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RELIABLE VENTURES INDIA LIMITED

**14th Annual Report
2006-2007**

RELIABLE VENTURES INDIA LIMITED

Regd. Office :

"Reliable House"

A-6, Koh-e-fiza, Indore Road,
Bhopal-462001 (M.P.)

BOARD OF DIRECTORS :

Mr. Sikandar Hafiz Khan	:	Chairman & Mg. Director
Mr. Mohd Hafiz Khan	:	Director
Mr. S. Shankar Narayanan	:	Director
Mr. Kaleem Ullah Khan	:	Director
Mr. Debais Chaudhury	:	Director
Mr. Chandan Mitra	:	Director
Mr. Parkash Singh	:	Director
Mr. Rajendra Goyal	:	Director

COMPANY SECRETARY

Mr. S. S. Raghuwasnhi

BANKERS:

Dena Bank, Hamidia Road Branch, Bhopal, MP
Bank of Baroda, Habibgani Branch, Bhopal, MP
HDFC Bank Ltd., Arera Colony, Bhopal, MP

AUDITORS:

M/s. MAK & Associates
Chartered Accountants, Indore, MP

RELIABLE VENTURES INDIA LIMITED

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

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the FOURTEENTH ANNUAL GENERAL MEETING of the members of the Reliable Ventures India Limited will be held on Friday, the 28th day of Sept., 2007 at 4.00 PM at the Noor-Us-Sabah Palace, VIP Road, Koh-e-fiza, Bhopal 462001, Madhya Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2007, Profit & Loss Account for 12 months period ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Director in place of Mr. S. Shankar Narayanan, who retires by rotation and, being eligible, offers himself for re-appointment as such.
3. To appoint MAK & Associates, the retiring Auditors as Auditors of the Company to hold office as such from the conclusion of this meeting till the conclusion of the next Annual General Meeting and fix their remunerations.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass, with or without modification(s) the following Resolution as a Special Resolution:

RESOLVED THAT consent of the Members be and is hereby given to the Board of Directors of the Company to go for de-listing of its equity shares from the Regional Stock Exchange i.e. M.P. Stock Exchange, Indore and Delhi Stock Exchange Association Limited subject to compliance of the SECURITIES EXCHANGE BOARD OF INDIA (DELISTING OF SECURITIES) GUIDELINES 2003, as amended from time to time, subject to such other laws, provisions and regulations governing such desisting, if any, and subject to such approval, permissions, sanctions and consents, if any, required, from any Govt. and or regulatory authority (ies) and that for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, and things it may in its sole discretion deem necessary and desirable, settle all questions, difficulties or doubts that may arise in regard to the said de-listing and, file all forms, furnish documents, make applications with the concerned and take all steps and measures which are incidental, consequential, relevant or ancillary in connection thereof".

5. To consider and if thought fit to pass, with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Chandan Mitra, who was appointed as an Additional Director of the Company and who under Section 260 of the Companies Act, holds office only up to the date this Annual General Meeting and, being eligible, offers himself for appointment and in respect of whom the company has received notice in writing from one of the members of the company pursuant to Section 257 of the Companies Act along with requisite amount signifying his/her intention to propose the candidature of Mr. Chandan Mitra for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

6. To consider and if thought fit to pass, with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, **Mr. Parkash Singh**, who was appointed as an Additional Director of the Company and who under Section 260 of the Companies Act, holds office only up to the date this Annual General Meeting and, being eligible, offers himself for appointment and in respect of whom the company has received notice in writing from one of the members of the company pursuant to Section 257 of the Companies Act

along with requisite amount signifying his/her intention to propose the candidature of Mr. Parkash Singh for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

7. To consider and if thought fit to pass, with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Debasis Chaudhuri, who was appointed as an Additional Director of the Company and who under Section 260 of the Companies Act, holds office only up to the date this Annual General Meeting and, being eligible, offers himself for appointment and in respect of whom the company has received notice in writing from one of the members of the company pursuant to Section 257 of the Companies Act along with requisite amount signifying his/her intention to propose the candidature of Mr Debasis Chaudhuri for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

By Orders of the Board

(S. Shankar Narayanan)

Director

Place : Bhopal

Date : 25.08.2007

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY AND THAT IN ORDER TO BE VALID, THE INSTRUMENT OF PROXIES DULY COMPLETED IN ALL RESPECTS MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE MEETING.
2. Explanatory Statement required under Section 173(2) is annexed hereto and forms part of this notice.
3. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting is given in the Annexure to the notice.
4. The Register of members and transfer books of the Company shall remain closed w.e.f. 26th Sept. 2007 to 28th Sept. 2007, both the days inclusive for the purpose of the Meeting.
5. M/s. Sharex Dynamic (India) Pvt. Limited having its registered office at 17/B, Dena Bank Building, Horniman Circle, 2nd Floor, Fort, Mumbai 400 001 continue to act as Registrar and Share transfer agents of the Company. The said company at its unit NO.1 located at Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), and Mumbai-400072 under takes the share registry job.
6. The Company has established connectivity with both the depositories namely NSDL and CDSL, Mumbai and the ISIN allotted to the security of the Company is **INE419H01019**. Shareholders are requested to open Demat account with the depositories of their choice and surrender the physical certificates of the security for dematerialization.
7. Members / duly appointed proxies should bring the enclosed attendance slip, duly filled in, for attending the meeting
8. The members are requested to: (a) quote their Folio Number(s) in all correspondence with the Company and (b) notify the Company about changes in their postal addresses, if any.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956).

The following Explanatory Statement sets out all the material facts relating to the special business proposed to be transacted under Item NO. 4 to 7 of the accompanying notice.

Item NO. 4

Consequent to the rapid changes in the capital market and with the availability of nationwide trading facility coupled with wide and extensive networking of centers, inter-alia, on Bombay Stock Exchange (BSE), investors have access to online dealing in the Company's securities across the country and almost entire volume of trading is carried out through the BSE only. Accordingly, there is almost no trading at all on other stock exchanges where, inter-alia, the equity shares of the company are listed namely MP Stock Exchange and Delhi and therefore there is no justification of payment of listing fee to these stock exchanges. The Company believes that no particular benefit is available to the shareholders of the company in continuing the listing of its equity shares on the Madhya Pradesh and Delhi Stock Exchanges. Moreover, these two stock exchanges do not provide any value added services to the company or to its shareholders. Your Directors therefore feel that it would be in interest of the Company to go for voluntary de-listing of its security from these two stock exchanges.

The proposed voluntary de-listing of the Equity shares of the Company from the Madhya Pradesh (regional) and Delhi Stock Exchange will, apart from the saving resulting from consequential non-payment of annual listing fee, also reduce a lot of administrative work. Besides, the de-listing would not adversely affect any investors including the shareholders located in the regions where MPSE and DSE are situated.

The equity shares of the company shall, however, will continue to remain listed on the Bombay Stock Exchanges.

Accordingly, approval of the members is sought by special resolution contained in the accompanying notice dated.

None of the Directors – except the proposed appointees, are in any way interested in the Resolution.

Item No. 5 to 7

The Board of Directors of Company appointed Mr. Debasis Chaudhuri, Mr. Chandan Mitra, and Mr. Parkash Singh as additional directors During Sept-Oct, 2006. The particulars of these directors are given in the Annexure the notice.

Pursuant to Section 260 of the Companies Act, 1956 read with Article 80 of the Articles of Association of the Company all three gentlemen hold office as additional Directors only up to the date of the forthcoming Annual General Meeting.

The Company has received notices pursuant to Section 257 of the Companies Act, 1956 from three of the members signifying their respective intention to propose in the ensuing Annual General Meeting the candidature of Mr. **Chandan Mitra**, Mr. **Parkash Singh** and Mr. **Debasis Chaudhuri** as Directors of the Company liable to retire by rotation.

Non of the Directors – except the proposed appointees, are in any way interested in the Resolutions contained under Item NO. 5 to 7 of the accompanying notice.

Notices received under Section 257 of the Companies Act, 1956, are available for inspection by the members at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

ANNUAL REPORT 2006-2007

Annexure to Item NO. 5 to 7 of the NOTICE

The Details of Directors seeking appointment and/or re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Mr. Chandan Mitra	Mr. Parkash Singh	Mr. Debasis Chaudhuri	Mr. S. Shankar
Date of birth	12/12/1954	03/02/1946	16/04/1941	05/05/1952
Nationality	Indian	Indian	Indian	Indian
Date of Appointment	31/10/2006	31/10/2006	30/09/2006	10/08/1996
Qualifications	BA (Hon) Economics MA(History)from DU D.Phil in Modern History from Oxford University, UK	M.Com CAIIB	Intrr-Science Master in Printing from Germany	B.Sc & CAIIB
Expertise in functional area	Very Sr. Journalist & Media Person Expert in Mgt. & Journalism Member of Parliament	Banking & Mgt. retired as CMD of United Bank of India with 40 years epxerience	Excperience in Management of Projects	Ex-Banker from Bank of India & Middle East, UAE Expert in Financial Mgt., Banking Proj.Financing, Indl. Relations.
Nos. of shares held in the company	Nil	Nil	Nil	2000 equity shres of Rs. 10/- each
List of Directorships in other Indian public Companies	CMYK Printech Ltd.	Not applicable.	Not applicable	Reliable Industrial Ventures Limited Reliable Smartcity Ltd.
Positon held in other companies in which he is Direcor as on 31.03.2007	Charman -cum-Mg. Director of CMYK Printech Ltd Publisher of Pioneer	Not applicable	Not aplicable	Not applicable

REPORT OF THE DIRECTORS & MANAGEMENT DISCUSSIONS AND ANALYSIS
For the financial year ended 31st March, 2007

Your directors have pleasure in presenting to you their Thirteenth annual report together with the audited statement of accounts of the company for the 12 months period ended 31st March 2007.

