

# Panoramic Universal Limited

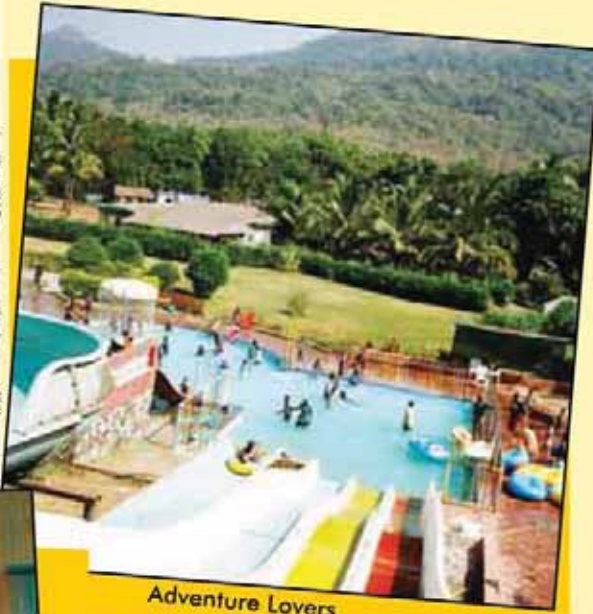
Annual Report 2010-11



**Perfect  
Trips  
Always**



# Inside...



Adventure Lovers



United 21, Thane

- 02** Facts and Highlights
- 04** A Note from the Chairman
- 06** Focus Hotels
- 15** Timeshare & Condominiums
- 16** Future Destinations
- 18** Travel & Tourism
- 20** Information Technology
- 22** Director's Report With Annexure
- 27** Management Discussion & Analysis Report
- 36** Corporate Governance Report
- 49** Financials

# Welcome Aboard

As we look through the window, we find a new vista of unfolding potential, continuously widening and perpetually throwing open new opportunities.

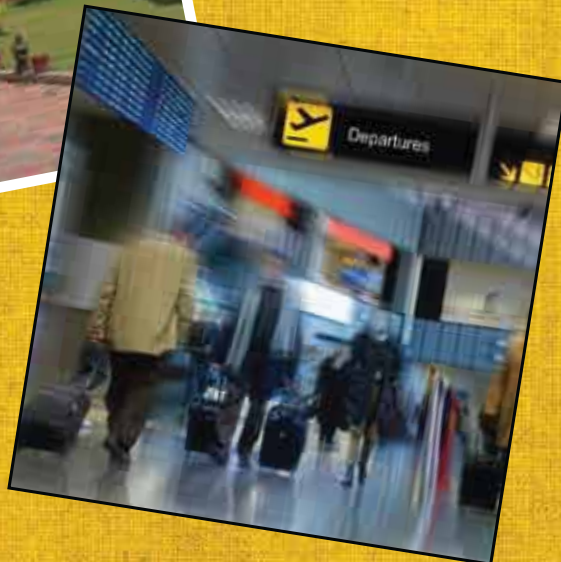
Opportunities marked by increase in Foreign Tourist Arrivals (FTAs) in India – at a CAGR of 8.1% between 2004 and 2009. And underlined by strong growth in the services industry, leading to increased corporate spending on business travel.

Potential highlighted by increase in domestic leisure travel in the country, on the back of increasing income and affordability. And underscored by India's well-equipped hospital infrastructure and the low cost of treatment, compared to developed countries, making it a preferred destination for medical tourism.

A vista emphasised by the growing demand-supply gap for hotel rooms – the Indian Government has identified a shortage of 1,50,000 hotel rooms, with most of the under-supply in the budget sector.

It's a big wide world of opportunities out there. Clearly visible through the Panoramic window of strategy.

It is into this vista of opportunities that we look as we map our course for the future. A course where we are investing today to build for tomorrow. Building an India that is not just a preferred tourism destination but the **ONLY** favoured destination for world tourism and hospitality sectors.



# Facts and highlights

## Overview

Comprises three strategic business divisions – Hospitality, Travel & Tourism and Information Technology (IT)	Headquartered in Mumbai with office in major cities of India, USA & New Zealand	Owns, manages and operates 11 hotels across India, USA and New Zealand	Listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)
--	---	--	---

## Business Model



## Consolidated Financials

Rs. million

Particulars	FY 11	FY 10	FY 09	FY 08	FY 07
<b>Earnings Data</b>					
Total Income	1581.39	1337.80	1,510.05	1,348.39	1,331.90
EBIDTA	562.45	584.96	663.95	617.21	598.00
EBIT	496.05	511.04	603.26	563.99	544.27
Profit before Tax	463.24	474.47	540.74	494.29	461.20
Profit after Tax	303.41	348.22	389.17	340.64	328.28
<b>Balance Sheet Data</b>					
Equity Shares	388.73	64.79	64.79	64.79	64.79
Preference Shares	500.00	500.00	500.00	500.00	-
Share Application Money	350.00	350.00	-	-	-
Reserves & Surplus	1,692.36	1,690.91	1,536.76	955.48	683.77
Secured Loan	447.38	559.56	729.21	663.67	774.20
Net Worth	2,905.97	2,584.72	2,074.59	1,508.30	741.99
Capital Employed	3,846.17	3,620.25	3,606.98	2,984.45	2,012.54
<b>Shareholder Data</b>					
Dividend per Share (in Rs.)	0.50	2.50	2.50	1.25	1.00
Dividend Declared (in %)	10	50	50	25	20
Earnings per Share (in Rs.)	3.38*	23.71	26.87	25.56	25.33
Book Value per Share (in Rs.)	37.38*	199.48	160.11	116.40	57.26
<b>Ratios &amp; Margins</b>					
EBIDTA Margin (in %)	35.57	43.73	43.97	45.77	44.90
PAT Margin (in %)	19.19	26.03	25.77	25.26	24.65
ROCE (in %)	13.29	14.14	18.30	22.57	29.96
RONW (in %)	11.05	14.95	21.72	30.28	55.40

\*Note: The EPS and Book Value per share is based on the bonus shares issued by the company in the ratio of 5:1 in the FY 11.

# A note from the Chairman



Dear Shareholders,

India, known the world over as the land of hospitality is today in the defining stages of the business of hospitality. The Indian hotel industry appears to have embarked on a recovery cycle, triggered largely by the revival in domestic travel (both leisure and business) since the second half of fiscal 2009-10; Foreign Tourist Arrivals (FTAs) have also improved since December 2009, and were up 7.9% to 55.8 lakh travellers during the Calender Year (CY) 2010.

Although the October 2010 Commonwealth Games were expected to provide a strong demand push to the Indian hotels industry, weak planning and execution diluted the benefits to hotels in the NCR and the rest of the country. On the other hand, the Cricket World Cup in the fourth quarter (Q4) of 2010-11 provided a much stronger demand impetus, with hotels reporting high occupancies in Chandigarh, New Delhi and particularly Mumbai (during the Finals in early April 2011).

FTAs have remained strong during the first six months of CY2011, growing by 10.9%. In this context, while the return of foreign tourists clears the deck for the much-needed Average Rate of Return (ARR) premiums, the importance and stability the domestic traveller imparts to the Indian hotels industry remains intact. The Formula 1 racing event scheduled to be staged in the NCR in October 2011 is an enabling factor in this regard.

## Trends in the industry

The global hotel industry now appears to be on a path of slow recovery, having come out of two exceptionally bad years (2009 & 2010). While the main recovery leaders are the emerging countries in the Asia-Pacific region, the developed luxury hotel markets of the USA and Europe have also reported signs of demand recovery during the past 12 months.

“ Financially, our consolidated revenues stood at Rs. 1,581.39 mn at growth of over 18% as compared to FY 10 while the net profit stood at Rs. 303.41 mn.”



In India, the demand or occupancy led recovery that started with the return of domestic travellers late in calendar 2010, received a boost with FTAs picking up in the subsequent months. The latter half of 2010-11 saw the industry push for higher tariffs, although pricing recovery for the whole of 2010-11 stood at 5-8%.

Improved economic growth also helps the hospitality sector. Growing business opportunities, cheaper airfares and better connectivity will keep the demand for rooms high. These are positive developments and the benefits will trickle down to the hospitality industry and increase the demand for hotel rooms.

According to the Ministry of Finance, the size of India's travel and tourism industry is expected to grow to Rs. 219 bn in FY12. India's robust GDP growth (8.6% in FY11) has improved the outlook for the hospitality sector.

### Performance review

Financially, our consolidated revenues stood at Rs. 1,581.39 mn at growth of over 18% as compared to FY 10 while the net profit stood at Rs. 303.41 mn. During the year we issued bonus shares to our shareholders in the ratio 5:1.

Operationally, the year marked several new initiatives which are as follows:

- The Group acquired a new property in Mysore
- Successfully launched our travel portals – [www.travelhot.in](http://www.travelhot.in) and [www.traveluniversally.com](http://www.traveluniversally.com)
- Focused on setting up a strong foundation in timeshare and condominiums through several strategic tie-ups as well as commencing schemes like Magic Holidays through our wholly own subsidiary i.e. Panoramic Holidays Ltd.

- Commenced trading software products in the domestic market

Internationally, your Company is facing some tough time primarily due to the global economy turmoil. However, prudent cost cutting and innovative marketing & sales strategies have helped tide over difficult times.

### Looking forward

The Ministry of Tourism's 'Incredible India' campaign has started to strike a chord and will likely play its role in increasing visitations to India. The future of the Indian markets and their ability to mature into destinations relies on concerted efforts, both by the relevant government bodies and the private sector players. Creativity will be of essence.

Going ahead, to capitalise on the opportunities on the domestic front your Company continues its quest for acquiring new properties. Acquisitions are the new strategy adopted by your Company as it leads to faster growth as compared to building Greenfield projects. Some proposed destinations for acquiring new properties include Coorg, Kodaikanal and Puri.

### Appreciation

To conclude, I express our sincere thanks to our customers, suppliers, bankers, financial institutions, and all our shareholders.

Special thanks and appreciation go to the employees of the Company at all levels for their hard work, dedication and continued commitment.

Sudhir Moravekar  
Chairman  
Panoramic Universal Ltd.

# Focus Hotels

Taking excellent care of our guests is not just a slogan for us. It is a way of life that permeates every decision and every action at the hospitality section of Panoramic Universal Limited. We deliver outstanding customer value, more variety, and more friendliness thus giving our customers the benefits they expect. No wonder then our customers come back to Panoramic when it is time for their trips and recommend us to their friends and families.

## Domestic

### Hotel Sai Sahavas

Shirdi, Maharashtra  
Room inventory: 38

Hotel Sai Sahavas with its close proximity to the shrine of Shri Sai Baba provides its guests a comfortable stay to experience the spiritual atmosphere of the place. The hotel is an ideal place for enjoying the tranquillity and serenity of the temple town of Shirdi.



"It is a very good hotel. I went there in my summer vacations with my and my friend's family. We went there to visit Sri Shirdi Sai Baba Temple. So we were looking for a good hotel to stay there for two three days. So my friend suggested me to have a look at this hotel for once. When I entered in the hotel I saw a beautiful lawn which mesmerised me and we decided to stay there. Services and cleanliness was very good. I stayed there for 3 days and enjoyed good food quality there with my family."

– Guddu Singh, stayed in July 2010, travelled with family.



## Graciano Cottages

Colva Beach, Goa  
Room inventory: 22

Enjoy the Goan Spirit at the Graciano Cottages, situated at the famous Colva beach. The comfort and luxuries provided at the hotel are in complete blend with the silvery sands of the beach and the verdant greenery of Goa. When you are in Goa, your stay at Graciano Cottages makes your holiday complete.



"Nice place and beautifully managed. Good food and over and above friendly staff. Would love go again and stay there. And the best part is just a five minutes walk from Colva Beach."

– Sandy, stayed in December 2010 and traveled with family.

## Hotel Sagar Kinara

Malvan, Maharashtra  
Room inventory: 30

Dining can have a great impact on the enjoyment of your vacation and we hate the notion of limiting your choices when on holiday. That is why we at Sagar Kinara, provide our guests with an array of delectable local and international cuisines. True to its name, the hotel rooms provide magnificent views of the sea beaches and also the Sindhudurg Fort.



"Sagar Kinara Hotel was actually recommended by the auto driver. God bless that man for taking us to Sagar Kinara. It's after we reached the hotel that we realised why this place was called 'Sagar Kinara'. Precisely because it was at the sagar kinara. Yes, it was at the very shore of Malvan. The rooms are neat, clean, well painted, and airy and have a lovely view. All in all, our stay there was a beautiful experience and I would give a thumbs up anyone who is looking for a review of this place."

– Savio, stayed in January 2011 and travelled with friends.



## United 21

**Thane, Maharashtra**  
**Room inventory: 46**

With fabulous design, décor and ambience, this 46 room hotel with 8 suites and 38 elegant and luxurious rooms, a spacious banquet hall, fully equipped gymnasium, health club, table tennis, squash, billiard, discotheque, multi-cuisine restaurant, specialty restaurant, 24 hours coffee shop, bar and a roof top swimming pool with a terrace cafe is the perfect place for a lifestyle experience.



I choose this hotel as it was very near to the place where I had meetings. My room was upgraded. Breakfast & food was great. Overall stay was excellent."

– Anil Singhal, stayed in June 2011 and travelled on business.

## Panoramic Resort and Water Park

**Panvel, Maharashtra**  
**Room inventory: 37**

When you want to get away from the hustle and bustle of the city and have hours of fun and frolic, Panoramic Resort is the perfect get away. Replete with a water park, conference room and accommodation consisting of cottages, porta cabins and row houses the Panoramic Resort and Water Park offers an ideal setting for family get-togethers or corporate picnics away from Mumbai.



"Panoramic resort at Karnala is an excellent location for a family holiday. I found out about this place on the internet. The rooms where booked so we stayed in Sweet Nestle which is the large AC cabin. The place is really nice with large area for playing, water park, swimming pool, open space, garden etc. Had a great time and we plan to visit again. The place is really good, the staff and service is good, and food is really good and reasonably charged."

– Joe, stayed in May 2010 and travelled with family.

