Account	80,000	80,000
Current Account	10,738,038	17,728,752

Name of the Partners**Share of Profit / (Loss)**

Panoramic Universal Limited	80%	80%
Mrs.Viidyaa S. Moravekar	15%	15%
Mrs.Usha Tari	5%	5%

11 Contingent Liabilities not provided for :

I Estimated amount of capital commitments not provided for:	Rs.418.80 Lacs	Rs.264.27 Lacs
II Contingent Liabilities not provided for:	Rs. Nil	Rs.Nil
III Guarantees given on behalf of wholly owned subsidiary	60,507,000	68,269,500

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

12 Profit & Loss Account includes:

Remuneration to Directors	7,744,458	5,788,572
Sitting Fees	Rs. Nil	Rs. Nil
Other Perquisites	Rs. Nil	Rs. Nil

13 Payment to Auditors

For Audit	699,141	580,235
For other services	5,000	5,000

14 Remuneration to Directors of Rs.7,744,458/- includes Rs.2,406,020/- being commission payable to Managing Director

15 The major components of Deferred Tax Asset / (Liability) are set out below:

Component	As on 31-03-2010 (Amt. in Rs.)	For the year ended 31-03-2010 (Amt. in Rs.)	As on 31-03-2009 (Amt. in Rs.)
Difference between Book & Tax			
Depreciation	(15,575,708)	(950,551)	(14,625,157)
U/s 43B of Income Tax, 1961	1,402,600	701,182	701,418
Accumulated Carried forward Loss & Unabsorbed Depreciation	63,123,457	17,676,773	45,446,684
Deferred Tax Asset / (Liability)	48,950,350	17,427,404	31,522,945

16 Disclosures of related parties for the year ended 31-03-2010**I Enterprises owned by directors / major shareholders of the Company**

Panoramic Hotels Ltd., Pancard Clubs Ltd., Pan Product Impex Pvt. Ltd., Panoramic Land Developers Pvt. Ltd., Smooth Financial Pvt. Ltd., Panoramic Resorts (India) Ltd., Pan Herbbo Ltd., Herbo Effect (India) Ltd., Panoramic Investment Advisors Pvt. Ltd., Panoramic Structures Pvt. Ltd., Sai Nirmaan Properties Ltd., Indo Pacific Hotels Ltd., Panoramic Holidays Ltd., Panoramic Tour and Travels Ltd., Pan Ad, Grand View Hotel, Restaurant & Bar, Graciano Cottages, Hotel Pinnacle Ltd., Athiti Resorts Ltd., Golden Valley Hotels Ltd., Sea View Retreats Ltd.

2 Key Management Personnel

a) Viidyaa S. Moravekar	Managing Director
b) Arun B. Tari	Whole - Time Director
c) Sudhir S. Moravekar	President

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

3 Related party transactions

The Company has entered into the following transactions with related parties during the period. These transactions along with the relevant balances are set out as under:

	(Amt. in Rs.)	
	2009-10	2008-09
(i) Transactions with Director		
a) Remuneration		
Arun B. Tari	1,513,072	1,012,572
Viidyaa S. Moravekar	6,231,386	4,776,000
Sudhir S. Moravekar	16,577,316	24,222,605
b) Interest to partners		
Viidyaa S. Moravekar	1,800	1,800
Usha Tari	600	600
(ii) Transactions with Associate Companies		
a) Management Fees Received		
Pancard Clubs Ltd.	15,000,000	Nil
b) Reimbursement of expenses paid		
Pancard Clubs Ltd.	-	1,582,872
c) Sale of Room Nights		
Pan Herbbo Ltd.	139,128	-
Pancard Clubs Ltd.	816,635	48,000
c) Sale of Food and Beverages		
Pan Herbbo Ltd.	18,204	-
Pancard Clubs Ltd.	263,218	-
d) Sale of Assets		
Sea View Retreats Ltd	275,000	-
(iv) Amount due from related party		
Panoramic Investment Advisors Pvt. Ltd.	50,000	50,000
Pan Herbbo Ltd.	-	19,000
(v) Amount due to related Party		
Pancard Clubs Ltd.	22,282,485	368,682,872
(iv) Dividend paid -Equity Shares		
Pancard Clubs Ltd	7,343,750	3,671,875
Panoramic Resorts (India) Ltd	203,070	101,535
Panoramic Land Developers Pvt. Ltd	107,250	53,625
Mrs.Manda Mohan Phatarphekar	293,500	146,750
Mrs Usha Tari	27,500	13,750
Mrs Deepashree Tari	1,000	500
Mr.Sudhir S. Moravekar	16,124,505	8,062,253
(v) Dividend paid - Preference Shares		
Pancard Clubs Ltd	35,000,000	8,055,044

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

Notes on Consolidated Balance Sheet and Profit and Loss Account (Contd...)

17 Segment Reporting :

- a) The Company's operations are focused on Software Development, Hospitality Business and Travel business. Accordingly these three business divisions comprise the primary basis of the segment information set out in the financial statements:

(Amt. in Rs.)

Particulars	IT Business	Hospitality Business	Travel Business	Total
REVENUE				
External Revenue and other Income	415,486,019	882,533,740	39,784,520	1,337,804,279
Inter-Segment Revenue	-	-	-	-
Total	415,486,019	882,533,740	39,784,520	1,337,804,279
RESULT				
Profit before Depreciation, Interest & Tax	273,474,329	297,467,296	14,019,490	584,961,115
Depreciation	867,594	72,037,925	1,016,304	73,921,824
Interest	3,934,648	32,239,998	394,631	36,569,277
Taxation	21,389,600	98,724,610	6,135,614	126,249,824
Net Profit	247,282,487	94,464,762	6,472,941	348,220,191
OTHER INFORMATION				
Segment Assets	227,582,874	3,340,638,027	72,995,588	3,641,216,490
Segment Liabilities	22,723,949	1,012,799,832	-	1,035,523,780

- b) Secondary Segment Reporting is made on the basis of geographical regions. Revenues are segregated on the basis of the location of the customer who is invoiced or in relation to which the revenue is otherwise recognized.

(Amt. in Rs.)

	Asia	Rest of the World	Total
External Revenue and Other Income	365,013,703	972,790,576	1,337,804,279

18 Earnings Per Share

2009-10 2008-09			
I	Profit Attributable to Equity Shareholders (Rs.)	348,220,191	389,171,663
II	Number of Equity Shares	12,957,500	12,957,500
III	Nominal Value of Equity Share	Rs. 5	Rs. 5
IV	Basic Earnings Per Equity Share	23.71	26.87

- 19 Corresponding figures for previous years presented have been regrouped, where necessary, to confirm to this year's classification.

As per our Report of even date For and on behalf of the Board
For H. H. Topiwala & Co.
 Chartered Accountants

(H. H. Topiwala)
 Proprietor
 Membership No.38660

(Viidyaa Moravekar)
 Managing Director

(Arun Tari)
 Whole - Time Director

(Sanjive Arora)
 Company Secretary

Mumbai, August 25, 2010

Mumbai, August 25, 2010