FINANCIAL PERFORMANCE:

During the 12 months period under report ended 31st March, 2007, your company earned an all-inclusive revenue of Rs.821.27 lacs against Rs. 693.38 lacs earned in the corresponding period during the preceding financial year recording a growth of about Rs. 127.89 lacs in term of value and 18.44% in term of per cent age over corresponding period in the preceding year culminating into after tax profit of Rs.104.79 lacs against a loss of Rs. 17.94 lacs during the preceding financial year. The surge in profit over the previous year is due to the fact that a provision towards expenditure of worth Rs. 113.10 lacs has been written back. The financial performance of the Company is summarized below:

PROFIT & LOSS ACCOUNT		
Operating years >	2006-07	2005-06
Net sales	818.48	688.98
Other income	2.79	4.40
Total income	821.27	693.38
Profit before Intt and tax	113.89	96.78
Interest payment (net)	68.75	80.55
Profit before extra-ordinary items	45.14	16.23
Extra-ordinary items(Written back prov + prior period adj.)	113.89	-1.90
Profit after extro-ordinary item but before tax	159.03	14.33
Provision for taxes	54.24	32.27
Net profit	104.79	-17.94
Total No. of equity shares of Rs. 10/- each	10043900	10043900
Basic earning per shares of Rs. 10/- each	1.04	(0.18)
BALANCE SHEET		
Operating years >	2006-07	2005-06
Net fixed assets	2129.37	2083.92
Net current assets	187.70	-3.68
Misc. exps	7.78	11.83
deferred assets	95.06	144.75
Capital employed	2419.91	2236.82
Represented by		
Equity capital	1029.05	1029.05
Accu. Losses	-255.54	-360.33
Net worth	773.51	668.72
Loan fund	1218.40	1568.10
Share Appllication money	428.00	0.00
Capital employed	2419.91	2236.82

CHANGE IN THE NAME OF THE COMPANY:

During the period under report the name of the Company has been changed from Lakeland Hotels Limited to "Reliable Ventures India Limited" w.e.f. 2nd day of February 2007.

SHARE CAPITAL:

During the period under report, the authorized share capital of the company has been increased from Rs. 1200.00 lacs to Rs.2500.00 lacs divided into 250,00,000 Equity shares of Rs. 10/- each. The issued and subscribed capital remained at its level of previous year at Rs. 1101.29 lacs divided into 110,12,900 equity shares of Rs. 10/- each.

The paid up equity share capital of the Company as on 31st March,, 2007, is Rs. 1004.39 lacs divided into 10043900 fully paid up equity shares of Rs. 10/- each. The categories of the holdings and its distribution of as at 31st March, 2007 has been as under:

Category of Shareholdings as at 31st March 2007

Category of holders	Nos. held.	Per cent age of total
Promoters, friends, relatives & persons in concert.	4435300	44.16
Non-resident Indians	1007800	10.03
Indian general public	4600800	45.81
Total	10043900	100.00

Distribution of Shareholdings as at 31st March 2007

No. Of Shares held	NO of Shareholders	% Of share Holders	Total Shares held	% of share Holdings
1-100	108	5.67	10800	0.11
101-200	77	4.04	15336	0.15
201-500	1011	53.10	499064	4.97
501-1000	315	16.54	294700	2.93
1001-5000	282	14.81	894100	8.90
5001-10000	34	1.79	282292	2.81
10001-100000	63	3.31	2248713	22.39
100001 & above	14	0.74	5798895	57.74
Total	1904	100.00	10043900	100.00

ISSUE OF CONVERTIBLE WARRANTS AND RISSUE OF FORFEITED SHARES:

During the period under report, the Company in its Extra-Ordinary General Meeting held on 25th day of January, 2007, approved, inter-alia, the proposals of reissue of 969000 forfeited shares and issue of 60.00 lacs convertible warrants on preferential allotment basis at a price of Rs. 81.50 per share/ warrant, The Company approached the concerned stock exchanges for grant of in principle approval for listing of shares/ warrants likely to be emanated consequential to proposed preferential allotments. However, Looking to the substantial delay on the part of exchanges in according requisite approval and consequential probability of reluctance on the part of the proposed allottees of warrants, the company decided to shelve the proposal of issuance of warrants for sometime and in pursuance of this decisions, your company has withdrawn its proposal for issue of warrants and proposal of reissue of forfeited shares too is being withdrawn.

AWARD OF MANAGEMENT CONTRACT TO WELCOMEHERITAGE.

To avail of the expertise of WelcomeHeritage chain of Hotels, during the period under report your company has awarded operation and Management contract to the WelcomeHeritage on payment of Commission @ one percent of the turnover. The arrangement has become functional w.e.f. 1st day of October 2006. The contract caused a sudden surge in the market price of the shares of the company.

CAPITAL EXPENDITURE:

Up to the close of the financial year under report, your company incurred a capital expenditure of Rs_2579.43 lacs, including work in progress worth Rs. 5.26 lacs against Rs. 2456.10 lacs in proceeding year, representing a capital expenditure of Rs, 123.24 lacs during the period under report.

PROJECT IMPLEMENTATION STATUS:

As the members are aware, out of the 70 rooms' facility planned by the company, till the close of preceding financial year it had completed and opened for commercial use only 47 rooms. Your directors are pleased to report that tailored to the available business potential, your company has added further 10 rooms to the room inventory and making efforts on war footing to ensure that further 9 rooms are added to the salable room inventory by the end of the current financial year increasing room inventory to 66 rooms.

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

The company's objective is to become a market leader in the region by the end of fiscal year 2008-09. Further, the Company's Vision is to emerge as a leading Hotel providing high class quality service & true value for money to its costumers. We have envisaged achieving our objective & to remain focused on our vision by aggressively promoting the property as a top hospitality brand of Central India. The Company has already entered into a MOU with ITC WelcomHeritage, a leader in hospitality, internationally whereby in addition to the existing Franchise Agreement, ITC WelcomHeritage shall also extend operational & management support services to the company. With this, comes the standard ITC Hotel operating policies and procedures that are being strictly adhered to. Now the company would be in a position to further upgrade its product, services & follow the best practices in existence among the leading ITC Hotels.

The Hospitality Industry has been experiencing a constant boom & this year it is imperative that Bhopal too will experience a substantial growth. Apart from the normal industry growth of 10 %, we anticipate an average growth in excess of 20 % every year. The tourism experts have forecasted that by 2010, there would be 760 million domestic tourists & 11 million inbound tourists in India. Thus on this very encouraging & promising note, we plan to expand our operations & continue to upgrade our property.

Quality Management:

Deliverance of Quality Services along with gradual upgrade and additions in the property so as to achieve excellence will be the mantra that the company will follow. The company is totally committed to provide & maintain quality at all levels. Systems & checks are already in place to ensure that right from planning stage to procurement stage to production stage to service stage to accounting stage, quality is maintained at all levels. Standard operating procedures (SOP's) are being worked out at all operational levels for implementation & for strict adherence which would be constantly reviewed to adapt to the changing service trends of hotel industry. The company has ensured activation of most of the modules in the Property Management System (IDS) already installed so that all departments & sub - departments of the hotel are interfaced. A guest comment tracking system has been devised & operated to take regular feed back on product & services from the guests to ensure total quality management.

Internal Control Systems:

All necessary controls, financial checks and otherwise, due as per statutory requirements as also towards making the company a highly profitable venture are in place. Internal controls as regards operations so that the expenditure

is in line with industry norms and regular internal audits of our finances are undertaken and their report submitted to Audit Committee. Proper accounting procedures are being strictly adhered to. Total transparency in all transactions is maintained and all statutory licensing and dues to State and Central Governments have been updated & are made on time. Reduction in costs will be a major focus area for next FY which will further aid in increasing profit margins and end up in a healthy Operating Ratio.

Opportunities

Again this year, economic projections look very good for the country due to the prevailing stable Political situation. The stock markets are quite buoyant, a proof enough that the investors are showing high degree of trust and contributing to the economic boom. Hospitality, as an industry is not left out. We are of strong opinion that given the current GDP growth scenario of almost 9 – 10 %, the Corporate and the Conference segments will grow at a very rapid pace. Influx into the city by means of Flights and Trains will increase as also the connectivity to other parts of the country which as of now is an ignored area. Citing this early, the company has already made plans to add a completely new wing with a proposal of 60 brand new rooms to its current inventory. However, it might take 2 to 3 years for its completion & we plan to execute the same so that by the time IT / BPO sector enters Bhopal (proposed IT Park Project in near vicinity of our Hotel), we are ready to cater to a totally new business profile clientele.

Threats

With the number of flights increasing from a particular destination in to city in morning hours and out of the city the same evening, there will also be a threat perception that corporate night halts at Bhopal would drastically reduce. This would directly affect our room sales and due to a drop in occupancy there could be a drop in Food and Beverage Revenue. Real Estate Developers have started to show interest in Bhopal. With the influx of companies like DLF, Ansals, Omaxe and the likes into the city, land and raw material prices have rapidly shot up. This has resulted in spiraling of project costs. Current market players in Hospitality Industry in the city also have comprehended the boom in the market and thus have either made additions to their current setup or have made provisions to do the same in the current financial year. This again could make a dent in our market share. With the advent of new players in the market, the competition is growing tougher by the day. Hiring and retaining of skilled and experienced manpower is becoming a challenge in the market today which will only multiply in the coming years. Corporate houses these days are focusing on reducing travel and boarding / lodging expenses thereby adversely affecting the hotel's revenue. Some corporate have gone step further and bought / hired / running guesthouses for their traveling executives & their offices in the city generally have a conference room attached to take care of routine and other weekly / monthly conferencing.