## Area 51

### Pune, Maharashtra

At Area 51, we are always ready to party with our guests. Contemporary and futuristic design of the hotel makes it the perfect location for parties, wedding receptions, conferences, private events and social gatherings. Boasting of India's largest entertainment lounge the party never stops at Area 51.



"Very good ambiance. Nice dance floor. Good place to hangout with F.R.I.E.N.D.S"

- Amol Rane.

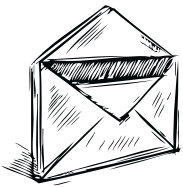
# International

## The Georgian Resort

New York, USA

Room inventory: 164

The Georgian Resort is ideally located on the shores of Lake George, and enveloped in the scenic beauty of nature which provides our guests the most natural way to relax and unwind. The hotel is ideal for conferences, family holidays, special events and adventure sports.



*"Perfect location, friendly staff, wonderful views, a beach and a great pool"*

*– Mark, stayed in May 2011 and travelled with family.*



## Clarion Inn

Ohio, USA

Room inventory: 239

When you want a break from the humdrum of daily life, the Clarion Inn situated just 25 minutes from the Bridgestone World Golf Championship course is the perfect choice. It promises to be a break which you will want to indulge in more often.

"I had a great stay at Clarion Inn. The staff was amazing and were very helpful. I had dinner in the restaurant and it was delicious. The rooms were clean and comfy. Great hotel to stay at."

- Beautiful Angle stayed January 2010 and travelled with friends.



## Econo Lodge

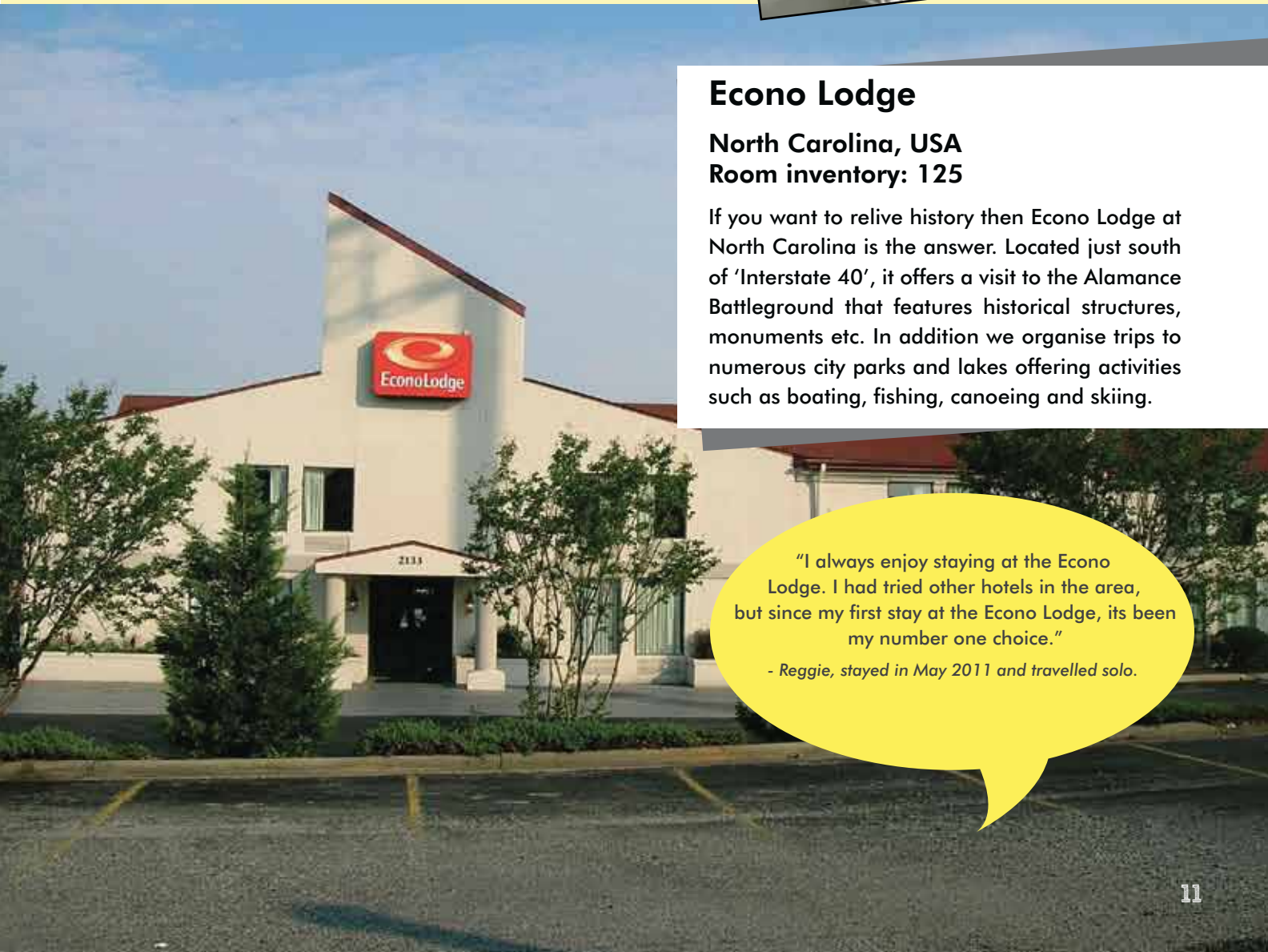
North Carolina, USA

Room inventory: 125

If you want to relive history then Econo Lodge at North Carolina is the answer. Located just south of 'Interstate 40', it offers a visit to the Alamance Battleground that features historical structures, monuments etc. In addition we organise trips to numerous city parks and lakes offering activities such as boating, fishing, canoeing and skiing.

"I always enjoy staying at the Econo Lodge. I had tried other hotels in the area, but since my first stay at the Econo Lodge, its been my number one choice."

- Reggie, stayed in May 2011 and travelled solo.



## United Inn

New York, USA

Room inventory: 142

Today's travellers want a hotel which has stylish designs, great value, the best entertainment, sociable atmosphere, and a good location. What they don't want is unnecessary or hidden costs. Panoramic Universal acted on these needs, wishes and desires. The result is unique. United Inn at New York provides quality hotel experience at an affordable price. If you want luxuries for a good price come to us. We have luxury for less.



"While staying at this hotel I left the lights on in my car overnight which, of course, ran my battery down. The staff was very helpful with Paul and Brian showing up immediately with booster cables to start my car. Amazing and I was very thankful. The hotel itself is quite humble and the staff is customer focused."

- Chatelaine, stayed in July 2011 and travelled with friends.

## Baymont Inn and Suites

North Carolina, USA  
Room inventory: 122

With facilities for golfing, hiking, horse riding and tennis enabled at Baymont Inn and Suites, we are committed to working so you can play on your holidays! Added advantage is the central location with close proximity to Piedmont Triad International airport and a local Amtrak station.



"Stayed over the Memorial Day weekend...4 rooms in our party. Staff was accommodating, hotel & rooms were clean, convenient location, very affordable. Would stay again."

- S.H., stayed in May 2009, and travelled with friends.

## Sai Motels

Auckland, New Zealand  
Room inventory: 29

For all adventure lovers, Sai Motels at Auckland, New Zealand is the perfect destination. With nearby attractions like the Ellerslie Racecourse & Convention Centre, Alexandra Park Raceway and the Auckland Show Grounds, Sai Motels with its hiking trails, holiday islands and beaches in close vicinity is a paradise for adventure aficionados.



"We stayed at the Sai Motel for convenience to one tree hill. If you are looking for a centrally located motel then this is not for you. However, it worked well for us. The room was adequate and was serviced daily. The staff was very helpful. The motel is within walking distance to Ellerslie train station for trains and buses into the centre in under 1/2hr."

- NC, stayed in April 2011 and travelled with spouse.

# New



## United 21

(Under Group Company)

### Mysore, Karnataka Room inventory: 64

Welcome to United 21 Mysore, a new offering from Panoramic Group. Located opposite the Mysore Palace it is ideal for sightseeing of major attractions in and around the city. Offering well-furnished accommodations with modern amenities it is suitable for business cum leisure travel. With a 24 hours coffee shop coupled with a multi cuisine restaurant, the magic of our culinary wizards will leave you craving for more. Also, the lounge bar with its soothing ambience helps you unwind and de-stress.



### Getting there:

Mysore is 139 kms to the south west of Bengaluru. The quickest and most comfortable way to reach Mysore is via Bengaluru. It is also well connected by a number of trains. Also, travelling from Bengaluru to Mysore by road is a pleasant experience and will take about 3hrs.

### In & Around:

Jayachamarajendra Art Gallery, Maharaja's Palace, Mysore Zoo and Chamundi Temple.





# Timeshare and Condominiums

Because to us your vacation means....Special offers at great destinations

In recent years, timesharing (also known as vacation membership) has become one of the popular ways to holiday. It offers additional conveniences and comforts not available to travellers who stay exclusively in hotels. The best part about being a timeshare owner is that you don't need to own a timeshare in Goa, another in New York and yet another in New Zealand in order to experience all these destinations.

With the concept of time share properties gaining popularity as an investment in future vacations, the Panoramic Group has made a foray in this segment of the hospitality industry by entering into affiliations with large, time share vacation networks. Going forward, the Company can look forward to achieve a lucrative presence in this novel and fast growing business segment.



# Future Destinations

## Owned and managed



### 4 Star Hotel

Hyderabad, Andhra Pradesh  
Room inventory: 85

Located in the heart of India's fifth largest Metro, at Secunderabad opposite the passport office, the hotel plans to offer two restaurants and a bar with a theme concept.

Expected to be operational by the end of 2012.



### 3 Star Hotel & Commercial Complex

Jaipur, Rajasthan  
Room inventory: 65

Strategically located opposite the Pink City's railway station. Ideally suited for the star category hotel and a commercial complex.



### Jungle Resort

Usgaon, Goa  
Room inventory: 150

A blend of rustic charm and modern comfort, just 40 minutes drive from Madgaon city, the resort offers an offbeat setting. It will be built in complete harmony with nature to present the guests with a true jungle resort experience.

## On management contract basis



### 5 Star Hotel

Pune, Maharashtra  
Room inventory: 185

Offering only the best of stay, cuisine, conferencing and wellness facilities, this 5-star hotel is touted to be amongst the best state-of-the-art hospitality projects of the city.



### 5 Star Hotel & Ayurvedic Spa

Kumarakorum, Kerela  
Room inventory: 125

This 5 Star, deluxe resort situated on the shore of the Vembanad Lake enables exotic sightseeing, boating and fishing experiences. The resort plans to feature spa facilities ranging from Ayurveda to contemporary massage treatments & special therapies from across the world.



### 4 Star Hotel

Munnar, Kerela  
Room inventory: 58

The resort will be situated in Munnar, a tea town, perched 1600 meters above sea level, with sprawling tea plantations, picturesque towns, long winding lanes plus trekking and holiday facilities.



In addition to these, as a business strategy the Company is also looking to acquire operational properties across Kodaikanal, Coorg and Puri.



### 3 Star Hotel & Club & Service Apartment

Durgapur, West Bengal  
Room inventory: 92

With only two star category hotels in existence in Durgapur at present, this facility will target business customers and usher in new standards in international hospitality.

Travel and Tourism

# Welcome aboard for a magical experience



When people choose us they are on board for a magical experience - an experience guaranteed for long haul and short haul passengers, for business and holiday travellers, for domestic and international trips.

Our success in travel and tourism has been on account of our travel agencies and portals.

## **Panoramic Tours and Travels Ltd.**

Your ticket for perfect holidays.....

Our entry into the domestic travel and tourism segment was initiated after acquiring a controlling stake in an IATA approved agency, Hi-Flyers Travel Services Ltd. (now called Panoramic Tours and Travels Ltd). After the success of services provided for outbound travel, we are focussing on developing inbound tours with active support from our New York based agency. International and domestic ticketing, package tours to popular destinations worldwide, forex and other allied services like visa approvals, passport assistance etc form the scope of our work.





## Future Travels

We give you trips beyond compare.....

Based in the heart of New York City, Future Travels working in close association with 600 small and big business is a travel agency providing unsurpassable value to more than 15,000 customers.

We arrange customised worldwide holiday tours with special offers for honeymoon packages, educational trips, and summer vacations to exotic locales like New Zealand, Australia, Spain, Portugal, Morocco, China, Japan and more. With tie-ups with the leading airlines like Air India, Kuwait Airways, Lufthansa, British Airways, American Airlines etc our customers are very happy and come back to travel with us again. Our Indian offering includes trips to unique destinations like Mansarovar, Kailash Parbat and other popular tourist attractions.

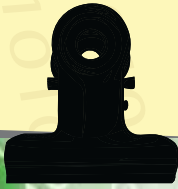
## Travel Portals

Giving you hassle-free travel and hospitality options.....

When you are doing what you love, you naturally do it better. With our knowledge, experience and of course passion for travel, tourism and the hospitality sector it was but natural to diversify into launching travel portals which offer comprehensive travel solutions to its customers-right from purchasing tickets, making travel arrangements and booking stays in the Group's hotels.

[www.travelhot.in](http://www.travelhot.in) and [www.traveluniversally.com](http://www.traveluniversally.com) are one-stop travel portals launched by the Company in the year under review. They go a long way in providing hassle-free travel and hospitality options to business and other travellers. By leveraging it's ever - expanding hospitality options in India and abroad, Panoramic Universal is confident of creating a win-win situation for its valued customers and itself.





# Information Technology

The IT Division of Panoramic Universal, a NASSCOM and CII member has approached new challenges with diversity of thought, creativity, resourcefulness and agility thereby providing quick and effective innovative solutions to the software division of SME units.

Started during the boom phase of the economy in the 1990s, we continue to offer a wide range of software products including Financial Accounting, Human Resource Management, Society Management System, Construction Management and Hotel Management Software. The development of specialised softwares shall further help enhance the IT strength of Panoramic.