Risks and Concerns:

The company is hopeful that the current buoyancy in the market will continue for a few years more and we foresee no potential risk to Hospitality Industry as of now. There is definitely a concern about the State Government not doing enough on infrastructure development so as to ease inflow of tourists and corporate. Slow up gradation of Bhopal Railway Station and complications in availability of land for up gradation of Airport and its Air Strip is an area of concern.

Other Disclosures:

The company is proud to have maintained the Heritage nature of the Hotel to its optimum level. We still are & shall always remain the Best Address in Bhopal. Schedule up gradation & continuous maintenance of service standards shall be our motto. Major focus shall be on training of staff, to upgrade their skills so that they are able to deliver quality service & maintain high standards. Understanding our commitment to society, we have initiated a mini Green Revolution in the area. A green committee has been constituted among hotel staff to plan, implement & execute all possible eco friendly initiatives like tree plantation, garbage management system (segregation, processing & disposal), usage of recycle paper products, initiate heavy reduction in use of plastic & energy conservation, etc. Job opportunities are being created for physically challenged local citizens.

Rs. 118.50 lakhs were invested in the company during FY 2006 – 07 to add 10 new rooms to its inventory (04 new Crown Club Suites & 06 new Premium Club Rooms), for commissioning a new VAM (Vapour Absorption Machine – for a/c plant) which is very economical & eco friendly to operate vis-à-vis electric operated a/c plants, Solar Water Heating System installed for Kitchen – a responsible step for energy conservation & for procurement of heavy duty equipments for Hotels in-house Laundry.

During 2007 – 08, the company shall further invest Rs. 160.00 lakhs to add 09 new Royal Club Rooms to the hotel, to commission an Indian Specialty Restaurant, to make a new Banquet Hall & to add Health Club Wet Section. It is further proposed that Rs. 120.00 lakhs shall be invested keeping in mind the need for continuous up gradation of our product & services which involves adoption of new technology and assets to cater to the demanding customer needs of today in a professional and cost effective manner.

HUMAN RESOURCES DEVELOPMENT:

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

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

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

AUDITORS:

M/s. M A K & Associates, Chartered Accountants, Indore, the statutory auditors of the company shall hold office as such till the conclusion of the ensuing Annual General Meeting of the Company. A proposal to re-appoint them as such, subject to fulfillment of conditions prescribed under Section 224(IB) of the Companies Act, 1956, is being brought up at the ensuing Annual General Meeting.

STATUTORY STATEMENTS:**1. Public Deposit**

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

2. Information as per Sec 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31st March 2007 are given as under: -**(a) Conservation of Energy:**

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

(b) Technology Absorption:

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

(c) Foreign Exchange Earnings & Outgo:

During the period under report, your company has earned Foreign Exchange equivalent to Indian Rupees 79.24 lacs against 81.50 lacs during the preceding accounting period representing an increase to the extent of 59 per cent over the preceding year. During the period under report too, your company did not spent any amount in foreign exchange.

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

Your Directors are pleased to state that the Financial results for the period under report have been compiled observing the Going Concern Concept, Accrual & historical record basis conforming to the accounting standards specified under Section 211(3C) of the Companies Act to ensure that the statements disclose true and fair view of the state of affairs of the operations of the company and that in the said compilation due care has been taken to see that adequate accounting record in accordance with the statutory requirements for safeguarding the assets of the company does exist and that possibilities of fraud and other irregularities, if any, in the company are timely detected, provided for and their recurrence is prevented and that the statements reflect true and fair view of the state of affairs of the Company as at the 31st March, 2007 and the profit and loss for the accounting period ended on the said date.

4. Constitution of Audit Committee:

In term of requirements of Section 292 (A) of the Companies Act, 1956, during the period under report the Audit Committee was constituted of three non-executive independent directors namely Mr. S. Shankar Narayanan, Mr. Mohd. Hafiz Khan, Mr. Debasis Chaudhuri and the Statutory Auditors and that Mr. Shankar Narayanan remained on the Chair. Keeping in view the requirements of Clause 49 of the Listing agreement, the committee was entrusted with greater assignments as brought out under the Corporate Governance Section of this report and that the Board of Directors generally agreed with and adhered to the suggestions made by the committee in the areas assigned to it and that to reply your queries, if any, the Chairman of the Committee shall be with you at the ensuing Annual General Meeting.

CHANGES IN DIRECTORSHIPS:

Mr. S. Shankar Narayanan, one of the Directors of the Company, shall retire on the conclusion of the ensuing Annual General Meeting. However, being eligible, he offers himself for reappointment and, therefore, a proposal to re-appoint him as such be being brought up before the members at the ensuing Annual General Meeting.

Besides during the period under report Mr. Rajendra Goyal, Mr. Parkash Singh, Mr. Kaleem Ullah Khan and Mr. Chandan Mitra and Mr. D. Chaudhury who were inducted as Addl. Directors, shall cease to hold the office as such from the conclusion of the ensuing Annual General Meeting.

The Company has received notices under Section 257 of the Companies Act, 1956, from three of its Shareholders intending to propose the candidature of Mr. Chandan Mitra, Mr. Parkash Singh and Mr. Debasis Chaudhuri for appointment to the office of Director liable to retire by rotation. Accordingly, requisite proposals to reappoint the aforesaid gentlemen to the office of Directors are being brought up at the ensuing Annual General Meeting.

DIVIDEND

In view of the fact that company could not generate adequate surplus during the year under report, no dividend on the Equity share capital has been recommended.

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

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

DEMATERIALISATION OF SHARES

The Shares of the Company are required to be compulsorily traded in the dematerialised form. Its shares are admitted for trading under both the Depository Systems in India- NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE 419H01019. A total of 7480600 amounting to 74.48 per cent of the total paid up shares capital of the company have already been dematerialized as on 31st day of March, 2007.

SECRETARIAL AUDIT:

In term of requirement of SEBI and Stock Exchanges, a Secretarial audit by a practicing Company Secretary is carried out to reconcile the total admitted share capital with NSDL and CDSL and the total issued and listed.

capital. The said audit is carried out on quarterly basis which aims at confirming the total issued/paid –up capital tallies with the aggregate of shares existing in physical and demat form held with the said depositories.

REGISTRAR AND SHARE TRANSFER AGENTS:

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

REPORT ON CORPORATE GOVERNANCE IN TERM OF CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES:**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :**

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

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

BOARD OF DIRECTORS & MEETINGS:**Composition of Board:**

During the period under report, the Board of Directors of the Company did consist of 8 persons, including 5 independents Directors as defined under clause 49 of the Listing Agreement and that there has been no nominee or institutional director on the Board of the Company. The Chairman being Executive Director, the total strength of independent directors exceeds one-half of the total strength of the Board.

The Board met seven times during the financial year under report and majority of directors attended the meetings.

None of the directors had any other public company under his directorship and non of them incurred any disqualification contemplated under Section 274(1) (g) of the Companies Act as amended up to date, and that, therefore, the Directors are eligible to continue as such and /or for re-appointment as Directors of the Company Except sitting fee for attending meeting of the Board/ Committee and reimbursement expenses incidental thereto, which is paid as per the provisions contained in the Articles of Association of the Company, nothing is paid to the non-executive Directors during the period under report.

Code of conduct:

The Company has laid down a code of conduct for all Board Members and Senior Management personnel of the Company. The code of conduct is available on the website of the company www.reliable-group.org. A Declaration by the Managing Director affirming compliance of Code of Conduct by the Board members and senior management executives is **annexed** separately to this annual report.

AUDIT COMMITTEE:

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

1. Overseeing company's financial reporting process and disclosure of its financial information to ensure correctness sufficiency and credibility thereof
2. Reviewing the statutory and financial reporting of the company-including the reporting under the listing requirements
3. Formulation, application and reviewing the Accounting financial policies and practices
4. Issues related to and incidental to changes in accounting policy of the company,
5. Handling issues relating to internal and external audit programmes and matters arising out of them
6. Examining the adequacy and effectiveness of accounting and financial control with due regard to laws and regulations governing them.
7. Appointment of, changes in and fixation and payment of remuneration to the statutory and tax auditors of the company.
8. Approval of payment for other services rendered by the statutory auditors, if any,
9. Reviewing with the management the annual financial statements before submission to board for approval and compliance with statutory provisions governing the entire gamut of accounting activities and corporate compliance aspects of the Company
10. To see that the accounting standards specified by the ICAI are duly observed and the resources of the company are put to the optimum use.

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

Periodicity of meetings

The Audit Committee met for 5 times including one prior to finalization of the accounts of the Company under the Chairmanship of the said non-executive and independent director. All the members and representative of the statutory auditors mostly attended the meetings.

Remuneration Committee:

A Remuneration Committee consisting of the Chairman of the Board as also two other non-executives Directors was constituted under the Chairmanship of the CMD of the Company with the assignment of formulation of policy relating to appointment, terms and conditions of services, fixation of remuneration for Directors, Company Secretary and the General Manager of the hotel undertaking of the Company.

The Company has on its role optimum manpower and, since the company is operating at a very low profit margin; it did not feel necessity of augmenting its managerial manpower during the period under report. Committee did not have the opportunity to meet even once during the period under report.

Shareholders/ Investors Grievance Committee:

Constitution:

A Committee comprising of three of the Directors under the Chairmanship of Mr.. Shankar Narayanan, one of the independent Directors, does exist to take care of the all matters relating to the shareholders, general body meeting etc.

Term of reference:

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

SUBSIDIARY COMPANIES:

Your company did not have any subsidiary company.

DISCLOSURES:

Related Party Transactions:

The company has not entered into any transactions of material nature with the promoters, directors, and the management, their subsidiaries or relative that may have potential or actual conflict with the interest of the company.

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

Disclosure of Accounting Treatment

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

Risk Management:

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

Proceeds from Public Issue:

The Company has not come out with any public issue after its IPO in the year 1995-96 and therefore has nothing to report with respect to use of the proceeds of public issues.

During the period under report, the Company made efforts t to issue convertible warrants and re-issue of forfeited shares but the same did not materialize during the period under report for want of receipt of in-principle approval from the Stock Exchanges. Due to due to delay in receipt of approval from the Exchange, the company has already withdrawn its proposal to issue convertible warrants and the proposals for reissue of forfeited shares too is being withdrawn.

Remuneration of Directors:

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

Of the non-executive Directors, only Mr. S. Shankar Narayanan holds 2000 equity shares of the company.

Management:

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

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

Gneral body meeting:

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

Sl.No.	Location	Date	Venue of the meeting
01.	City of Bhopal, M.P.	30 th Sept., 2006	Noor-Us- Sabah Palace, VIP Road, Koh-e-fiza, Bhopal
02	City of Bhopal, M.P.	26 th Sept., 2005	Noor-Us- Sabah Palace, VIP Road, Koh-e-fiza, Bhopal
03	City of Bhopal, M.P.	25 th Sept., 2004	Noor-Us- Sabah Palace, VIP Road, Koh-e-fiza, Bhopal

During the period under report, although your company transacted the business of change in its name to Reliable Ventures India Ltd., increase in its authorized equity share capital from Rs. 12.00 crores to Rs. 25.00 crores, issue of convertible warrants and reissue of forfeited shares, it did not pass any special resolutions by use of Postal Ballot and that during the immediately preceding three years too no such business was transacted,

Means of Communication:

The quarterly, half yearly and yearly financial results of the Company are sent to Stock Exchanges immediately after the Board approves these. These are published in the local and national dailies and that the code of conduct for the Board Members and Senior Managerial Personnel is available on the website of the company. The shares of the company are listed on Mumbai, Delhi and Indore Stock Exchanges and mostly the format prescribed by the Mumbai Exchange are observed.

CFO CERTIFICATION:

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

REPORT ON CORPORATE GOVERNANCE:

A separate Section on Corporate Governance form part of this Annual Report, Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate governance as stipulated in Clause 49 of the Listing Agreement with the BSE, DSE & MPSE, three of the Stock Exchanges in India, forms part of this report.

Compliance Officer and status of complaints:

The Secretary of the Company, who is also compliance officer of the Company, coordinates all the meetings of the committee and the matters relating to shareholders. The Committee ensures that all the matters relating to the shareholders are taken care of promptly and your directors are pleased to inform you that the Company did not receive any complaints from shareholders whatsoever pending for disposal with the company and, similarly, no case of share transfer is pending with the aforesaid Registrar & Share Transfer Agents of the Company.

Whistle blower policy:

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

General Shareholders Information:

Date of AGM	: 28 th Sept., 2007
Financial Year:	: 2006-07
Book Closure date	: 26 th Sept. to 28 th Sept., 2007 (Both the days inclusive)
Dividend payment	: Not applicable

Listing on Stock Exchanges and Security codes:

The Equity shares of the company continue to remain listed with Bombay, Delhi & the Regional Stock Exchange namely the M.P. Stock Exchange Indore, M.P and that no listing fee payment is outstanding. The stock codes assigned by Mumbai and Delhi Stock exchange to the security of the company are 532124 and 9203, respectively.

Proposal for de-listing from MPSE & DSE

In view of the availability of nation-wide trading terminal with BSE and non-availability of any value added services from the MPSE and DSE coupled with the fact that almost whole of the trading volume of equity shares of the company during the financial year under report has been on Bombay Stock Exchange only, your company has decided to go for de-listing of its equity shares from the MPSE and DSE retaining the listing on BSE. A proposal to this effect is being brought up at the ensuing Annual General Meeting. Besides, to provide additional avenue of trading, it is also proposes to seek listing of the shares of the company on the National Stock Exchange in due course of time.

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

During the period under report, your company has established connectivity with both of the depositories namely CDSL and NSDL and the equity shares of the company have been admitted on these depositories. After demat, the shares of the company were traded only on BSE only. The market price date-high-low price statistics prevailed during the financial year under report is tabulated hereunder:

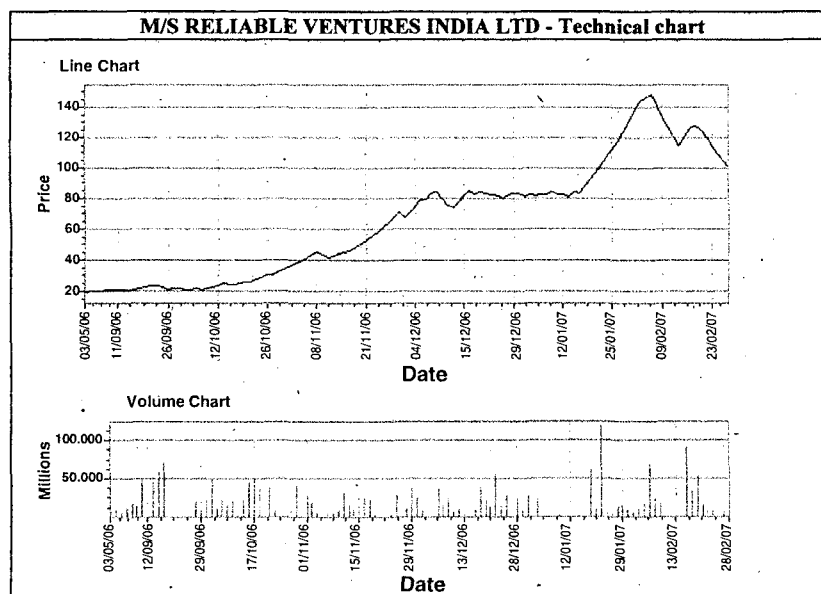
Months	High Rupees	Low Rupees	Close Rupees	Av. Volume In Nos.
Apr-06	No trading	No trading	No trading	No trading
May-06	19.00	19.00	19.00	100
June-06	No trading	No trading.	No trading.	No trading.
July-06	No trading	No trading	No trading.	No trading.
Aug-06	No trading	No trading	No trading.	No trading.
Sept.06	24.35	19.00	22.05	334300
Oct.-06	34.15	21.00	34.15	418600
Nov.-6	74.95	35.50	68.15	324000
Dec-6	88.95	64.75	83.50	352400
Jan-07	123.50	79.60	123.50	317700
Feb-07	155.00	99.75	100.00	384700
March-07	105.60	66.30	74.15	130100

Performance of company to broad based indices.

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

Plot At ☒ BSE ☐ Select Period ☐ Intraday ☐ Compare With ☐ None ☐

Start Date End Date



The company has not resorted to ADR and GDRs issues and therefore it has nothing to report in respect thereof.

Plant unit Location:

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

Address for Correspondence:

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

AUDITORS' REPORT:

The notes on accounts referred to in the Auditors' Report dated 27th day of July 2007, appended hereto read with the Management Discussion and Analysis brought out herein above are almost self-explanatory and, therefore, do not generally call for any further or supplemental comments from your Directors.

ACKNOWLEDGEMENTS:

Your Directors place on record their grateful and sincere thanks for excellent support and co-operation your company received from the Ministry of Tourism, Govt. of India and Department of Tourism of Govt. of Madhya Pradesh, banks and other government bodies and we look forward to their continued support and patronage in future.

Your Directors wish to record their appreciation of the excellent efforts put in by the executives and staff at all levels which culminated into creation of still better financial and operational performance record for the company and hope that this trend would be kept even during the ensuing years.

For & on behalf of the Board

Sikandar Hafiz Khan

Chairman & Mg. Director

Place : Bhopal

Date : 25th August 2007

DECLARATION

In term of the requirements stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby declared that all the Members of the Board of Directors and senior Management Personnel of the Company have affirmed that there has been due compliance with Code of Conduct for the financial year ended 31st March, 2007.

Sikandar Hafiz Khan

Chairman & Managing Director

Place : Bhopal

Date : 25th August 2007.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

Reliable ventures (India) Limited

BHOPAL (M.P)

We have examined the compliance of conditions of Corporate Governance by the Reliable ventures (India) Limited for the year ended 31.03.2007 as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

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

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

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

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

**For M A K & ASSOCIATES,
Chartered Accountants,**

**CA SANTOSH KUMAR SHARMA
PARTNER**

Membership No. 077735

Place : Bhopal

Date : 27.07.2007

AUDITORS - REPORT**To****The Members**

We have audited the attached Balance Sheet of **RELIABLE VENTURES INDIA LIMITED (Formerly known as LAKELAND HOTELS LIMITED)** as at 31st March, 2007 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report Amendment) Order, 2004, issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
3. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of the books of the company;
 - (iii) The Balance sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - (iv) In our opinion the Balance Sheet, 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) Based on the written representations made by the Directors of the Company, taken on record by the Board of Directors and as per the information and explanations given to us, we report that none of the Directors is, as at 31st March, 2007, disqualified from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (vi) The company is not required to make any payment of cess as no notification has been issued by the Central Government specifying the rate for levy of cess under Section 441 A of the Companies Act, 1956, till 31st March, 2007.
 - (vii) In our opinion and to the best of our information and according to the explanations given to us, the said account, read in conjunction with schedule 1 to 18, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view **subject to notes on accounts annexed herewith** in conformity with the accounting principles generally accepted in India :
 - (a) in the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2007;
 - (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 M A K & ASSOCIATES,
Chartered Accountants,

(CA SANTOSH KUMAR SHARMA)
PARTNER

Place : Bhopal
Date : 27.07.07

Membership No. :077735

ANNEXURE TO THE AUDITORS' REPORT

STATEMENT REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RELIABLE VENTURES INDIA LIMITED (Formerly known as LAKELAND HOTELS LIMITED) ON THE ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH 2007.