To enable the division scale greater heights it is our constant endeavour to provide IT solutions for newer products such as:

- ▣ Jewellery Management System
- ▣ Inventory Management System
- ▣ Vendor Management
- ▣ Portfolio Management System
- ▣ Vehicle Management System

# Corporate Information

## Board of Directors

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

## Audit Committee

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

## Share Transfer and Investor Grievance Committee

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

## Remuneration cum Compensation Committee

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

## Company Secretary

Mr. Sanjive Arora

## Registered Office

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

## Registrar & Transfer Agents

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

## Stock Exchange

The Bombay Stock Exchange  
National Stock Exchange of India Limited

## Branches

USA  
New Zealand

## Auditors

M/s. H. H. Topiwala & Company

## Bankers

The Saraswat Co-op. Bank Ltd  
Bank of Maharashtra  
HDFC Bank Ltd.  
Axis Bank Ltd.  
Union Bank of India

# Directors' Report

Dear Shareholders,

Your Directors are pleased to present the Twentieth Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2011.

## FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2011 is summarized below:

(Rupees in Lakhs)

Particulars	2010-11	2009-10
Total Revenue	7,227.02	4,814.29
Profit Before Depreciation	2,598.43	2,557.12
Interest & Taxes		
Less: Depreciation	154.28	135.13
Less: Interest	46.88	73.87
Profit Before Tax	2,397.27	2,348.12
Less: Provision for Current Tax	485.12	391.95
Less: Provision for Deferred Tax	80.61	(178.06)
Profit After Tax	1,831.54	2,134.23
Add: Tax paid for earlier year	(5.92)	-
Add: Provision for tax no longer required	1,412.17	-
Add: Excess provision for Dividend Tax on Preference Shares for earlier years	1.35	-
Add: Deferred Tax Assets (Accumulated for earlier years)	(558.29)	380.24
Amount available for Appropriations	2,680.85	2514.47
Dividend on Preference Shares	350.00	350.00
Dividend on Equity Shares	388.73	323.94
Dividend Tax	119.84	114.54
Transfer to General Reserves	1,700.00	253.85
Profit after Appropriations	122.28	1472.14
Add : Balance brought forward from the previous year	5,783.97	4,311.84
Balance Carried to Balance Sheet	5,906.25	5,783.98

## OPERATIONS / PERFORMANCE

The Company has earned total revenue of Rs. 7,227.02 lacs compared to Rs. 4,814.29 lacs in the previous year. The Net Profit after Tax is Rs. 1,831.54 lacs as compared to Rs. 2,134.23 lacs in the previous year.

A comparative study reveals that on stand-alone basis, the share of income from IT segment is Rs. 6,099.60 lacs as compared to Rs. 4,154.86 lacs in the previous year.

The share of income from hospitality segment is Rs. 578.64 lacs as compared to Rs. 396.59 lacs in the previous year.

The Company has envisaged hotel projects at various locations like Jaipur, Goa and Kerala and the project at Goa is in development stage. The said projects will add to the total hotel room capacity, substantially adding to the hospitality income in the years to come.

## HIGHLIGHTS OF THE YEAR

### Issue of Bonus Shares

During the year, the Company has issued bonus shares in the ratio of five equity shares for every one existing equity share allotted as fully paid up. The bonus shares were allotted on 23<sup>rd</sup> June, 2010 to the members holding shares as on 22<sup>nd</sup> June 2010, being the record date by utilizing the General Reserves of the Company pursuant to the approval of the members of the Company through Postal Ballot on 10<sup>th</sup> June, 2010. After the allotment of bonus shares, the paid-up equity share capital of the Company has increased to Rs. 38,87,25,000/- as at 31<sup>st</sup> March 2011 (Rs. 6,47,87,500/- in the previous year).

### Exit from Software Technology Park (STP) Scheme

The Company had a STPI unit at Navi Mumbai which was registered as a 100% Export Oriented Unit (EOU) entitled for a tax holiday under Section 10A of the Income Tax Act, 1961. However, the registered STPI unit of the Company had completed 10 years tax holiday period and is no more eligible for further tax holiday.

In view of the same the Company had made an application for exit of its registered STPI unit under STP Scheme with Software Technology Park of India (STPI) and for closing down its bonded warehouse which has duly been approved.

### 100% stake in Sri Vatsa Hotels Ltd., a subsidiary of the Company

The Company has acquired the balance 49% stake in Sri Vatsa Hotels Limited (SVHL) by paying Rs. 9,49,00,000/- to the shareholders of SVHL in accordance with the terms and conditions of Share Purchase and Escrow Agreements entered by the Company. Subsequent to the said acquisition, the Company now holds 100% in the equity shares of Sri Vatsa Hotels Ltd.

Sri Vatsa Hotels Ltd. owns a semi-finished structure to be converted into a 4-star hotel with 85 rooms capacity. It is



## Directors' Report (contd.....)

located in the heart of the city at Secunderabad. Keeping in mind the palate of the local population, Sri Vatsa Hotels Ltd. plans to host two restaurants and a bar with a theme concept at the hotel premises. The construction at the aforesaid site is progressing as per schedule and will go operational very soon.

### DIVIDEND

#### Cumulative Non-convertible Redeemable Preference Shares

The Cumulative Non-convertible Redeemable Preference Shares allotted in the year 2008 are entitled to a fixed cumulative dividend of 7% per share. Accordingly, the Directors have recommended, for the approval of members, a dividend of 35 Paisa per share involving a cash outflow of Rs. 3,50,00,000/- for the year excluding dividend tax.

#### Equity Shares

Considering the performance of the Company and the widened equity base post bonus issue, the Directors are pleased to recommend for the approval of members a dividend of 10 % i.e. 50 Paisa per equity share (previous year Rs. 2.50/- per equity share). The dividend if approved by the members would involve a cash outflow of Rs. 388.73 Lacs for the year (previous year Rs. 323.94 lacs) excluding dividend tax.

#### Transfer of amounts to Investor Education and Protection Fund

During the year, the unpaid / unclaimed dividend of Rs. 5,73,305/- pertaining to financial year 2002-03 was transferred to the Investor Education and Protection Fund, as required by the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

### TRANSFER TO RESERVES

The Directors propose to transfer an amount of Rs. 17,00,00,000 /- to General Reserve.

### DIRECTORS

Mr. Abeezer Faizullabhoy, Ms. Hemalata Sawant and Mr. Vilas Mitbawkar, Directors retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Ms. Viidyaa Moravekar was appointed as Managing Director of the company since 29th December 2004 and

now her latest term of office ends on 30<sup>th</sup> November 2011. However, due to her pre-occupation she is unable to look into the day to day affairs of the Company and hence expressed her intention not to seek re-appointment as Managing Director of the Company. She will continue as a Non-Executive Director of the Company and will be liable to retire by rotation.

Mr. Arun Tari was appointed as Whole Time Director for a period of five years commencing 1st December 2006 and holds office upto 30th November 2011. The Board of Directors at its meeting held on 25th August 2011 have proposed to appoint Mr. Arun Tari and re-designate him as Managing Director of the Company with effect from 1st December 2011 for a period of five years, subject to the approval of members.

### STATUTORY AUDITORS

The Auditors, M/s. H. H. Topiwala & Co., Chartered Accountants (Firm Registration No. 111022W), Mumbai, who hold office upto the conclusion of the forthcoming Annual General Meeting, are eligible and have confirmed their willingness for re-appointment.

### PUBLIC DEPOSITS

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

### PARTICULARS OF EMPLOYEES

Information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is provided in the Corporate Governance Report forming part of this Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. in the preparation of the annual accounts for the year 2010-2011, the applicable Accounting Standards have been followed and there are no material departures;
- ii. it has in the selection of the accounting policies, consulted the Statutory Auditors and has applied

them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2011 and of the profit of the Company for the year ended on that date;

- iii. it has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of its knowledge and ability. There are, however, inherent limitations which should be recognised while relying on any system of internal controls and records.
- iv. It has prepared the annual accounts on a going concern basis.

### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is furnished hereunder :

#### **a. Conservation of Energy:**

Energy conservation is a continuous process being followed by the Company. Adequate measures have been taken to conserve energy and power consumption and running are closely monitored on day to day basis resulting in optimum utilization of energy. For this purpose the Company has initiated energy audit for all major properties of the Company. Replacement of existing lamps fixtures with LED lighting fixtures which is a major energy saving means is on the Company's main Agenda. As far as possible, provisioning of VRF/VRV centralized air-conditioning system in place of HVAC system has been initiated. HVAC system is considered main electricity consumer of any of the properties.

#### **b. Technology Absorption:**

The activity of the Company is not covered under the list of specified industries in the Schedule to the aforesaid Rules as stated above as the Information Technology Industry and Hotel

Industry forms part of the service industry and the Company does not have any manufacturing operations.

#### **c. Foreign Exchange Earnings and Outgo:**

The details on foreign exchange earnings and outgo are furnished in the Notes on Accounts (Refer note no. 17 of Schedule 23).

### **CORPORATE GOVERNANCE**

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

The report on Corporate Governance forms part of the Annual Report. A certificate from the Auditors of the Company attached to this Report confirms the compliance with the conditions of Corporate Governance by the Company.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed report on the Management discussion and analysis of the financial conditions and the results of operations of the Company for the year under review is annexed to this Report.

### **SUBSIDIARIES**

As on 31st March, 2011 the Company has a total of ten subsidiaries- Four Indian subsidiaries and Six Foreign subsidiaries. The list of these subsidiary companies is provided as **Annexure "A"** to this report

In terms of Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss Account of its subsidiaries to its Annual Report. The Ministry of Corporate Affairs (MCA), Government of India vide its circular no.2/2011 dated 8th February, 2011 has provided a general exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the Annual Report.

The Board of Directors at their meeting held on 25th August 2011 have decided to comply with the provisions of the aforesaid circular and accordingly, this Annual Report does not contain the financial statements of the subsidiaries. In terms of the said circular of the MCA, a summary of financial information of each of the subsidiary companies for the financial year ended 31<sup>st</sup> March, 2011 is provided

## Directors' Report (contd.....)

in the Annual Report. The Company will make available the annual audited accounts and related information of the subsidiaries upon request by any member of the Company. These documents will be available for inspection during business hours at the registered office of the Company and its subsidiaries. The same will also be available on the Company's website [www.panoramicuniversal.com](http://www.panoramicuniversal.com).

### ACKNOWLEDGMENTS

The Directors take this opportunity to thank the investors, customers, suppliers, bankers, business partners/associates, financial institutions and government authorities for their consistent support and encouragement

to the Company. The Directors place on record sincere appreciation of the contribution, hard work and commitment made by the employees at all levels.

**By Order and on behalf of the Board**

**Sudhir Moravekar**  
Chairman

**Place:** Mumbai

**Date:** 25<sup>th</sup> August, 2011

**Registered Office:**

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

# Annexure To The Directors' Report

## Annexure "A"

Statement pursuant to general exemption from complying with section 212 (8) of the Companies Act, 1956 granted by the Ministry of Corporate Affairs vide its Circular No. 2/2011 dated 8th February 2011, relating to Subsidiary companies for the year ended 31st March, 2011

(Amt. in Rs.)

Sr. No.	Name of the Subsidiary	Country of Origin	Capital	Reserves	Total Assets	Total Liabilities	Investment other than investment in subsidiary	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1	Panoramic Ace Properties Inc	USA	536,726,400	234,244,718	1,153,107,520	382,136,402	-	183,660,117	51,054,085	26,053,573	25,000,513	-
2	Sai Properties Inc	USA	25,102,000	197,393,549	235,514,850	13,019,301	-	89,318,716	3,655,684	15,781,653	20,774,031	-
3	Sai Living Hudson Inc.	USA	92,303,705	232,107,823	492,478,102	168,066,574	-	191,418,731	40,810,158	17,041,970	23,768,187	-
4	Georgian Motel Corp.	USA	4,564,000	407,989,332	572,074,171	159,520,839	-	289,413,162	100,178,008	36,162,980	64,015,028	-
5	Travel Universe Inc.	USA	35,142,800	25,721,071	65,289,610	4,425,739	-	27,901,715	8,742,168	3,246,118	5,496,051	-
6	Sai Motels Ltd	New Zealand	43,410,852	(20,033,319)	67,525,187	44,147,654	-	13,999,881	1,862,927	-	1,862,927	-
7	Panoramic Holidays Ltd	INDIA	500,000	(37,067,885)	(12,612,515)	24,255,370	300,000	4,674,172	(19,896,894)	-	(19,896,894)	-
8	Indo Pacific Hotels Ltd	INDIA	350,500,000	(1,154,294)	349,343,206	-	2,500	1,095	(752,121)	-	(752,121)	-
9	Sri Yatsa Hotels Ltd	INDIA	80,000,000	(72,302)	210,541,135	130,613,437	-	-	54,121	-	(54,121)	-
10	Panoramic Tours & Travels Ltd	INDIA	2,500,000	137,999	7,104,542	4,466,543	-	3,138,662	100,596	54,940	45,656	-

# Management Discussion and Analysis Report - 2010 - 2011

*Statements made in the Management Discussions and Analysis, describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward-looking statements', within the meaning of applicable securities laws and regulations. As 'forward-looking statements' are based on certain assumptions and expectations of future events over which, the Company exercises no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments or events or for any loss any investor may incur by investing in the shares of the Company based on the 'forward-looking statements'.*

## ECONOMIC OVERVIEW

Financial Year 2011 started on a positive note as the Indian economy continued to display remarkable resilience to the lingering effects of the previous two years when the economic growth was subdued as a result of global financial crisis. The growth during 2010-11 was contributed by a rebound in agriculture and sustained levels of activity in industry and services. Despite the economic downturn two years back, the Indian economy has managed to remain stable. The economic growth, as measured by the Gross Domestic Product, improved to 8.5 per cent in 2010-11 from 8 per cent in 2009-10 due to better farm output and construction activities and financial services performance. The GDP growth figures for the first and third quarters of Financial Year 2011 have been revised upward. While the GDP growth figure for Quarter 1 has been pegged at 9.3 per cent - as against the earlier estimate of 8.9 per cent - the Q3 GDP growth has been revised upward to 8.3 per cent from 8.2 per cent.

## INDUSTRY OVERVIEW

### HOSPITALITY INDUSTRY:

Tourism is a significant sector of the Indian economy and contributes significantly to the country's gross domestic product (GDP) and foreign exchange earnings (FEE). The Indian tourism sector is also linked with important sectors such as transportation, infrastructure, and handicraft, which further helps in the growth and development of the country.