1. Having regard to the nature of the Company 's current business/activity, results for the year, clauses (xii), (xiii), (xiv), (xviii), (xix) and (xx) of CARO, 2003 are not applicable .
2. In respect of Fixed Assets :
 - a. Fixed Assets Register has been showing particulars, quantitative details and situation of main fixed assets.
 - b. The management has, as informed to us, physically verified the substantial portion of the fixed assets during the year and no material discrepancies were noticed on such verification.
 - c. No substantial portion of fixed assets, disposed off during the year.
3. In respect of Inventories:
 - a. As per information/explanations given to us the stock of stores, operating supplies, foods & beverages etc., have been physically and periodically verified by the management during the year, in our opinion the frequency of verification is reasonable.
 - b. In our opinion the procedures of physical verification of stocks of stores, operating supplies, foods & beverages etc., followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
4. In respect of loans secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956 :
 - a. The company has not granted unsecured loan to any companies, firms or other parties covered in the register maintained U/s. 301 of the Companies Act, 1956.
 - b. The company has taken interest free unsecured loans from 12 parties. Aggregated outstanding at the year end amounting to Rs.780.61 lakhs.
 - c. In our opinion and according to the information and explanations given to us, the terms and conditions of such loans, taken by the company, are not prima facie prejudicial to the interest of the company.
 - d. As per information and explanation given to us, the principal amount of such loans are repayable on demand.
 - e. As the above loans are repayable on demand and therefore the question of overdue amounts does not arise.
5. In our opinion and according to the information and explanations given to us there are adequate internal control procedure commensurate with the size of the company and nature of its business for the purchase of inventories, fixed assets and sale of services / goods. Further during the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
6. Based on the audit procedures applied by us and according to the information explanation given to us, there are no contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under that section, hence clause V (b) of the order is not applicable.
7. In our opinion and according to information and explanations given to us, during the year under report, the company has not accepted any deposit as defined Under Section 58A and 58AA of the Companies Act, 1956 and rules framed thereunder.
8. The company has an internal audit system, which requires to be more strengthened looking to the scope, coverage, size and the nature of it's business.

9. As the company is in service industry therefore question of maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, does not arise.
10. According to the information and explanations given to us in respect of statutory dues :
 - a. According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom and Excise Duty, Cess etc have been generally regularly deposited with the appropriate authorities. As on the last day of the financial year no dues is outstanding more than 6 month from the date they become payable.
 - b. According to information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
11. The accumulated losses at the end of the financial year are less than fifty percent of the net worth of the company. The Company has not incurred any cash losses during the financial year covered under audit and in the financial year immediately preceding the current financial year.
12. As per the information and explanations given to us we are of the opinion that no material default in repayment of dues to any Bank or financial institution as at the Balance Sheet date.
13. Based upon the audit procedure performed & on the basis of information and explanation given to us the company has not given guarantee for loans taken by others from banks or financial institutions.
14. On the basis of the records examined by us and relying on the information compiled by the company for correlating the funds raised to the end use of term loans, we have to state that, the company has not obtained any term loan during the year under review.
15. According to the information and explanations given to us and on an overall examination of the Balance sheet of the company, fund has not been raised on short-term basis.
16. In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year that causes the financial statement to be materially misstated.

For M A K & ASSOCIATES,
Chartered Accountants,
(CA Santosh Kumar Sharma)
Partner
M. No. :077735

Place : Bhopal
Date : 27.07.07

RELIABLE VENTURES INDIA LIMITED

(Formerly known as LAKELAND HOTELS LIMITED)

BALANCE SHEET AS AT 31ST MARCH 2007

	SCHEDULE	As At 31.03.07	As At 31.03.06
SOURCES OF FUNDS			
SHAREHOLDERS FUND			
SHARE CAPITAL	1	102,905,000.00	102,905,000.00
SHARE APPLICATION MONEY		42,800,000.00	0.00
		<u>145,705,000.00</u>	<u>102,905,000.00</u>
LOAN FUNDS			
SECURED LOANS	2	42,686,107.90	52,009,538.75
UNSECURED LOANS	3	78,061,069.42	104,635,881.42
DEFERRED LIABILITY		—	164,840.00
		<u>120,747,177.32</u>	<u>156,810,260.17</u>
TOTAL		<u>266,452,177.32</u>	<u>259,715,260.17</u>
APPLICATIONS OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	4	257,408,918.50	245,609,895.85
LESS: DEPRECIATION		44,998,139.16	37,218,199.84
NET BLOCK		<u>212,410,779.34</u>	<u>208,391,696.01</u>
CAPITAL WORK IN PROGRESS		525,746.00	—
CURRENT ASSETS, LOANS & ADVANCES			
INVENTORIES	5	3,725,197.59	3,304,366.05
SUNDRY DEBTORS	6	5,230,330.88	5,340,731.10
CASH & BANK BALANCES	7	8,841,055.03	4,498,241.80
LOANS & ADVANCES	8	5,953,360.17	3,377,480.09
		<u>23,749,943.67</u>	<u>16,520,819.04</u>
LESS: CURRENT LIABILITIES & PROVISIONS			
CURRENT LIABILITIES & PROVISIONS	9	6,073,361.09	16,888,786.24
		<u>6,073,361.09</u>	<u>16,888,786.24</u>
NET CURRENT ASSETS		17,676,582.58	(367,967.20)
DEFERRED TAX ASSET		9506965.57	14,475,057.48
MISCELLANEOUS EXPENDITURE	10	778,161.71	1,183,511.41
(TO THE EXTENT NOT W/OFF OR ADJUSTED)			
PROFIT & LOSS ACCOUNT		25,553,942.12	36,032,962.47
TOTAL		<u>266,452,177.32</u>	<u>259,715,260.17</u>
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	18	—	—

As per our Report of even date attached
for M A K & Associates,
Chartered Accountants
CA Santosh Kumar Sharma
(Partner)

M.No. 077735
Place : Bhopal
Date : 27.07.2007

For and on behalf of the Board of Directors

Company Secretary Managing Director Director

Place : Bhopal
Date : 27.07.2007

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING ON 31.03.2007

	SCHEDULE.	For The Year Ending On 31.03.07	For The Year Ending On 31.03.06
INCOME			
GUEST ACCOMMODATION ,RESTAURENTS, BAR AND BANQUETS ETC.	11	81,848,032.14	68,898,042.09
OTHER INCOME	12	278,781.34	440,410.60
		<u>82,126,813.48</u>	<u>69,338,452.69</u>
EXPENDITURE			
CONSUMPTION OF PROVISIONS & STORES	13	14,952,125.45	12,623,450.78
EMPLOYEES REMUNERATION & WELFARE EXP.	14	11,948,077.99	10,392,754.70
UPKEEP & SERVICE COST	15	14,110,509.68	11,915,456.39
ADMINISTRATIVE, SELLING & OTHER EXPENSES	16	21,404,248.12	16,133,132.57
INTEREST & FINANCIAL CHARGES	17	6,912,156.88	8,312,102.55
MISCELLANEOUS EXPENSES WRITTEN OFF	10	505,349.70	606,802.70
DEPRECIATION	04	7,779,939.32	7,731,387.97
		<u>77,612,407.14</u>	<u>67,715,087.66</u>
PROFIT/(LOSS) BEFORE TAXATION		4,514,406.34	1,623,365.03
PRIOR YEAR ADJUSTMENT		79,039.11	(190,369.00)
EXTRA ORIDINARY ITEMS		11,310,325.81	—
PROVISION FOR TAXATION			
-CURRENT TAX		(345,123.00)	—
-FRINGE BENEFIT TAX		(111,536.00)	(102,528.37)
-DEFERRED TAX		(4,968,091.90)	(3,124,556.75)
PROFIT/(LOSS) AFTER TAXATION & EXTRA ORIDINARY ITEMS		<u>10,479,020.36</u>	<u>(1,794,089.09)</u>
BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR		(36,032,962.48)	(34,238,873.38)
BALANCE CARRIED OVER TO BALANCE SHEET		<u>(25,553,942.12)</u>	<u>(36,032,962.47)</u>
BASIC/DILUTED EARNING PER SHARE(Rs.) (REFER NOTE 15 OF SCHEDULE 18)		1.04	(0.18)
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	18		

As per our Report of even date attached
for M A K & Associates,
Chartered Accountants
CA Santosh Kumar Sharma
(Partner)

M.No. 077735
Place : Bhopal
Date : 27.07.2007

For and on behalf of the Board of Directors

Company Secretary Managing Director Director

Place : Bhopal
Date : 27.07.2007

RELIABLE VENTURES INDIA LIMITED

(Formerly known as LAKELAND HOTELS LIMITED)

**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31.03.2007
AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING ON 31.03.2007**

SCHEDULE-1	As At 31.03.07	As At 31.03.06
SHARE CAPITAL	(Rupees)	(Rupees)
AUTHORISED CAPITAL		
2,50,00,000 Equity Shares of Rupees 10/- each	<u>250,000,000.00</u>	<u>120,000,000.00</u>
(Previously 1,20,00,000 Equity shares of Rs. 10/- each)		
ISSUED & SUBSCRIBED CAPITAL		
1,10,12,900 Equity Shares of Rupees 10/- each	<u>100,439,000.00</u>	<u>100,439,000.00</u>
(Pre. Year 1,10,12,900 Eq. Share of Rs. 10/- each)		
	<u>100,439,000.00</u>	<u>100,439,000.00</u>
Add: Paid up value of share forfeited	<u>2,466,000.00</u>	<u>2,466,000.00</u>
PAID UP CAPITAL	<u><u>102,905,000.00</u></u>	<u><u>102,905,000.00</u></u>

**SCHEDULE-2
SECURED LOANS**

Term Loans - From Banks	<u>41,717,901.28</u>	<u>49,442,742.28</u>
Working Capital Loan - From Bank	<u>297,162.63</u>	<u>1,425,603.48</u>
Vehicle Loan- From Banks	<u>671,043.99</u>	<u>1,141,192.99</u>
	<u><u>42,686,107.90</u></u>	<u><u>52,009,538.75</u></u>

Particulars of Securities

Term Loans - Bank of Baroda Rs. 30,080,128.00 and Dena Bank Rs. 11,637,773.28

(Financed under consortium arrangement and both are secured by all Land & Building and Equipments, Machinery and all movable Stores and Spares, Furniture & Fixtures, present and future belonging to the Company being and lying in the premises of the Company or Godown and elsewhere including personal guarantees of two Directors, one of which is Managing Director.

Working Capital Loan - Bank of Baroda (Cash Credit) Rs. 2,97,162.63

Cash Credit is secured by the hypothication of Stocks and Book Debts including personal guarantees of two Directors, one of which is Managing Director.

Others- Vehicle Loans from HDFC Bank 5,52,741.99. and Cholamandalam Finance Rs. 1,18,302.00

Vehicle loans are secured by the hypothication of the relevant specific vehicle.

**SCHEDULE-3
UNSECURED LOANS**

From Directors & Shareholders	<u>2,536,037.00</u>	<u>36,037.00</u>
Bodies Corporate	<u>75,525,032.42</u>	<u>104,599,844.42</u>
(Please refer Note No. 6 of Schedule-18)	<u><u>78,061,069.42</u></u>	<u><u>104,635,881.42</u></u>

**SCHEDULE – 4
FIXED ASSETS**

(Rupees)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2006	Additions	Deductions	As on 31.03.2007	As on 01.04.2007	For the Year	Deduction	As on 31.03.2007	As on 31.03.2007	As on 01.04.2006
Leasehold Land	5,000,000.00	—	—	5,000,000.00	—	—	—	—	5,000,000.00	5,000,000.00
Leasehold Building and Interior	15,000,000.00	—	—	15,000,000.00	—	—	—	—	15,000,000.00	15,000,000.00
Building	134,404,228.51	5,083,145.00	—	139,487,373.51	10,712,873.03	2,212,199.14	—	12,925,072.17	126,562,301.34	123,691,355.48
Sanitary Fittings	2,033,474.54	—	—	2,033,474.54	170,077.75	33,271.66	—	203,349.41	1,830,125.13	1,863,396.79
Plant & Machinery	60,847,047.60	3,352,409.04	—	64,199,456.64	12,983,306.43	2,931,934.83	—	15,915,241.26	48,284,215.38	47,863,741.17
Furniture & Fixtures	22,662,294.20	3,313,718.61	—	25,976,012.81	9,890,174.95	2,238,215.05	—	12,128,390.00	13,847,622.81	12,772,119.25
Computer	3,041,242.00	49,750.00	—	3,090,992.00	2,975,725.21	115,265.79	3,090,991.00	1.00	65,516.79	
Vehicle	2,621,609.00	—	—	2,621,609.00	486,042.47	249,052.86	—	735,095.33	1,886,513.68	2,135,566.53
Total	245,609,895.85	11,799,022.65	—	257,408,918.50	37,218,199.84	7,779,939.32	—	44,998,139.16	212,410,779.34	208,391,696.01
Previous Year's	234,625,383.63	11,417,561.22	433,049.00	245,609,895.85	29,528,956.98	7,731,387.97	42,145.11	37,218,199.84	208,391,696.01	205,096,426.65

RELIABLE VENTURES INDIA LIMITED

(Formerly known as LAKELAND HOTELS LIMITED)

SCHEDULE-5	As At 31.03.07	As At 31.03.06
INVENTORY	(Rupees)	(Rupees)
(As valued & Certified by management at cost)		
Beverages Store	426,836.02	308,503.93
Crockery & Cutlery	1,568,602.03	1,390,600.29
Engineering & Maintenance Store	106,485.78	139,881.19
Food Store	447,599.63	322,648.68
House Keeping Store	927,364.30	892,819.92
Stationery Store	162,839.83	152,232.04
LDO	85,470.00	97,680.00
TOTAL	3,725,197.59	3,304,366.05

SCHEDULE-6**SUNDRY DEBTORS**

(Unsecured, Unconfirmed considered good)

Sundry Debtors		
Less than Six Months	3,908,033.42	5055741.82
More than Six Months	1,322,297.46	284989.28
TOTAL	5,230,330.88	5,340,731.10

Note :- Guest Balance Rs. 360165.62 Included In Debtors**SCHEDULE-7****CASH & BANK BALANCES**

Cash in hand	169,606.87	179,027.07
Cash at Bank with Scheduled Banks:		
In Current Accounts	5,526,126.16	2,212,339.73
In Fixed Deposits	3,123,447.00	2,085,000.00
In Margin Money	21,875.00	21,875.00
TOTAL	8,841,055.03	4,498,241.80

SCHEDULE-8**LOANS & ADVANCES**

(Unsecured/unconfirmed & Considered good)

Advance recoverable in cash or in kind for value to be received	4,043,696.33	1,511,535.09
Sundry Deposits	1,202,931.00	1,202,931.00
Tax deducted at source	706,732.84	663,014.00
TOTAL	5,953,360.17	3,377,480.09

SCHEDULE-9	As At 31.03.07 (Rupees)	As At 31.03.06 (Rupees)
CURRENT LIABILITIES & PROVISION		
CURRENT LIABILITIES :		
Sundry Creditors		
— For Supplies & Expenses	2,573,777.21	3,647,516.51
— For Capital Goods	87,600.00	103,600.00
Other liabilities	3,066,860.88	13,137,669.73
TOTAL	5,728,238.09	16,888,786.24
PROVISIONS :		
Current Tax	345,123.00	—
TOTAL	345,123.00	—
Grand Total	6,073,361.09	16,888,786.24
 SCHEDULE-10		
MISCELLANEOUS EXPENDITURE		
Preliminary Expenditure	39,043.00	78,086.00
Public Issue Expenses	466,306.71	932,613.41
Deferred Revenue Expenses	272,812.00	172,812.00
TOTAL	778,161.71	1,183,511.41
 SCHEDULE-11		
INCOME FROM GUEST ACCOMODATION, RESTAURANT, BAR & BANQUETS ETC.	For the Year Ending on 31.03.2007 (Rupees)	For the Year Ending on 31.03.2006 (Rupees)
Rooms	31,550,877.39	27,089,211.60
Food & Beverages	41,854,565.75	34,857,189.55
Other Services- Includes Income from Telephone & Telax Rs. 1.79 Lacs (Previous year 2.82 Lacs)	8,442,589.00	6,951,640.94
TOTAL	81,848,032.14	68,898,042.09
 SCHEDULE-12		
OTHER INCOME		
Interest Received from Bank	136,915.66	18,426.00
Misc. Receipts	141,865.68	421,984.60
TOTAL	278,781.34	440,410.60

RELIABLE VENTURES INDIA LIMITED

(Formerly known as LAKELAND HOTELS LIMITED)

SCHEDULE-13**CONSUMPTION OF PROVISION & STORES****(A) CONSUMPTION OF FOOD ITEMS**

	For the Year Ending on 31.03.2007 (Rupees)	For the Year Ending on 31.03.2006 (Rupees)
Opening Stock	322,648.68	387,636.30
Add : Purchase	13,800,674.90	11,552,460.61
	14,123,323.58	11,940,096.91
Less : Closing Stock	447,599.63	322,648.68
Consumption During the year	13,675,723.95	11,617,448.23

(B) CONSUMPTION OF BEVERAGES

Opening Stock	308,503.93	270,460.64
Add: Purchases during the year	1,394,733.59	1,044,045.84
	1,703,237.52	1,314,506.48
Less: Closing Stock	426,836.02	308,503.93
Consumption During the year	1,276,401.50	1,006,002.55

SCHEDULE-14**EMPLOYEES REMUNERATION & WELFARE EXPENSES**

Salaries, Wages and other benefits	9,607,785.00	8,279,903.00
PF & ESI	1,183,058.50	969,090.40
Staff Welfare	1,157,234.49	1,143,761.30
TOTAL	11,948,077.99	10,392,754.70

SCHEDULE-15**UPKEEP & SERVICE COST**

Uniforms, Linen & Operating Supplies	1,794,930.95	1,438,993.33
Crockery & Cutlery	284,514.08	363,595.33
Washing & Laundry Expenses	469,620.80	376,636.50
Power, Fuel & Gas	4,362,398.47	3,655,723.95
Repairs & Maintenance	3,987,791.13	3,315,795.28
Musical Service Expenses	285,700.00	420,512.00
Bought Out Services ,Banquet & Kitchen Exp.	2,428,421.00	1,899,822.00
Other Expenses	497,133.25	444,378.00
TOTAL	14,110,509.68	11,915,456.39