Combining unparalleled growth prospects and unlimited business potential, the industry is certainly on the verge

of being a key player in the nation's changing face. The fortunes of the hospitality industry have always been linked to the prospects of the tourism industry and tourism is the foremost demand driver of the industry. The Indian hospitality industry has recorded healthy growth fuelled by robust inflow of foreign tourists as well as increased tourist movement within the country and this has made it one of the leading players in the global industry.

The Ministry of Tourism has made various efforts to expand the tourism infrastructure at various destinations in India. These efforts are a judicious blend of traditions, legacy, religion and eco-tourism projects that intend to offer the tourists a holistic experience.

India currently holds the 12th position in Asia and 68th position in the list of overall world's most attractive tourist destinations, as per the Travel and Tourism Competitiveness Report 2011 by the World Economic Forum (WEF).

According to the latest Tourism Satellite Accounting (TSA) research, released by the World Travel and Tourism Council (WTTC), the demand for travel and tourism in India is expected to grow by 8.2 % between 2010 and 2019. This will place India at the third position in the world. India's travel and tourism sector is expected to be the second largest employer in the world. Capital investment in India's travel and tourism sector is expected to grow at 8.8 % between 2010 and 2019. The report forecasts India to get more capital investment in the travel and tourism sector and is projected to become the fifth fastest growing business travel destination from 2010 through 2020.

Luxury hotels are doing brisk business in India. And, occupancy levels are expected to remain robust across India this year, too, thanks to steady demand from the domestic market and upswing in tourist arrivals from abroad. Average room rates in the cities like New Delhi, Mumbai and Bangalore were up 5-6% in luxury and first class hotels in 2010-11 compared with the last fiscal year. On a pan-India basis average rates were up 5.8% in 2010-11 compared to the previous year. Hotel companies and analysts believe occupancies will continue to grow, though additional supply of hotel rooms across several markets will put pressure on average room rates in the short term.

### Government Initiatives:

To unlock the huge potential in this sector, the government has taken various initiatives for the development of this sector.

According to the Consolidated FDI Policy, released by DIPP, Ministry of Commerce and Industry, Government of India, the Government has allowed 100 per cent foreign investment under the automatic route in the hotel and tourism related industry. And with the relaxation of FDI restrictions on the real estate sector the hospitality industry has registered an increase in investments.

With a view to reduce the overall cash outflow towards Income tax in the initial years of hotel operations and with a view to give an impetus to the companies in the hotel industry to expand their business, the Government of India has recently made a clarificatory amendment to section 35AD of the Income Tax Act in the Union budget 2011-12, which now allows new hotels to set off the benefit of investment based deduction against the profit from other existing hotels of the company

### **Road ahead:**

The tourism and hospitality sector report by the Ministry of Tourism suggests that the demands are expected to increase up to US\$ 34.7 billion by the end of 2020. In order to promote this target, the Ministry has already sanctioned the development of 169 rural sites across the country. These sites have been selected based upon their competencies for craft and handloom skills.

Statistics suggest a triple fold increase in the number of tourists visiting the country. The sector has witnessed a steady growth from 4 million travelers in 1998 to 11 million in 2008. As expected, the figure is intended to reach a mark of 29 million visitors by 2018. There is an opportunity in the inbound MICE sector (meetings, incentives, conventions and events) which has already registered a growth of 15 per cent to 20 per cent during the last five years as stated in the report by the Ministry of Tourism.

Moreover, the Ministry has initiated several measures to promote Medical and Health Tourism which includes promotion in overseas markets and production of publicity materials like brochure, CDs and films etc. and their distribution in target markets.

### **INFORMATION TECHNOLOGY INDUSTRY:**

IT industry is one of the fastest growing industries in the world. The Indian information technology industry has played a key role in putting India on the global map. From the last decade India has become one of the most important offshore destination amongst the Asia pacific region. The current scenario in the IT industry of India and the tremendous

growth registered in recent years has generated much optimism about the future of the Indian Information technology industry. During 4 to 5 years it increased three fold and captured the leadership position in the world market. The IT industry accounts for a major share in the exports from India. The biggest benefit of the IT industry is the huge employment it generates. For a developing country like India, with a huge population, the high rate of employment in the IT sector is a big advantage. New markets for software exports from India have opened up in the Middle East, South and Southeast Asia, Africa, and Eastern Europe. The reputation that India has earned as a major destination for IT outsourcing has opened further possibilities. India is truly the outsourcing capital of the world. With stimulus growth of IT sector, there are huge demand for Information Technology Tenders, IT Tenders, Global IT Tenders, IT government tenders, IT tender notification, Tender news, IT Tenders online, IT bid invitation, IT public tender notices and IT Procurement notices around the world

Poised to become a US\$ 225 billion industry by 2020, the Indian information technology (IT) industry has played a key role in putting India on the global map. The Indian information technology sector continues to be one of the sunshine sectors of the Indian economy showing rapid growth and promise. The IT - BPO sector has become one of the most significant growth catalysts for the Indian economy. In addition to fuelling India's economy, this industry is also positively influencing the lives of its people through an active direct and indirect contribution to various socio-economic parameters such as employment, standard of living and diversity. The industry has played a significant role in transforming India's image from a slow moving bureaucratic economy to a land of innovative entrepreneurs and a global player in providing world class technology solutions and business services, according to National Association of Software and Service Companies (NASSCOM).

The sector is estimated to have grown by 19 per cent in the FY 2011, clocking revenue of almost US\$ 76 billion. The export revenues are estimated to have aggregated to US\$ 59 billion in FY 2011 and contributed 26 per cent as its share in total Indian exports (merchandise plus services), according to a research report 'IT-BPO Sector in India: Strategic Review 2011', published by NASSCOM. The workforce in Indian IT industry will touch 30 million by 2020 and this sunrise industry is expected to continue its mammoth growth, expect various industry experts.

### **Government Initiatives:**

Government sector is a key catalyst for increased IT

## Management Discussion and Analysis Report (contd...)

adoption- through sectors reforms that encourage IT acceptance, National eGovernance Programmes (NeGP), and the Unique Identification Development Authority of India (UIDAI) programme that creates large scale IT infrastructure and promotes corporate participation.

Certain crucial steps taken by the Indian government to propel the sector growth are:

- Constitution of the Technical Advisory Group for Unique Projects (TAGUP) under the chairmanship of Mr. Nandan Nilekani. The Group would develop IT infrastructure in five key areas, which includes the New Pension System (NPS) and the Goods and Services Tax (GST)
- Setting up the National Taskforce on Information Technology and Software Development with the objective of framing a long term National IT Policy for the country.
- Enactment of the Information Technology Act, which provides a legal framework to facilitate electronic commerce and electronic transactions.
- Setting up of Software Technology Parks of India (STPIs) in 1991 for the promotion of software exports from the country. There are currently 51 STPI centres where apart from exemption from customs duty available for capital goods, there are also exemptions from service tax, excise duty, and rebate for payment of Central Sales Tax.
- Plans to formulate Information Technology Investment Regions (ITIRs). These regions would be endowed with excellent infrastructure and would reap the benefits of co-siting, networking and greater efficiency through use of common infrastructure and support services.

### Road Ahead:

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

### OPPORTUNITIES

#### HOSPITALITY INDUSTRY:

The prospects for the hotel industry in India are bright. With

revival in the global economy, international tourist inflow into the country is expected to rise. The upcoming industrial parks, manufacturing facilities and ports across the country provide a good opportunity for budget and mid-market hotels. The supply of branded/quality rooms in India is much lower compared to other countries across the globe. Hence, there exists huge potential for investors and operators across all the segments of hotel industry in India. The increase in room inventories is expected to make the hotel industry more competitive and hotels would be under pressure to maintain quality and service levels at competitive prices. Competitive pricing amongst the branded hotels along with the addition of more budget and mid-market hotels would make the hotel industry cost competitive with other destinations. This would aid the growth of segments such as MICE ( Meetings, Incentives, conferencing, Exhibitions Section), amongst others.

While there is immense potential, concerns for growth of the industry remain. These include high real estate prices in the country, security threats, shortage of manpower, high tax structure, and non-uniformity in taxes.

The fortunes of the hospitality industry are closely linked to the tourism industry and hence tourism is one of the most important growth drivers. In addition, all factors that aid growth in the tourism industry also apply to the hospitality industry. The Indian hospitality industry has recorded healthy growth in recent years owing to a number of factors. A few of them are cited below:

#### ■ Increased tourist movement

Increased Foreign Tourist Arrivals and tourist movement within the country has aided growth in the hospitality industry. Healthy corporate profits and higher disposable incomes with easier access to finance have driven the rise in leisure and business tourism, thus having a positive impact on the hospitality industry.

#### ■ Economic growth

India is one of the fastest growing economies in the world. Attractiveness of India has encouraged foreign players to set up their operational facilities in the country. Domestic industries have also made heavy investments to expand their facilities through greenfield and brownfield projects.

#### ■ Changing consumer dynamics and ease of finance

The country has experienced a change in consumption patterns. The middle class population with higher disposable incomes has caused the shift in spending pattern, with discretionary purchases forming a substantial part of total consumer spending. Increased

affordability and affinity for leisure travel are driving tourism in India and in turn aiding growth of the hospitality industry. Emergence of credit culture and easier availability of personal loans have also driven growth in the travel and tourism and hospitality industries in the country.

### **INFORMATION TECHNOLOGY INDUSTRY:**

This is one industry where the government has been very proactive, has gone out on a limb and made sure that the industry has a chance to succeed on a global level. The value proposition of the Indian software industry can be summed up as “faster, better, and cheaper.” The Indian companies have taken responsibility on an end-to-end basis for new software development and for re-engineering. Re-engineering means taking an existing piece of software and making sure that it is upgraded to keep pace with changes in technology, or changes in the market place.

India is now known globally for its mantra – “**Information Technology**” which has its roots in the ‘strategic infection’ started by the success of India’s export led software industry. Just a few years ago, a small group of initiators ‘within’ the government and entrepreneurs ‘outside’, vision the opportunities and started branching from export of software to ‘IT Enabled Services’. The government responded to this move by being a silent spectator, rather than imposing rules and controls. But within two years of this great initiative, even the government has come up with full support to change the environment for Information Technology (IT). While the initial phase of IT in India witnessed a very small segment of public representatives in the government and entrepreneurs managing the micro environment to get more and more information Technology related business of India, the government will now enable a paradigm shift to “Hub to Globally Competitive value services” as against talent provider (Long Term National IT Policy), thus working as catalyst to change the macro environment to suit this opportunity. This has transformed Information Technology Business in India from a small sector to a large and growing industry.

### **RISKS AND CONCERNS**

Whilst the Major Risk Review focused on a number of changing or emerging risks, the Company is subject to a variety of inherent risks which may have an adverse impact on the business, results of operations, cash flow, financial condition, turnover, profits, assets, liquidity and capital reserves. The following section describes some of the main

risks that could materially affect the Company’s business. The factors below should be considered in connection with any financial and forward-looking information in this Annual Report and the cautionary statements regarding forward-looking statements given elsewhere in this section.

The risks below are not the only ones that the Company faces. Some risks are not yet known to the company and some that the company does not currently believe to be material could later turn out to be material

#### ■ **Political, Economic & Financial Risks:**

The Company is exposed to the inherent risks of global and regional adverse political, economic and financial market developments, including recession, inflation, availability of affordable credit and currency fluctuations that could lower revenues and reduce income

#### ■ **Human Resource employment, development and retention:**

In order to remain competitive, the Company’s endeavor is to employ the right people. This includes hiring and retaining highly skilled employees with particular expertise or leadership capability. The implementation of the Company’s strategic business plans could be undermined by failure to build resilient corporate culture, recruit or retain key personnel, unexpected loss of key senior employees, failures in the Company’s succession planning and incentive plans, or a failure to invest in the development of key skills.

#### ■ **Cyclical Nature of Hotel Industry**

The future operating results of the Company could be adversely affected by industry overcapacity (by number of rooms) and weak demand due, in part, to the cyclical nature of the hotel industry, or other differences between planning assumptions and actual operating conditions. Reductions in room rates and occupancy levels would adversely impact the results of Company operations.

#### ■ **Shareholders perception & Socio-Environmental aspects**

The reputation of the Company and the value of its brands are influenced by a wide variety of factors, including the perception of key stakeholders and the communities in which the Company operates. The social and environmental impacts of business are under increasing scrutiny, and the Company is exposed to the risk of damage to its reputation if it fails to demonstrate sufficiently responsible practices, ethical behavior, or fails to comply with regulatory requirements.



## Management Discussion and Analysis Report (contd...)

### ■ **Growing Competition:**

Globalization and free market economy have paved way for international hotel chains to enter the Indian Market. Moreover the phenomenal growth in the Indian economy registered over the past few years has made India a hub for the international entrants which in turn have intensified competition. The Success of the company largely depends upon its ability to match the International quality standards, Location benefits etc.

### ■ **Increased Outbound Travel:**

Low Airfares (both Domestic and International) and higher disposable income have resulted in increased Outbound Travel and may pose a risk to the hotel segment of the Leisure Resorts in India

### **RISK MANAGEMENT MEASURES ADOPTED BY THE COMPANY**

Risk management is an integral part of the Company's business process. With the help of experts in this field, risks are carefully mapped and a risk management framework is evolved. Pertinent policies and methods are set forth to mitigate such risks. In addition to the physical security measures, the Company has also taken adequate insurance cover to meet financial obligations which may arise from the various risks faced by the Company.

To counter the risk from growing competition, your Company is renovating its properties. It is also improving its service standards to provide exceptional services, consistently, across all its hotels. The Company is also trying for operating and financial leverage by expansion through management contracts and leveraging the strengths of its Associates and subsidiary companies. Purchasing Hotel Properties at strategic locations in India will also bolster the company's business in the long run and equip the Company to reinforce its existence and face competition efficiently.

To counter employee related risks, the Company has framed a comprehensive employee policy conducive to attract, retain and motivate its employees which is reviewed from time to time to ensure its efficacy at all times.

To counter the cyclical nature of the hospitality business, the Company has entered into tie-up arrangements, Business Management Agreements, Affiliation with RCI, time share business and similar other arrangements to generate additional revenues to meet the minimum working capital requirements of the Company in the slag period.