SCHEDULE-16**ADMINISTRATIVE, SELLING & OTHER EXPENSES**

	For the Year Ending on 31.03.2007 (Rupees)	For the Year Ending on 31.03.2006 (Rupees)
Lease Rent	72,000.00	72,000.00
Electricity & Water Charges	5,806,407.00	4,663,042.00
Rates & Taxes	303,179.00	526,229.89
Fees & Subscription	4,045,543.00	2,597,330.06
Travelling & Conveyance	703,408.00	612,582.00
Insurance	410,103.00	329,311.00
Postage, Telephone & Telex	730,525.80	595,356.00
Discount & Commission	2,356,992.72	2,167,004.39
Advertising Publicity & Other Promotional Exp.	1,612,309.00	1,377,399.65
Auditors Remuneration	104,473.00	93,159.00
Other Expenses	1,532,126.37	1,393,057.00
Printing and Stationery	483,548.23	709,179.70
Legal & Professional Exp.	232,263.00	863,578.00
Director's Sitting Fees	15,000.00	12,500.00
Director's Remuneration	900,000.00	—
Loss on Sale of Assets	—	111,403.88
Donation	6,000.00	10,000.00
TOTAL	21,404,248.12	16,133,132.57

SCHEDULE-17**INTEREST & FINANCIAL CHARGES**

Interest on Term Loans	6,578,466.00	7,853,555.00
Interest on Working Capital Loans	233,551.00	201,412.00
Interest to Others	63,079.00	91,466.53
Bank Commission Charges	37,060.88	165,669.02
TOTAL	6,912,156.88	8,312,102.55

SCHEDULE 18**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS****(A) SIGNIFICANT ACCOUNTING POLICIES****BASIS OF PREPARATION OF FINANCIAL STATEMENTS.**

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

ACCOUNTING CONVENTION AND REVENUE RECONGNITION.

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

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

FIXED ASSETS.

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

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

DEPRECIATION.

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

INVENTORIES

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

MISCELLANEOUS EXPENDITURE

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

TAXES ON INCOME**(a) Current Tax:**

Provision for income tax amounting to Rs. 3.45 lacs (current tax) is made in the current year, in view of the "book profit" as envisaged in section 115 JB of the Income Tax Act, 1961.

In view of Chapter XII-H of the Income tax Act –1961 company provided Rs. 1.12 lacs towards fringe benefit tax.

(b) Deferred Tax:

A provision is made for deferred tax of all timing differences arising between taxable income and accounting income at currently enacted tax rates (without surcharge and education cess applicable thereon). Deferred Tax Assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

SUNDRY DEBTORS/CREDITORS

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

RETIREMENT BENEFITS:

Contribution to defined contribution schemes such as Provident Fund and Employees State Insurance and Employees Group Gratuity Scheme etc. are charged to the Profit and Loss account as incurred.

FOREIGN CURRENCY TRANSACTIONS

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

(B) NOTES TO THE ACCOUNTS**1. CONTINGENT LIABILITIES**

The company is contingently liable for :

S.No	Particulars	As at 31.03.2007	As at 31.03.2006
1.	Guarantee issued by bank on behalf of the company	87,500.00	87,500.00

2. Some of the customers and suppliers accounts are pending confirmation/ reconciliation and the same have been taken as per the balances appearing in the books. Any differences arising on account of such reconciliation's, will be accounted for as and when these reconciliation's are completed.
3. Prior period Adjustment account aggregating to Rs. 79,039.11 (net Credit) (previous year Rs. 1,90,369.00) consisting of previous years income.
4. During the year under review *Rs. 113.10 lacs has been written back towards Expenditure tax & Luxury Tax, as the management is of the opinion that the same will not required to repay.*
5. The company extends the benefits of the encashment of leave to its employees at the option of the employee and is accounted for as and when claimed and have not been provided for.
6. Of the total creditors, amount due to Small Scale Industries, can not be segregated pursuant to the notification issued by the Department of Company Affairs, as none of the creditors have provided the information about their status.
7. Unsecured loans of a sum of Rs. 7,76,54,195.27 (Previous year Rs. 10,46,35,881.42) are due to companies in which some of the directors are interested as director and/or shareholders, maximum outstanding amount during the year is Rs. 12,33,81,680 (Previous year Rs. 10,46,35,881.42).
8. In the opinion of the Directors, current assets, loans & advances have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business.
9. As the turnover of the company includes sale of Rooms, Foods & Beverages etc., it is not possible to give quantity wise details of the turnover and of Food & Beverages consumed.
10. All raw materials, provisions & beverages consumed are indigenous.
11. Value of Imports (calculated on CIF bases) in respect of :

	2006-07	2005-06
Provision Stores	NIL	NIL
Capital Goods	NIL	NIL
	2006-07	2005-06
12. Earning in Foreign currency	Rs.79,23,934.63	Rs.81,55,800.97

13. Company has 28 non resident shareholders holding 1009800 equity shares of Rupees 10/- each, which are allotted under 42 folios. The company has not declared any dividend (Previous year - same).

RELIABLE VENTURES INDIA LIMITED

(Formerly known as LAKELAND HOTELS LIMITED)

Net Deferred Tax Assets / (Liabilities)

Particulars	Upto 01.04.2006	(Charged)/ Credited in P&L account for current year	Closing As on 31.03.2007
A) Deferred Tax Assets:			
Unabsorbed losses under I.T. Act.	30532756.26	862869.89	31395626.15
Depreciation differences	3919363.00	0.00	3919363.00
Other timing differences	6309845.85	166814.82	6476660.67
Reversal of previously created deferred tax liabilities.	191250.00	11700.00	202950.00
Total (A)	40953215.11	1041381.71	41994599.82
B) Deferred Tax Liabilities:			
Depreciation differences	19710487.09	2616379.11	22326866.20
Other timing differences	237243.60	3393097.50	243243.60
Reversal of previously created deferred tax assets.	6538444.94	0.00	6538444.94
Total (B)	26486175.63	—	32495652.24
Total (A-B)	14467039.47	(4968091.90)	9498947.58
Adjusted/Reverse Back	8018.00	—	8018.00
Net Deferred Tax Assets/(Liabilities)	14475057.47	(4968091.90)	9506965.57

NOTES :

- In accordance with Accounting Standard 22, Accounting for taxes of Income issued by the Institute of Chartered Accountants of India, during the year under review the company has Debited Rs. 4968091.90 in Profit and Loss Account towards Deferred Tax Liability.
- The company expects to generate taxable income in the coming years which will enable it to utilise the carried forward unabsorbed depreciation and losses, in view of increasing trend of Turnover and corresponding reduction in losses in compared to previous financial year.
- The Net Deferred Tax Assets upto 31.03.2005 has been rearranged in view of non charging of depreciation in computation of income for financial year ended on 31.03.2000,01,02,03,04 & 31.03.2005 respectively and the same has been accepted by I.T. Dept.

14. Earning per share

	Year ended 31.03.2007 Rs.	Year ended 31.03.2006 Rs.
Net Profit / (Loss) attributable to Shareholders.	1,04,79,020.36	(17,94,089.10)
Weighted average number of equity shares in issue. (in nos.)	10043900	10043900
Basic earnings per share of Rs. 10/- each.	1.04	(0.18)

The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and diluted earning per share of the company remain the same.

14. Related Party Disclosure :-

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

15. The company is in the business of Hotel, Restaurent & allied activities and all its services fall in the same segment as nature of the services, its commercial location, the regulatory environment and resulting risks and rewards associated with these business lines are not materially different and is consequently, not subject to segment reporting as defined in AS-17 issued by the Institute of Chartered Accountants of India.
16. Directors remuneration amounting to Rs. 9.00 lacs (Previous year Rs. NIL) has been provided for Managing Director during the year.

1. Auditor's Remuneration

	31.03.07	31.03.06
Audit fees	60,000.00	60,000.00
Tax audit fees	15,000.00	15,000.00
Other services (Review & Cert.)	18,000.00	8,000.00
Service Tax	11,473.00	10,159.00
	1,04,473.00	93,159.00

19. Previous year figures have been regrouped and rearranged wherever considered necessary.

**As per our Report of even date attached
for M A K & Associates,
Chartered Accountants
CA Santosh Kumar Sharma
(Partner)**

M.No. 077735
Place : Bhopal
Date : 27.07.2007

For and on behalf of the Board of Directors

Company Secretary Managing Director Director

Place : Bhopal
Date : 27.07.2007

RELIABLE VENTURES INDIA LIMITED

(Formerly known as LAKE LAND HOTELS LIMITED)

INFORMATION PURSUANT TO PART IV OF THE COMPANIES ACT, 1956

Balance Sheet abstract & Company's general business profile

I Registration Details

Registration Number 07295

State Code 10

Balance Sheet 31.03.2007**II Capital raised during the year**

(Amount in Rupees Thousand)

Public Issue (Calls in Arrear received) NIL

Right Issue NIL

Bonus Issue NIL

Private Placement NIL

III Position of Mobilisation and Deployment of Funds

(Amount in Rupees Thousand)

Total Liabilities 272,526

Total Assets 272,526

Sources of Funds

Paid-up Capital 102,905

Reserves & Surplus NIL

Secured Loans 42,686

Unsecured Loans 78,061

Application of Funds

Net Fixed Assets 212,411

Investment —

Net Current Assets 17,677

Miscellaneous Expenditure 778

Accumulated Losses 25,554

IV Performance of the Company

(Amount in Rupees Thousand)