### **CHALLENGES AND KEY SUCCESS FACTORS:**

No organization operating today can be unaware of the swift pace of global change and its impact on every facet of the industry in which it operates. New business practices are evolving virtually as fast as our technologies, while resistance to change has become one of the primary causes of business failure.

The future success of an organization will be driven in large part by the ability to foresee and capitalize on change. Beyond this truism, however, there is an urgent need to identify what will be required in the competitive environment of the future with its intense focus on serving customer needs. The hospitality industry and IT Industry as is the case with business generally, is subject to deep currents of change set in motion as economic and social systems shaped in the industrial era evolve to a knowledge-based era driven by technology advances.

In this period of global transition, it behooves organizations to examine the key factors that will not only define success, but the ability to survive in coming years. In meeting the future, these businesses will need plans, people and processes in order to establish viable corporate forms that can compete in tomorrow's marketplace and capitalize upon its opportunities.

These challenges all take place in an environment where capital has become extremely selective in markets that have little stability. A global shortage of capital will not remain a short-term problem, and future hotel organizations must have a stronger alignment to capital provider. Hotel companies will need to compete by offering better returns and performance than in the past.

### **Key Success Factors - The Future**

Within this broad context, developers, owners and management companies in the Hospitality Industry will all need to develop new strategies, skills and processes that look forward to the competitive demands of the future. These ultimately must address issues related to vision and planning, as well as organizational skill sets and processes to attract and retain customers. To stake a claim in the future, current business practices should be examined in light of what can be expected to be the key success factors in the year 2012.

### ■ **Embrace a global change orientation**

As the information age produces greater worldwide integration of business activities, a global knowledge base will become invaluable. Success in local and

regional hotel markets will be shaped decisively by a global business environment that defines capital movement, customer expectations and applications of new technologies.

### ■ **Focus on the Customer**

If the customer is “king” in the 21st century, hotel organizations will be best served by focusing less on their hotel assets as measures of success, and more on their customers. A customer focus implies a significant shift in what drives hotel development – placing primary emphasis on the customer with the locations to follow. Nevertheless, a hotel organization with its large investment in fixed assets – the real estate – can never be as nimble as a consumer products company in adjusting products and services to match rapid shifts in the marketplace.

### ■ **Create a defensible position through corporate strategy**

For many of the industry’s leaders, vision is driven by the strategic planning process, a function which has become critical for success. Strategic planning, however, has at times been a step-child in the hotel industry, and it is often the first to be cut when organizations are downsized. It is clearly in transition. There also has been a tendency to decentralize and simplify this function – both actions of potential benefit. Strategic planning must be led by the top people in the organization. On the other hand, it should be close enough to the customer to ensure that planners can “listen” to and be influenced by customer needs.

### ■ **Empower Management**

Beyond the ability to envision the future, core management capabilities will make the difference – they are essential. A clear vision without the management skills to support it cannot be a recipe for success. First and foremost, hotel management must have strategic development skills and the ability to integrate complex factors affecting success. Market volatility has become the norm, in part caused by the rapidly changing tastes of customers. Customers are increasingly approaching the hotel industry with widely different social, economic and political backgrounds, to say nothing of employees. Being able to deal with these diversities in a positive and constructive fashion that capitalizes on the differences, rather than working to find ways to mitigate them, is the clear path for successful management in the future.

### ■ **Be in the information fast lane**

The traditional role of information technology (IT) as a

back office support for accounting and bookkeeping has clearly moved front and center stage. IT today influences all aspects of business from corporate strategies to organizational structure – and from the very business processes it is designed to support to performance measurement. In a world where the customer is “king,” IT must also deliver in two critical areas: sales and marketing and customer service.

Technology was once viewed as a way to reduce costs by replacing people. That attitude has been firmly supplanted by one that seeks IT support for the creative work that all organizations must pursue. IT must allow organizations to react more speedily to market needs and, of course, produce the fulfillment of customer demands both quickly and accurately. To do this IT must operate on a decentralized basis. IT delivers, but it has to be the right information to the right people, and it needs to be done on a timely basis

### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:**

The Internal Control System is an essential element for effective corporate governance of any Company and plays a vital role in identifying, minimizing and managing risks that are significant for the Company, contributing to the safeguarding of the stockholders’ investments and the Company’s’ assets

The Internal Control System also facilitates the effectiveness and efficiency of Company operations and helps ensure reliability of financial information and compliance with laws and regulations. In particular, the Accounting Control System is an important element of the Internal control System as it helps ensure that the Company is not exposed to excessive financial risks and that the financial internal and external reporting is reliable.

The Internal Control System reduces, but cannot eliminate, the possibility of poor judgment in decision-making; human error, control processes being fraudulently violated by employees and others; and the occurrence of unforeseeable circumstances. A sound Internal Control system therefore provides reasonable, but not absolute, assurance that a company will not be hindered in achieving its business objectives, or in the orderly or legitimate conduct of its business, by circumstances which may reasonably be foreseen.

The Internal control system encompasses the policies, processes and behaviors of the Company, taken together:

## Management Discussion and Analysis Report (contd...)

- facilitate the effectiveness and efficiency of its operations by enabling it to respond appropriately to operational, financial, compliance and other risks that hinder the achievement of the Company's objectives;
- help ensure the quality of internal and external reporting. This requires the maintenance of proper records and processes that generate a flow of timely, relevant and reliable information from within and outside the organization;
- help ensure compliance with applicable laws and regulations and internal procedures;
- Safeguard the company's assets from inappropriate use or from loss or fraud.

The Company has Internal Audit System in place, in order to examine and evaluate the adequacy and effectiveness of internal Control System. The Internal Audit ensures that the systems designed and implemented provides adequate internal controls commensurate with the size and operations of the Company.

The Audit committee of the Board, statutory auditors and the top management are periodically apprised of its activities and internal audit finding. The Audit committee of the Company comprising of Independent Directors periodically reviews and recommends the quarterly, half yearly and annual financial statements of the Company. A detailed note on the functioning of the Audit committee forms a part of the chapter on corporate governance of this Annual report

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company strongly believes that human resource is an indispensable part of any organization and plays a very vital role in the growth and long term success of the Company. With a view to achieve the goal of Human Resource Development which is an ongoing process, your Company has recently launched a 'Human Resource Development' portal providing access to its employees and keep them informed and updated on the Company's Human Resource Policies.

Your Company reposes confidence in its employees and is open to feedbacks and suggestions and also gives them an option of reporting their grievances to the management with an assurance of strict confidentiality and prompt action on the same, this in a way enables the management to ascertain the level of employee satisfaction at regular intervals. The Company's Management with the assistance of the HR Department, analyze the critical human resource issues and

endeavors to take timely corrective action and monitors its implementation on regular basis. Your Company believes that alignment of all employees to a shared vision and purpose as envisaged by the Company, is one of the prerequisites for the existence and well being of the Company and its stakeholders

The various Human Resource Development initiatives / steps taken by the company during the year, to boost employee morale, motivate them, to invoke the feeling of being a part of the company and to solicit employees contribution towards the growth of the Company are as follows:

- Performance based incentives to its employees
- 'Soft Skill Training Programmes' for all its Hotel Employees
- Coverage of employees under accident policy ( not covered under ESI),
- Campus hiring for extending employment opportunities for rural youths / underprivileged
- Green globe initiative at 'United-21', a Four Star Hotel managed by the Company at Thane
- Employee picnic at its resort at Panvel for stress reduction and with a view to promote team building.
- Initiated the formation of Employees' Co-op Credit society to provide financial assistance to the employees

Industrial Relations throughout the year were cordial at all hotels and operating units of your Company. As on 31<sup>st</sup> March, 2011, the Company had 177 employees.

### COMPANY'S BUSINESS AND SEGMENT WISE PERFORMANCE:

#### HOSPITALITY BUSINESS:

With a vision 'to be known as hospitality innovators worldwide' and guided by the principles of 'Honesty, Hardwork and Intelligence, Panoramic Group is now set to rise on India's corporate horizon with its unique business models. Hospitality, Travel, Tourism, Real Estate and Power are the next big triggers identified by the Group for its growth trajectory.

The Group has successfully launched two travel portals [www.traveluniversally.com](http://www.traveluniversally.com) in USA and [www.travelhot.in](http://www.travelhot.in) in India. The USP of these portals is that they offer more than 365 tours itinerary across the globe to the customers, with the freedom to choose. The portal also offers the best

## Management Discussion and Analysis Report (contd...)

hotel deals and air tickets at economic prices. There are more than 200 hotels registered on the portal offering competitive rates to customers. The group targets to add another 2000 hotels across India to its platter in the next few months to widen the choice

The Group has also launched “**Magic Holidays**”, a Holiday Scheme offering affordable holidays to its customers which offers ‘yearly’ ownership of picturesque properties for 7 days every year for 25 years not only across India, but aspirational countries like USA and naturally beautiful countries like New Zealand. The Customers availing Magic Holidays Scheme are also provided holiday exchange facility which provides them access to about 6000 international resorts worldwide which are affiliated to RCI. RCI Affiliation is just the first one in line of the other international affiliations that the Group is planning.

The total revenue from the Hospitality business for the year ended 31<sup>st</sup> March 2011 increased to Rs. 578.64 lacs from Rs. 396.59 lacs in the previous year.

### Our Hotels & Resorts in India

The Panoramic Group currently owns Six Hotels, Clubs and Resorts in India.

**United-21**, a new-age luxury destination at Thane serves the twin purposes of a 4-star Hotel and a Lifestyle Club provides facilities like **Orbits** (Discotheque), **WOW** (Spa / Wellness Centre), **Spices & Sauces** (exclusive Restaurant), **Blue Flame** (Multi-cuisine Restaurant), **Waves** (Lounge Bar), **Anytime** (24 hours Coffee Shop) etc. It has a room inventory of 46 rooms

**Pancard Clubs**, Pune is next in line and is one of Pune’s prestigious leisure clubs which is located at the foot of Baner Hills. **Area 51**, a UFO-shaped discotheque with a revolving lounge is located within the premises of Pancard Clubs. It is one of the largest discotheques in the country and the best in Pune City.

**Panoramic Resort**, Panvel (Water & Amusement Park) located just adjacent to the Karnala Bird Sanctuary is the point of attraction for picnics and outings for families, friends and peers. It has room inventory of 37 rooms. Various tie up arrangements like Educational Package Facility Agreements with Picnic Organizers for Schools, Colleges etc. have added to the revenue generation from Panoramic Resort.

**Hotel Sai Sahavas**, Shirdi is another notable hotel property

of the Group which is a perfect blend of sanctity and luxury. It has room inventory of 38 rooms. The life-size idol of Shri Sai Baba in the spacious meditation hall which is the exact replica of the original idol in Shirdi, is the point of attraction and the luxurious rooms for visitors add to the flavor.

**Graciano Cottages**, Goa is situated near Colva Beach. It has a room inventory of 22 rooms.

**Hotel Sagar Kinara**, Malvan is located opposite the famous Sindhudurg Fort on the beach at Somvar Peth. It has a room inventory of 30 rooms.

Coming years shall see the Panoramic Group add several hundred rooms across various categories of hotels, resorts & several hundred apartments for the common man; offer unique portals and have varied products in Hospitality Industry. The Group has acquired land at several strategic locations for its upcoming star category & mixed use projects. The various upcoming projects of the group are:

- 3-Star Hotel and a commercial complex at Jaipur located opposite the Jaipur Railway Station
- A project at Baner Hills, Pune comprising of a Business Hotel, 5-star Hotel, Club and Shopping complex / Event space
- 4-Star Hotel under the brand name “United-21” at Hyderabad comprising of 85 rooms, located in the heart of the City
- 3-Star Hotel & Family club at Durgapur sprawled over a spacious 50,000 sq. ft.
- 4-Star Hotel and serviced apartments at Munnar, Kerala
- 5-star deluxe Resort at Kumarakom, Kerala with one of the finest spas in the Country.
- 150-room Jungle Resort at Goa offering a ‘living in a natural jungle’ experience.

### Our International Hotels & Resort

The company currently owns Six Hotels and Resorts abroad, five in USA and 1 in New Zealand.

**The Georgian Resort, USA**, an unrivaled Georgia’s Luxury Resort located between New York City & Canada is the region’s finest accommodation for families, groups and special events

**Clarion Inn, USA**, with a highly reputed Clarion Brand name, offers full-fledged luxurious amenities including

## Management Discussion and Analysis Report (contd...)

Indoor Swimming Pool, Restaurant with Bar / Lounge, Meeting rooms & ballroom

**Econolodge, USA**, a hotel with impressive décor and maintained to stringent standards is a popular tourist and business resort.

**Baymont Inn & Suites, USA**, a Hotel that packs hospitality in special suites for the demanding business travellers

**United Inn, USA**, one of Central New York's most convenient hotels, ensures a comfortable stay for both business and leisure traveler offering personalized service and reliability.

**Sai Motels**, New Zealand located at the heart of Auckland City, is strategically close to Ellerslie Race Course & Convention Centre with well-serviced & furnished rooms is ideal for both leisure & corporate trips.

### IT BUSINESS:

The IT division of the Company develops various softwares like Human Resource Management System Software, Network Marketing Software, Payroll Management Software, Accounting Software, Hotel Management System Software etc.

The Company's area of proposed specialization is in the Application Software Development which includes Manufacturing and Distribution, Commercial, Hospitality and other Service Industries. Your Company undertakes software development for both domestic and international customers.

To meet prospective clients' IT needs, the IT segment of the company offers various software products and solutions, which addresses different functional areas keeping in mind the industry standards and technology.

The revenue from the IT business for the year ended 31<sup>st</sup> March 2011 is Rs. 6099.60 lacs as compared to Rs. 4154.86 lacs in the previous year.

### FINANCIAL CONDITION AND RESULT OF OPERATIONS:

The Group/Company offers services in primarily three business lines viz. IT, Hotels and Tours & Travels business. The following discussion on the consolidated financial condition and results of operations intends to provide the information that will assist in better understanding of the financial statements.

### Financial Performance Summary (stand-alone):

#### Revenues:

Your Company has earned total revenue of Rs. 7227.02 Lacs as against the previous year's revenue of Rs. 4814.29 Lacs.

The income from information technology increased to Rs. 6099.60 Lacs from Rs. 4154.86 Lacs in the previous year.

The income from hospitality business increased to Rs. 578.64 Lacs from Rs. 396.59 Lacs in the previous year and other income increased to Rs. 548.78 Lacs from Rs. 262.84 Lacs in the previous year.

#### Expenditure:

The total expenditure increased to Rs. 4829.75 Lacs from Rs. 2466.17 Lacs in the previous year. The substantial increase in the expenditure is on account of purchase of traded goods.

#### Profit before Tax:

The PBT grew to Rs. 2397.27 Lacs from Rs. 2348.12 Lacs in the previous year.

#### Profit after Tax:

The PAT decreased to Rs. 1831.54 Lacs from Rs. 2134.23 Lacs in the previous year. The decrease in profits is attributable to reduction in revenue from exports and also on account of the higher tax provisions.

### Financial Performance Summary (consolidated):

#### Revenue

During the year ended 31<sup>st</sup> March 2011 ('FY 11') consolidated revenues increased to Rs. 1581.40 Lacs from 1337.80 Lacs in the previous year.

#### Expenditure:

The total expenditure increased to Rs. 1118.16 Lacs from Rs. 863.33 Lacs in the previous year.

#### Profit before Tax:

The PBT stood at Rs. 4632.40 Lacs compared to Rs. 4744.70 Lacs in the previous year.

#### Profit after Tax:

The PAT decreased to Rs. 3034.13 Lacs from Rs.3482.20 Lacs in the previous year.

# Corporate Governance Report

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company stoutly believes that good Corporate Governance practices are an integral element for doing business which not only recognizes the diverse interests of all the stakeholders but also is a key requirement in the best interests of the company and the economy. It is not only a pre-requisite for facing intense competition for sustainable growth in the emerging global market scenario, but is also an embodiment of the parameters of fairness, openness, Commitment to values and ethical conduct of business accountability, disclosures and transparency to maximize value for the stakeholders.

Effectiveness of corporate governance system cannot merely be legislated by law neither can any system of corporate governance be static. As competition increases, the environment in which the corporates operate also changes and in such a dynamic environment the systems of corporate governance also need to evolve.

The Securities and Exchange Board of India (SEBI) has ushered in a formal code of corporate governance (hereinafter "the Code") through Clause 49 in the Listing Agreement executed by the Company with Stock Exchanges. Clause 49 stipulates several corporate governance practices which are periodically upgraded to ensure adoption of best corporate governance practices by corporate in the light of the growing need for transparency, fairness and integrity of the management. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in Clause 49, for the financial year 2010-11.

(iii) Attendance of Directors at Board Meetings, Last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in other companies:

Name of Director	Category	Attendance		No. of Directorships held in other companies <sup>(1)</sup>	No. of Committee Positions held in other companies <sup>(2)</sup>	
		Board	Last AGM		Chairman	Member
Mr. Sudhir Moravekar(3)	Promoter, Non-Executive Chairman	1	Yes	4	-	-
Ms. Viidyaa Moravekar(3)	Managing Director	-	Yes	7	-	-
Mr. Arun Tari (3)	Whole-Time Director	6	Yes	2	-	-
Mr. Siddhartha Moravekar(3)	Non-Executive	-	No	2	-	-
Mr. Mehul Parekh	Independent	3	No	-	-	-

## 2. BOARD OF DIRECTORS

### (i) Composition of the Board:

The composition of the Board as on 31st March, 2011, which is in conformity with clause 49 of the Listing Agreement entered into with the Stock exchanges, is as follows:

Category of Directors	No. of Directors	Percentage to the total No. of Directors
Non-executive Chairman, Promoter	1	10%
Executive (including Managing Director and Whole-time Director)	2	20%
Non-Independent, Non-executive	2	20%
Independent	5	50%
<b>Total</b>	<b>10</b>	<b>100%</b>

None of the directors on the Board is a member of more than 10 (ten) committees and chairman of more than 5 (five) committees, across all the companies in which he/she is a Director.

### (ii) Number of Board meetings:

6 (Six) Board meetings were held during the year on 29th April, 2010, 23rd June, 2010, 29th July, 2010, 25th August, 2010, 29th October, 2010 and 28th January, 2011 as against the minimum requirement of four meetings. The Company has held at least one meeting in every three months and the time gap between two meetings did not exceed four months.

## Corporate Governance Report (contd.....)

Name of Director	Category	Attendance		No. of Directorships held in other companies <sup>(1)</sup>	No. of Committee Positions held in other companies <sup>(2)</sup>	
		Board	Last AGM		Chairman	Member
Ms. Hemalata Sawant	Independent	6	Yes	1	-	-
Mr. Vilas Mitbawkar	Independent	6	No	2	-	-
Mr. Abeezer Faizullahoy	Independent	2	No	1	1	1
Mr. Rajendra Gawde	Independent	6	Yes	-	-	-
Mr. Dnyanaraj Moravekar(3)	Non-Executive	-	No	1	-	-

## Notes :

- (1) Directorship in other companies does not include alternate directorships, directorships of private companies, companies incorporated under Section 25 of the Companies Act, 1956 and companies incorporated outside India.
- (2) Only Audit Committee and Shareholders'/ Investors' Grievance Committee have been considered for committee positions.
- (3) Mr. Sudhir Moravekar, Ms. Viidyaa Moravekar, Mr. Siddhartha Moravekar, Mr. Dnyanaraj Moravekar and Mr. Arun Tari are relatives within the meaning of Section 6 read with Schedule IA of the Companies Act, 1956.

**(iv) Company's Code of Conduct**

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

Further, all the Board members and senior management personnel have affirmed the compliance with the code of conduct. A declaration to this effect signed by the Managing Director forms part of this report.

**3. BOARD COMMITTEES**

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

**(i) AUDIT COMMITTEE**

The Board has constituted an Audit Committee, comprising of following three Independent Directors as its members and Mr. Sanjive Arora,

Company Secretary as its Secretary:

- i. Mr. Mehl Parekh (Chairman)
- ii. Mr. Vilas Mitbawkar
- iii. Ms. Hemlata Sawant

During the year, 5 (Five) Audit Committee Meetings were held on 29<sup>th</sup> April, 2010; 29<sup>th</sup> July, 2010; 25<sup>th</sup> August, 2010; 29<sup>th</sup> October, 2010 and 28<sup>th</sup> January, 2011 which were attended by all the members

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter-alia perform the functions as per the terms of reference which are in accordance with Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The gist of the terms is as follows:

- overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and fees for any other services rendered by them;
- reviewing with the Management, the quarterly and annual financial statements before submission to the Board for approval;

- reviewing the adequacy and reliability of internal control systems and internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with internal auditors any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- monitoring Company's compliance with the legal and regulatory requirements and the Code of conduct of the Directors and Senior Management of the Company;
- review the adequacy of the Company's Risk Management Policy;
- to review Management discussion and analysis of financial condition and results of operations and
- reviewing with the management, matters required to be included in the Director's Responsibility Statement forming a part of the Director's Report in terms of section 217 (2AA) of the Companies Act.
- To carry out any other function as is mentioned in the terms of reference of the Audit Committee.

### **(ii) REMUNERATION CUM COMPENSATION COMMITTEE**

The Board has constituted Remuneration cum Compensation Committee, comprising of following three Independent Directors as its members:

- i. Mr. Mehul Parekh (Chairman)
- ii. Mr. Vilas Mitbawkar
- iii. Ms. Hemlata Sawant

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

The Remuneration cum Compensation Committee of the Company is entrusted with the responsibility to consider and recommend remuneration of Executive, Wholetime or Managing Director or Manager at the time of appointment or alteration thereof subsequent to the appointment in accordance with Schedule XIII of the Companies Act. And also to implement, administer and oversee the Employee Stock Option Scheme (ESOS) process and inter-alia perform the functions as per the terms of reference which are in accordance with SEBI (ESOS & ESOS) Guidelines, 1999.

Broadly, the gist of terms of reference of the committee is as follows:

- To appraise the performance of Managing and Executive Director;
- To determine and recommend to the Board, compensation payable to the Managing and Executive Director;
- Formulation, from time to time, of an Employee Stock Option Scheme/s and/or Employee Stock Purchase Scheme for the employees of the Company and its associate/group companies and to decide the terms and conditions of the Scheme;
- Acting as Administrator of the Company's Employee Stock Option Scheme/s drawn up from time to time and administering within the terms and conditions of the said Scheme/s;
- Granting stock options or stock purchase rights to individuals eligible for such grants under the Scheme/s and applicable law (including grants to individuals subject to the provisions of the Companies Act, 1956, Securities and Exchange Board of India Act 1992 and any other Guidelines/Rules/Regulation prevailing or introduced or modified from time to time and amending such stock options or stock purchase rights;
- Frame suitable policies and systems to ensure that there is no violation of SEBI (insider Regulations) 1992 and SEBI (Prohibition of



## Corporate Governance Report (contd.....)

Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 1995;

- Making recommendations to the Board with respect to amendments to the plans and changes in the number of shares reserved for option holders under the ESOS Scheme of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the Remuneration cum compensation Committee

**Remuneration Policy**

The Company's remuneration policy is performance based which is measured through an annual appraisal process. The Management strongly believes that human resource is an indispensable part of any organization and plays a very vital role in the growth and long term success of the Company. The best way to attract and retain the right talent is adequate compensation (both monetary and non monetary) and timely revision of the same to maintain the optimum level of motivation.

**Remuneration of Managing director and Executive Director:**

The company pays remuneration to its Managing Director and Executive Director by way of Salary, Perquisites & Allowances and Commission. The Board, on the recommendations of the Committee which are based on evaluation of the performance of Managing Director and Executive Director on certain parameters, as laid down by the Board as part of the self-evaluation process and Company's Rules / Policies, approves the revision in remuneration of the Managing Director and Executive Director. Commission is calculated with reference to the net profits of the company in a particular financial year and is determined by the Board of Directors at the end of the financial year. The Company ensures that the remuneration by way of salary and other allowances and monetary value of perquisites are well within the overall ceiling as stipulated in section 198 and 309 of the Companies Act, 1956. In the event of absence or inadequacy of Net profits in any financial year, the remuneration payable to the managerial person(s) shall be governed by Section II of Part II of Schedule XIII of the Companies Act, 1956 or any modification thereto.

Details of remuneration paid to the Managing Director and Whole-time Director of the Company during the year are as under:

Name of Director & Period of Appointment	Salary (Rs In Lakhs)	Benefits Perquisites & Allowances (Rs. in Lakhs)	Commission (Rs. in Lakhs)	Stock option
Ms. Viidyaa Moravekar Managing Director (w.e.f. 1st December, 2008 for a period of 3 years)	29.86	5.66	26.05	Nil
Mr. Arun Tari - Whole Time Director (w.e.f. 1st December, 2006 for a period of 5 years)	11.63	2.33	Nil	Nil

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

**(iii) SHARE TRANSFER CUM INVESTOR GRIEVANCE COMMITTEE**

The Board has constituted a Share Transfer cum Investor Grievance Committee under the chairmanship of a non-executive director to specifically look into the redressal of shareholder and investors complaints and requests such as transfer/ transmission of shares, non-receipt of annual reports/ notices etc, non-receipt of declared dividends, dematerializations/ rematerializations of shares etc.

During the year, 18 (Eighteen) Share Transfer cum Investors' Grievance Committee Meetings were held on 30<sup>th</sup> April, 2010; 31<sup>st</sup> May, 2010; 30<sup>th</sup> June, 2010; 20<sup>th</sup> July, 2010; 5<sup>th</sup> August, 2010; 17<sup>th</sup> August, 2010; 10<sup>th</sup> September, 2010; 28<sup>th</sup> September, 2010; 11<sup>th</sup> October, 2010; 15<sup>th</sup> October, 2010; 29<sup>th</sup> October, 2010; 5<sup>th</sup> November, 2010; 25<sup>th</sup> November, 2010; 1<sup>st</sup> December, 2010; 31<sup>st</sup> December, 2010; 31<sup>st</sup> January, 2011; 23<sup>rd</sup> February, 2011 and 31<sup>st</sup> March, 2011

## Corporate Governance Report (contd.....)

Details of composition, meetings and attendance during the year under report are as follows:

Name of Director	Status	Category	No. of Meetings	
			Held	Attended
Mehul Parekh	Chairman	Non-Executive, Independent	18	18
Siddhartha Moravekar	Member	Non-Executive	18	1
Arun Tari	Member	Executive	18	18

Mr. Sanjive Arora - Company Secretary, is the Compliance Officer for SEBI / Stock Exchange related issues.

The Committee monitors operations of the Investors' services department and encourages its team members to provide qualitative services and ensures expeditious redressal of investor grievances. The status of references / complaints is reported to the Board on a quarterly basis.

Details of the status of references/complaints received for the year and reported under clause 41 of the Listing agreement are as follows:

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

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

#### 4. GENERAL BODY MEETINGS

##### (i) Annual General Meetings:

The last three Annual General Meetings were held at Hotel Kohinoor Park, Veer Savarkar Marg, Opposite Siddhivinayak Temple, Prabhadevi, Mumbai - 400 025.