Turnover (Including Other Income) 82,127

Total Expenditure 77,612

Profit/(Loss) before Tax 4,514

Profit/(Loss) after Tax 10,479

Earning per Share (In Rupees) 1.04

Dividend Rate (%) NIL

V Generic Names of principal Products/Services of the Company

(As per monetary terms)

Item Code Number —

Product Description HOTEL

Item Code Number —

Product Description RESTAURANT

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st March , 2007

	AS AT 31.03.2007	AS AT 31.03.2006	
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit / (Loss) before Tax and Extraordinary items	4,593,445.45	1,432,996.03	
Adjustment for :			
Add: Depreciation	7,779,939.32	7,731,387.97	
Misc. Exp. W/ off (including shown through prior year adjustment)	405,349.70	449,537.70	
Interest Paid	6,912,156.88	8,312,102.55	
Loss on Sale of Fixed Assets	—	111,403.88	
Less: Interest Received	(157,266.66)	(26,148.00)	
Foreign Exchange Fluctuation Loss/(Gain)	18,783.50	6,312.10	
Operating Profit before working Capital changes	19,552,408.19	18017592.23	
Adjustment for Changes in :			
Trade & Other Receivables	(2,465,479.86)	(211,115.96)	
Inventories	(420,831.54)	(40,168.06)	
Trade Payables and Deferred Liability	(11,010,886.15)	(890,042.67)	
Cash Generated From Operations	5,655,210.64	16,876,265.54	
Less : Extra Ordinary Items	(11,310,325.81)	—	
Less: Fringe Benefit Tax Paid	80915.00	45,779.00	
Less: Current Tax	345,123.00	—	
NET CASH GENERATED FROM OPERATING ACTIVITIES	A	16,539,498.45	16,830,486.54
CASH FLOW FROM INVESTING ACTIVITIES			
Capital Work in Progress	(525,746.00)	—	—
Purchase of Fixed Assets	(11,799,022.65)	(11,417,561.22)	—
Sale of Fixed assets	—	279,500.00	—
Interest Received	157,266.66	26,148.00	—
NET CASH USED IN INVESTING ACTIVITIES	B	(12,167,501.99)	(11,111,913.22)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed from Calls in arrears	—	—	—
Proceeds /(Repayment) of Long Term Borrowings	(8,194,990.00)	(5,625,405.47)	—
Increase /(Decrease) in working capital Loan	(1,128,440.85)	(421,317.56)	—
Increase /(Decrease) in Unsecured Loans	(26,574,812.00)	10,585,876.00	—
Intrest Paid	(6,912,156.88)	(8,312,102.55)	—
Share Application Money Received	42,800,000.00	—	—
NET CASH USED IN FINANCING ACTIVITIES	C	(10,399.73)	(3,772,949.58)
Effect of Exchange Differences on Foreign Currency Transactions	D	(18,783.50)	(6,312.10)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVLENT	(A+B+C+D)	4,342,813.23	1,939,311.64
Cash & Cash Equivalent (Opening Balance)	4,498,241.80	2,558,930.16	—
Cash & Cash Equivalent (Closing Balance)	8,841,055.03	4,498,241.80	—
Net Increase/(Decrease in Cash & Cash Equivalents	4,342,813.23	1,939,311.64	—

AUDITORS CERTIFICATE

We have examined the above Cash Flow Statement of Reliable Ventures India Limited (formerly known as Lakeland Hotels Limited) for the year ended 31st March 2007. The statement has been prepared by the company in accordance with the requirements of clause 32 of listing agreement and is based on and is in agreement with the corresponding Profit & Loss account and Balance Sheet of the company covered by our report dated 26th July 2007 to the members of the company.

For **MAK & ASSOCIATES**
Chartered Accountants

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

Place : Bhopal
Date : 27.07.07

ANNEXURE "A"

PART - I

LIST OF RELATED PARTY AND NATURE OF RELATIONSHIP

LIST OF PARTIES		
NAME OF PERSON	NAME OF CONCERN	NATURE OF RELATIONSHIP
Mr. SIKANDAR HAFIZ KHAN	Reliable Industries Ventures Ltd.	Director
	Reliable Cigarette & Tobacco Industries Pvt Ltd.	Director
	Reliable Consumer Products Pvt. Ltd.	Director
	Midland Travels Pvt Ltd.	Director
	Reliable Smart City Pvt. Ltd.	Director
Mr. MOHD. HAFIZ KHAN	Bombay Stores Pvt Ltd.	Director
Mr. S. SHANKAR NARAYANAN	Reliable Industries Ventures Ltd.	Director
	Reliable Smart City Pvt. Ltd.	Director
	Reliable Consumer Products Pvt. Ltd.	Director
	Midland Travels Pvt Ltd.	Director
	Reliable Multimedia And Enterprises Pvt. Ltd.	Director
	Reliable Cigarette & Tobacco Industries Pvt Ltd.	Director
Mr. Kaleem Ullah Khan	Reliable Smart City Pvt. Ltd.	Director

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

ANNEXURE "A"
PART - II
TRANSACTIONS WITH RELATED PARTIES

Sl. No.	Name Of The Company / Person	Name Of The Interested Director	Nature Of The Transaction	Opening Balance	Goods/ Services Taken During The Year	Goods/ Services Given During The Year	Payment Received During The Year	Payment Made During The Year	Closing Balance
1.	Reliable Industries Ventures Ltd. Formally Known As (Western Tobacco Pvt. Ltd.)	1. Sikandar Hafiz Khan 2. S. Shankar Narayanan	Loan Taken	50754827.40cr	Nil	666325.00	6130000.00	12600000.00	43618502.40cr
2.	Reliable Cig. & Tob. Ind. Pvt. Ltd.	1. Sikandar Hafiz Khan 2. S. Shankar Narayanan	Loan Taken	2674865.06cr	Nil	81787.00	2281434.00	4500000.00	374512.06cr
3.	Bombay Stores Pvt. Ltd.	Mohamad Hafiz Khan	Provision Of Goods & Loan Taken	12497.09cr 880000.00cr.	114464.96 Nil	Nil 20330.00	Nil Nil	126962.05 Nil	Nil 859670.00cr.
4.	Reliable Consumer Products Pvt. Ltd. Formally Known As (Primeridian International Pvt. Ltd.)	Sikandar Hafiz Khan	Loan Taken	2075787.00cr.	Nil	Nil	Nil	Nil	2075787.00cr
5.	Midland Travels Pvt. Ltd. (Formerly Known As Shalimar Tours & Travellspvt. Ltd.)	1. Sikandar Hafiz Khan 2. S. Shankar Narayanan	Air And Rail Ticket & Taxi Hire Charges/ Advance	17386.00cr.	126204.00	Nil	Nil	142092.00	1498.00cr
6.	Reliable Smart City Pvt. Ltd. Formally Known As (Reliable Urban Housing Pvt. Ltd.)	1. Sikandar Hafiz Khan 2. S. Shankar Narayanan 3. Kalim Mulla Khan	Loan Taken	230362.10cr.	Nil	Nil	Nil	Nil	230362.10cr.
7.	Noor Us Sabah Hotels And Prop. Pvt. Ltd.	Shahwar Hafiz Khan	Lease Rent	Nil	72000.00	Nil	Nil	72000.00	Nil
8.	Sikandar Hafiz Khan	Sikandar Hafiz Khan	Loan Taken	36037.00cr	Nil	Nil	Nil	Nil.00	36037.00cr.

Certification in terms of sub-clause VIII of clause 49 of the Listing Agreements with Stock Exchanges

Pursuant to the above, we the undersigned officers of M/s Reliable Ventures India Limited (formerly known as Lakeland Hotels Limited) Bhopal, in connection to the Financial Year 2006-2007, do hereby certify that;

1. According to us the balance sheet and profit and loss account as well as the cash flow statement and directors' report together present a true and fair view of the Company and are in compliance with the existing accounting standards and applicable laws/regulations;
2. We have evaluated the effectiveness of internal control systems of the company and we have also discussed the matters regarding optimality of the internal audit system with the Auditors and Audit Committee and we propose to further strengthen the present internal audit system in due course of time;
3. We informed the Auditors as well as the Audit Committee about the absence of fraud during the year that involves management or employees having a significant role in the company's internal control systems and
4. We have indicated to the Auditors and the Audit Committee that there has been no material change in internal controls and accounting policies during the year.

(Jaya Menon)
Manager Accounts/Finance

(Sikandar Hafiz Khan)
Chairman & Managing Director

Place : BHOPAL

Date : 01.09.2007

RELIABLE VENTURES INDIA LIMITED

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

ATTENDANCE SLIP

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

Name of the Member / Proxy	Regd. Folio No.	Nos. of Equity Shares held

I hereby record my presence at the Fourteenth Annual General Meeting of the aforesaid Company at Noor-Us-Sabah Palace,VIP Road, Koh-e-fiza, and Indore Road, Bhopal 462 001- Madhya Pradesh. On Friday, the 28th day of Sept. 2007.

Signature of the Member / Proxy _____

RELIABLE VENTURES INDIA LIMITED

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

PROXY

I/We _____ Of _____ Member (s) of Reliable Ventures India Limited do hereby appoint _____ or, failing him/her _____ as my/ our proxy (ies) to attend and vote for and on behalf of me/ us at the Fourteenth Annual General Meeting of the Company to be held on Friday, the 28th day of September, 2007 at 4.00 PM.

Affix 30
Paisa
Revenue
Stamp
here

Signed this _____ day of _____ 2007

Nos. of Equity shares held _____ Regd. Folio No _____

BOOK-POST

If undelivered please return to:

RELIABLE VENTURES INDIA LIMITED

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