The Date and time of the last three Annual General Meetings and the special resolutions passed thereat are as follows:

Financial Year	Date and Time	Special resolutions
2009-10	28.09.2010 11.30 a.m.	<ul style="list-style-type: none"> <li>● Issue of ADR/ GDR/ FCCB/ Other Securities.</li> <li>● Issue of Securities through Qualified Institutional Placement Route.</li> <li>● Insertion of new sub-clause no. 117 after the existing sub-clause no. 116 under clause III(C) of Other Objects of Memorandum of Association of the Company.</li> <li>● Insertion of new sub-clause no. 118 after the existing sub-clause no. 117 under clause III(C) of Other Objects of Memorandum of Association of the Company.</li> <li>● Issue of preference shares to Promoter Group Company on private placement basis.</li> <li>● Place of keeping of register and index of members.</li> </ul>
2008-09	30.09.2009 11.00 a.m.	<ul style="list-style-type: none"> <li>● Issue of ADR/ GDR/ FCCB/ Other Securities.</li> <li>● Issue of Securities through Qualified Institutional Placement Route.</li> </ul>

## Corporate Governance Report (contd.....)

Financial Year	Date and Time	Special resolutions
2007-08	29.09.2008 11.00 a.m.	<ul style="list-style-type: none"> <li>● Re-appointment of Ms. Viidyaa Moravekar as Managing Director of the Company.</li> <li>● Issue of preference Shares to Promoters Group Company on private placement basis.</li> <li>● Issue of GDR/ FCCB/ Other Securities.</li> <li>● Issue of Securities through Qualified Institutional Placement Route.</li> <li>● Insertion of new sub-clause under Clause III (C) of the Memorandum of Association of the Company.</li> <li>● Place of keeping of register and index of members.</li> </ul>

● **Special Resolutions passed through Postal Ballots**

As stipulated by the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 and in accordance with the procedure as set out therein, the Company has passed a special resolution through Postal Ballot for insertion of new sub-clause under clause III (c) of the Other Objects of the Memorandum of Association of the Company. Shri. Makarand Joshi, Practicing Company Secretary, was appointed as Scrutinizer. The result of the Postal Ballot was declared on 10th June 2010 based on report of the Scrutinizer which stated that the Scrutinizer received a total 82 ballots. Out of the 82 ballots, 73 were valid ballots and 9 were invalid ballots. Out of the 73 valid ballots which comprised of 10,026,220 votes, 99.99% have voted in favour of the resolution.

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution by Postal Ballot.

**5. DISCLOSURES**

**(i) Materially significant related party transactions:**

The transactions between the Company and the Directors and Companies in which the Directors are interested have been disclosed in notes to the Annual Accounts in compliance with the Accounting Standard relating to "Related Party Disclosures".

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

**(ii) Statutory Compliance**

The Company has complied with the requirements of the Stock Exchanges/SEBI and Statutory Authority/ies on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by these authorities.

**(iii) Conflict of Interest:**

Based on the disclosures received by the Board

from the Company's Senior Management Personnel, none of the Senior Management Personnel had any material financial or commercial transactions wherein they had personal interest that could have a potential conflict with the interest of the Company at large.

**(iv) Accounting Treatment:**

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

**(v) Business Ethics and Confidentiality:**

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

### (vi) CEO Certification

In terms of the requirement of Clause 49(V) of the Listing Agreement, the Managing Director has submitted a certificate to the Board of Directors in the prescribed format for the year under review.

### (vii) Risk Management

The Audit Committee reviews the Risk Management Policy of the company on a quarterly basis to ensure that the policy adequately covers all the probable risks and to make recommendations to the Board, if need be, for effective implementation and monitoring of the risk management policy and procedures.

### (viii) Subsidiary Companies

The Company does not have any material unlisted subsidiary and hence the Company is not required to have an Independent Director of the Company on the Board of any subsidiary.

The minutes of the subsidiary companies are periodically placed before and reviewed by the Board of Directors.

### (ix) Certificate of Compliance with Corporate Governance

A Certificate from the Statutory Auditors of the company regarding compliance by the Company with the Corporate Governance is attached hereto as an annexure to the report.

## 6. MEANS OF COMMUNICATION:

The Company regularly publishes its quarterly, half yearly and annual results in newspapers like Free Press Journal and Navashakti and simultaneously posts them on the Company's website viz. [www.panoramiconiversal.com](http://www.panoramiconiversal.com). The company's shareholding pattern, quarterly corporate Governance Reprt and official news releases are also displayed on the Company's Website [www.panoramiconiversal.com](http://www.panoramiconiversal.com)

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

The Management Discussion and Analysis Report form an integral part of the Annual Report.

## 7. GENERAL SHAREHOLDER INFORMATION

### (i) Corporate Identity Number and Registered Office

The Company is registered in the State of Maharashtra, India having its Registered Office at 4th floor, Aman Chambers, Opp. New Passport Office, Veer Savarkar Road, Prabhadevi, Mumbai 400 025. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L67190MH1992PLC066856.

### (ii) 20th Annual General Meeting

Day/Date	Time	Venue
Wednesday, 28th Sept, 2011	11.30 a.m.	Hotel Kohinoor Park, Veer Savarkar Marg, Opp. Siddhivinayak Temple, Prabhadevi, Mumbai - 400 025

(iii) The Financial year of the Company commences on 1st April, each year and ends on 31st March of the following year.

### (iv) Financial Calendar for the year

Dividend Payment	The dividend, if declared, at the ensuing Annual General Meeting shall be paid / credited on or before 27th October, 2011 i.e. within 30 days from the date of declaration.
Book Closure Dates	24th September, 2011 to 28th September, 2011 (both days inclusive) to determine the entitlement of shareholders to receive dividend, if declared, for the year ended 31st March, 2011.
Unaudited Financial reporting for the quarter ending (tentative)	
30th Jun 2011	On or before 15th Aug 2011
30th Sept, 2011	On or before 15th Nov 2011
31st Dec, 2011	On or before 15th Feb 2012
31st Mar 2012	On or before 15th May 2012

## Corporate Governance Report (contd.....)

**(v) Dividend History of last 5 years :**

Sr. No.	Financial Year	Rate of Dividend	Dividend per share (Rs.)
1	2005-06	12%	0.60
2	2006-07	20%	1.00
3	2007-08	25%	1.25
4	2008-09	50%	2.50
5	2009-10	50%	2.50

Pursuant to Section 205C of the Companies Act, 1956, dividends that are unclaimed for a period of seven years get transferred to the Investors' Education and Protection Fund administered by the Central Government. Under the transfer of Unclaimed Dividend Rules, it would not be possible to claim the dividend amount once deposited in the Investors' Education and Protection Fund (IEPF). Shareholders are therefore requested to claim their unpaid dividend if not already claimed.

Listed in the table below is the date of dividend declaration since 2003-04 and the corresponding due dates for claiming the unpaid dividend:

Financial Year	Date of Declaration	Last date of claiming unpaid dividend
2003-04	29.12.2004	28.12.2011
2004-05	30.09.2005	29.09.2012
2005-06	30.09.2006	29.09.2013
2006-07	29.09.2007	28.09.2014
2007-08	29.09.2008	28.09.2015
2008-09	30.09.2009	29.09.2016
2009-10	29.04.2010	28.04.2017

**(vi) Listing on Stock Exchange:**

The equity shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Company has already paid the annual listing fees for the year 2011-12 to the Stock Exchanges as well as custodial fees to the depositories.

**(vii) Registrar & Share Transfer Agents:**

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

M/s. Sharex Dynamic (India) Private Limited  
Unit No. 1, Luthra Industrial Premises  
Safed Pool, Andheri Kurla Road  
Andheri (East), Mumbai - 400 072  
Tel.: 91 22 2851 5606, Fax: 91 22 2851 2885  
E-mail: sharexindia@vsnl.com  
Website: www.sharexindia.com

**(viii) Share Transfer System**

The Board has delegated the authority for approving transfer, transmission, etc. of the Company's equity shares to the Share Transfer cum Investors' Grievance Committee. The Share Certificates in physical form are generally processed fortnightly and returned within 30 days from the date of receipt, if the documents are proper and valid in all respects. The minutes of the committee for the transfer / transmission so approved is placed at every Board Meeting. The Company obtains from a Practising Company Secretary a half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges, and files a copy of the certificate with the Stock Exchanges concerned.

**(ix) Scrip Information - Equity Shares**

Particulars	Scrip code/ Information
Bombay Stock Exchange Limited	531816
National Stock Exchange of India Ltd.	PANORAMUNI
Demat ISIN allotted by NSDL/CDSL	INE194B01029
Face Value	Rs. 5/- each

## Corporate Governance Report (contd.....)

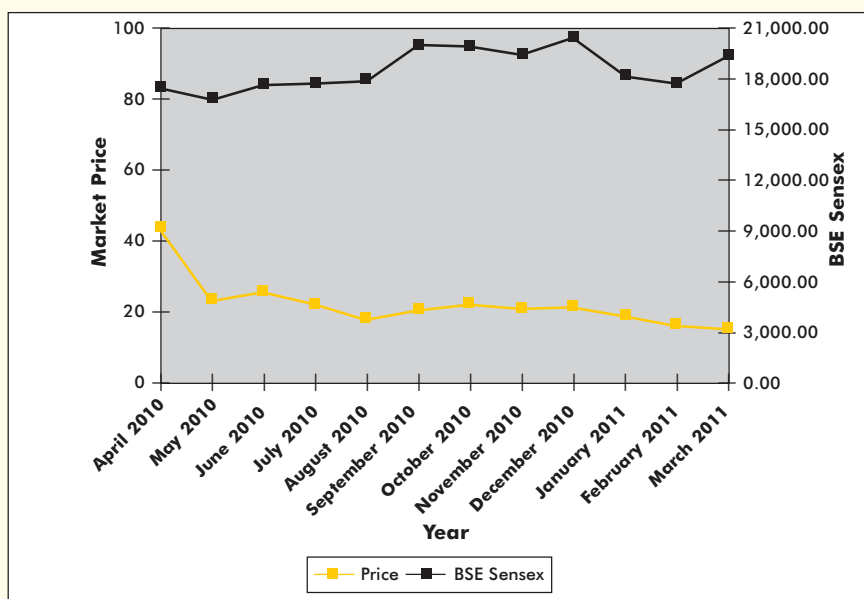
### (x) Stock Market Data

The monthly high/ low prices of the equity shares of the Company from 1st April, 2010 to 31st March, 2011 are given below:

Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs.)	Low (Rs.)	Volume (Nos.)	High (Rs.)	Low (Rs.)	Volume (Nos.)
April 2010	321.10	240.50	59,33,385	344.75	235.00	35,16,495
May 2010	270.00	125.45	46,67,202	265.00	123.05	45,70,459
June 2010	182.40	25.85	16,19,567	182.60	26.00	15,31,388
July 2010	26.50	22.55	10,67,140	26.75	22.60	13,02,708
August 2010	23.30	18.40	13,27,099	23.20	18.10	13,82,240
September 2010	23.70	17.70	12,48,798	23.50	17.70	14,18,263
October 2010	25.95	19.30	10,32,106	25.90	19.30	10,30,995
November 2010	26.00	19.80	6,59,038	25.95	19.25	7,67,252
December 2010	22.80	17.50	5,18,559	22.75	17.90	4,76,593
January 2011	23.45	17.50	5,05,114	23.20	18.50	5,08,464
February 2011	19.90	16.10	3,83,164	21.00	16.05	2,90,475
March 2011	17.75	14.75	2,67,412	19.60	15.40	2,82,180

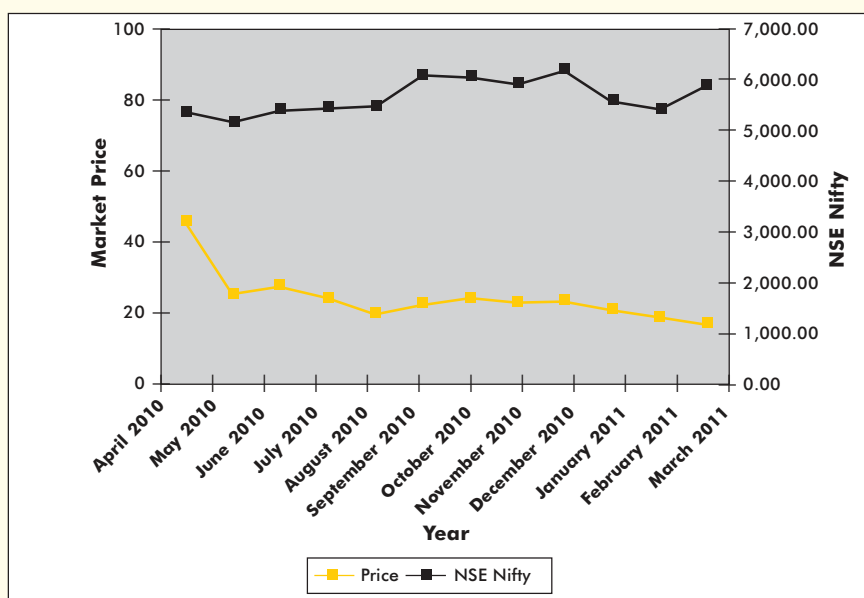
Sources: [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com) respective websites

### (xi) Panoramic Universal Limited share performance versus BSE Sensex



## Corporate Governance Report (contd.....)

## (xii) Panoramic Universal Limited share performance versus NSE Nifty



## (xiii) Distribution of Shareholding as on 31st March 2011

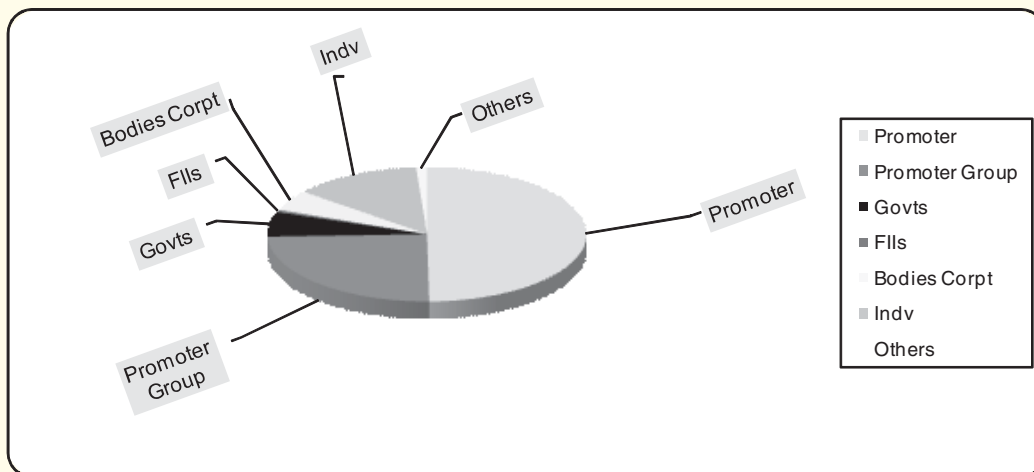
Number of shares	No of Shareholders	% of Shareholders	No of Shares	% to Total paid up share Capital
1-5000	6815	77.72	2,166,364	2.79
5001-10000	952	10.86	1,362,077	1.75
10001-20000	496	5.66	1,420,199	1.83
20001-30000	222	2.52	1,180,331	1.52
30001-40000	58	0.66	412,028	0.53
40001-50000	56	0.64	516,201	0.66
50001-100000	78	0.89	1,054,203	1.36
100001 and above	92	1.05	69,633,597	89.57
<b>Total</b>	<b>8769</b>	<b>100</b>	<b>77,745,000</b>	<b>100.00</b>

## (xiv) Shareholding Pattern by ownership as on 31st March, 2011

	Category of Shareholder	No. of Shares	% of Shares
<b>I</b>	<b>Promoter and promoter group</b>		
	Promoter	38,698,812	49.78
	Promoter group	19,142,568	24.62
	<b>Total Promoter and promoter group</b>	<b>57,841,380</b>	<b>74.40</b>
<b>II</b>	<b>Public Shareholding</b>		
	Central Government / State Government(s)	4,656,558	5.99

## Corporate Governance Report (contd.....)

Category of Shareholder	No. of Shares	% of Shares
Foreign Institutional Investors	435,458	0.56
Bodies Corporate	385,8743	4.96
Individuals	1,010,3612	13.00
NRIs	798,487	1.03
Clearing Member	50,762	0.06
Foreign Company	-	-
<b>Total Public Shareholding</b>	<b>19,903,620</b>	<b>25.60</b>
<b>Total Shareholding (I+II)</b>	<b>77,745,000</b>	<b>100.00</b>



### (xv) Dematerialization of Shares and Liquidity

As on 31st March, 2011, the total number of Equity Shares of the Company in dematerialized form stood at 77,325,574 (representing 99.461 % of the Company's paid-up Equity Share Capital).

The Company's shares are tradable compulsorily in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are frequently traded at the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited.

### (xvi) Secretarial Audit:

As a measure of good corporate governance practice, the Board appointed a Practicing Company Secretary, to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956, Depositories Act, 1956, Listing Agreements with the Stock Exchanges, and all the Regulations and Guidelines of the Securities and Exchange Board of India (SEBI) as applicable to the company. The audit also covers the reconciliation on a quarterly basis, the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit has confirmed that the total issued / paid up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. Further, the Company voluntarily adheres to the various secretarial standards issued by the Institute of Company Secretaries of India



## Corporate Governance Report (contd.....)

**(xvii) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity**

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

**(xviii) Software Location**

The Company's Software Division and Business Development Centre is located at Unit No. 1103-1105, 11th Floor, Plot No. X5/3, Technocity, Opp. MBP, MIDC, Mahape, Navi Mumbai.

**(xix) Indian Hotel Locations**

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

**(xx) USA Hotel Locations**

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

**(xxi) New Zealand Hotel Locations**

Sai Motels	Auckland, New Zealand
------------	-----------------------

**(xxii) Address for investor queries and other Correspondence**

As stipulated under clause 47(f) of the listing Agreement, any investor queries may be addressed to any one of the following:

**Sharex Dynamic (India) Pvt. Ltd.**

Unit No. 1, Luthra Industrial Premises,  
Safed Pool, Andheri Kurla Road, Andheri (East),  
Mumbai - 400 072  
Tel: 91 22 2851 5606 Fax: 91 22 2851 2885  
E-mail : sharexindia@vsnl.com

**Sanjive Arora****Company Secretary & Compliance Officer**

Panoramic Universal Ltd.  
Aman Chambers, 4th Floor,  
Opp. New Passport Office, Veer Savarkar Road,  
Prabhadevi, Mumbai- 400 025.  
Tel: 91 22 6616 4000 Fax: 91 22 2421 1260  
E-mail : sanjive.arora@panoramicworld.biz

Any other correspondence may be addressed to 'The Company Secretary & Compliance Officer' at the above-mentioned address and/or email id

**DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT**

In accordance with sub-clause I (D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct laid down by the Company, for the financial year ended 31st March, 2011.

**Viidyaa Moravekar**  
Managing Director

Place: Mumbai

Date : 25th August, 2011

# Auditors' Certificate

## **Auditors Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement(s)**

**To  
The Members of  
Panoramic Universal Limited**

We have examined the compliance of conditions of corporate governance by Panoramic Universal Limited (the Company) for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

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

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

**H. H. Topiwala**  
Proprietor  
Membership No. 38660

Date : 25th August, 2011  
Place : Mumbai

# Auditors' Report

## To the members of Panoramic Universal Limited

We have audited the attached Balance Sheet of **Panoramic Universal Limited** ("the Company") as at March 31, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the USA and UAE branches not visited by us;
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) The audited Accountant's Review Reports in respect of USA branches and audited Receipts and Payments Statement in respect of UAE branch have been forwarded to us and have been dealt with by us in preparing this report;
- (vi) On the basis of written representations received from the directors, as on March 31, 2011, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956;
- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
  - b. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

Mumbai  
August 25, 2011

**H. H. Topiwala**  
Proprietor  
Membership No. 38660

## Annexure to the Auditors' Report

1. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) According to the information and explanation given to us, the management during the year has

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

physically verified the fixed assets in a phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.

- (c) Substantial part of Fixed Assets has not been disposed off during the year as to affect the going concern.

### 2. In respect of its inventories:

- (a) As explained to us, inventories were physically verified during the year by the management at regular intervals.
- (b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

### 3. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act 1956.

- (a) During the year, the Company has not taken any unsecured loan from a Company covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion and according to the information and explanation given to us, the requirements of provisions of sub-clause (b), (c) and (d) of clause 4(iii) of CARO are not applicable to the company.
- (b) The Company has given interest free unsecured loan to four wholly owned subsidiary companies listed in the register maintained under section 301 of the Companies Act, 1956. At the year end, the maximum amount outstanding against the loans granted to four wholly owned subsidiaries aggregated to Rs.16.53 crores. In our opinion and according to the information and explanation given to us, the terms and conditions of the loan given by the Company is not *prima facie* prejudicial to the

interest of the Company. There are no overdue amounts and hence the provisions of sub-clause (d) of clause 4(iii) of CARO are not applicable to the company

- (c) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- (d) In our opinion and according to the information and explanations given to us, where the Company has entered into transactions for the purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.500,000/- or more in respect of each party, the same has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (e) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits in terms of the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956.
- (f) In our opinion, the Company has an internal audit system, commensurate with its size and the nature of its business.
- (g) The central government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.
- (h) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, wealth tax, sales tax, service tax, customs duty, excise duty, cess and other material statutory dues that were outstanding as at March 31, 2011 for a period of more than six months from the dates that they became payable.
- (i) The Company does not have accumulated losses as

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

- at the end of the year and the Company has not incurred cash losses during the current year.
- (j) Based on our audit procedures and to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in the repayment of dues to financial institutions and banks.
- (k) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (l) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the Company.
- (m) The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. The Company in its own name has held all shares and other investments.
- (n) The company has given guarantee for loan taken by its overseas wholly owned subsidiary. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prejudicial to the interests of the company.
- (o) The Company has obtained Term loan during the year. The Company has not defaulted in repayment of dues to bank.
- (p) On the basis of review of statements of accounts and as confirmed by the management, fund raised on short-term basis have not been used for long-term purpose.
- (q) The Company has not made any preferential allotment of Shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (r) The Company has not issued any debentures.
- (s) The company has not raised fund by way of public issue of shares during the year. Accordingly, clause 4(xx) of the Order is not applicable to the Company.

In our opinion and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year that causes the financial statements to be materially misstated.

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

Mumbai  
August 25, 2011

**H. H. Topiwala**  
Proprietor  
Membership No.38660

# Balance Sheet as at 31st March, 2011

(Amt. in Rs.)

Particulars	Sch.	As at 31-03-2011	As at 31-03-2010
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	888,725,000	564,787,500
Reserves & Surplus	2	713,822,707	855,532,444
<b>Loan Funds</b>			
Secured Loan	3	105,825,666	166,764,434
Unsecured Loan	4	458,122,436	422,069,186
Deferred Tax Liability		8,061,008	-
<b>Total</b>		<b>2,174,556,817</b>	<b>2,009,153,564</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	931,987,917	907,041,655
Less: Depreciation		59,176,737	47,517,166
Net Block		<b>872,811,180</b>	<b>859,524,489</b>
Capital Work-In-Progress		69,829,264	26,840,971
<b>Investments (At Cost)</b>	6	849,506,400	745,070,379
<b>Current Assets, Loans and Advances</b>			
Inventories	7	864,704	921,443
Sundry Debtors	8	134,678,098	192,412,703
Cash and Bank Balances	9	21,380,684	13,954,158
Loans & Advances	10	389,830,033	211,917,670
		<b>546,753,519</b>	<b>419,205,974</b>
<b>Current Liabilities and Provisions</b>			
Current Liabilities	11	77,192,725	21,610,941
Provisions		94,231,307	85,786,817
		<b>171,424,032</b>	<b>107,397,758</b>
<b>Net Current Assets</b>		<b>375,329,487</b>	<b>311,808,216</b>
<b>Deferred Tax Asset ( Net)</b>		-	55,829,509
<b>Miscellaneous Expenditure</b>	12	7,080,486	10,080,000
(To the extent not written off or adjusted)			
<b>Total</b>		<b>2,174,556,817</b>	<b>2,009,153,564</b>
<b>Notes forming part of the Accounts &amp; Accounting Policies</b>	23		

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

For and on behalf of the Board

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

**(Viidyaa Moravekar)**  
*Managing Director*

**(Arun Tari)**  
*Whole - Time Director*

**(Sanjive Arora)**  
*Company Secretary*

Mumbai, August 25, 2011

Mumbai, August 25, 2011

# Profit and Loss Account for the year ended 31st March, 2011

(Amt. in Rs.)			
Particulars	Sch.	Year ended 31-03-2011	Year ended 31-03-2010
<b>INCOME</b>			
Income from Information Technology	13	609,959,747	415,486,019
Income from Hospitality	14	57,863,582	39,658,750
Other Income	15	54,878,228	26,284,293
<b>Total</b>		<b>722,701,557</b>	<b>481,429,062</b>
<b>EXPENDITURE</b>			
Materials Consumed	16	14,255,696	9,623,457
Personnel Expenditure	17	110,417,892	78,380,469
Purchase of Traded Goods	18	272,610,555	-
Software Development Expenses	19	-	58,484,369
General & Administrative Expenses	20	62,275,364	72,053,998
Depreciation	5	15,428,014	13,512,671
Interest and Finance Charges	21	4,688,242	7,387,205
Preliminary Expenditure Written Off	22	3,450,122	7,515,913
Provision for the diminution in value of Investments		(151,185)	(341,369)
<b>Total</b>		<b>482,974,700</b>	<b>246,616,713</b>
<b>PROFIT BEFORE TAX</b>		<b>239,726,857</b>	<b>234,812,349</b>
Provision for Deferred Tax		8,061,008	(17,805,740)
Provision for Current Tax		48,511,477	39,195,340
MAT Credit Entitlement		-	-
<b>PROFIT AFTER TAX</b>		<b>183,154,372</b>	<b>213,422,749</b>
Add : Tax Paid for earlier year		(592,384)	-
Add : Provision for Tax no longer required		141,216,565	-
Add : Excess Provisions for Dividend Tax on Prerference Shares for earlier years		135,187	-
Add : Deferred Tax Assets (accumulated) for earlier years		(55,829,509)	38,023,769
Add: Profit brought forward from the previous year		578,397,624	431,184,350
<b>Amount available for appropriation</b>		<b>846,481,855</b>	<b>682,630,868</b>
<b>APPROPRIATIONS:</b>			
General Reserve		170,000,000	25,385,204
Proposed Dividend :			
On equity shares		38,872,500	32,394,367
On preference shares		35,000,000	35,000,000
Tax on Dividend including surcharge		11,983,966	11,453,673
Balance carried to Balance Sheet		590,625,389	578,397,624
<b>Total</b>		<b>846,481,855</b>	<b>682,630,868</b>
Basic Earnings Per Share (Equity shares, par value of Rs.5/- each)		<b>1.83</b>	<b>2.22</b>
Diluted Earnings Per Share (Equity shares, par value of Rs.5/- each)		<b>2.26</b>	<b>2.22</b>
<b>Notes forming part of the Accounts &amp; Accounting Policies</b>	<b>23</b>		

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

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

Mumbai, August 25, 2011

For and on behalf of the Board

**(Viidyaa Moravekar)**  
 Managing Director

**(Arun Tari)**  
 Whole - Time Director

**(Sanjive Arora)**  
 Company Secretary

Mumbai, August 25, 2011

# Cash Flow Statement for the year ended 31st March, 2011

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>SOURCES OF FUNDS</b>		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax	239,726,857	234,812,349
Adjustments for :		
Depreciation and Amortisation	15,428,014	13,512,671
Dividend received	(204,533)	(988,374)
Interest received	(2,147,198)	(211,984)
Loss / (Profit) on sale of Fixed Assets	3,368,231	727,804
Loss / (Profit) on sale of investment	(290,548)	-
Interest and Finance Charges	4,688,242	7,387,205
Preliminary Expenditure written off	3,450,122	7,515,913
	<u>24,292,330</u>	<u>27,943,235</u>
<b>Operating profit before working capital changes</b>	<b>264,019,187</b>	<b>262,755,584</b>
Movement in Working Capital :		
(Increase) / Decrease in Sundry Debtors	57,734,605	(2,636,328)
(Increase) / Decrease in Loans & Advances	(177,912,363)	(46,521,548)
(Increase) / Decrease in Inventories	56,739	830,142
(Increase) / Decrease in Misc Expenditure	(450,608)	-
Increase / (Decrease) in Current Liabilities	55,581,784	864,244
Increase / (Decrease) in Provision	8,444,490	3,230,018
	<u>(56,545,352)</u>	<u>(44,233,472)</u>
<b>Cash generated from Operations</b>	<b>207,473,835</b>	<b>218,522,112</b>
Direct Tax Paid	(56,572,485)	(21,389,600)
Prior period Items	84,929,859	38,023,769
<b>Net Cash Flow from Operating Activities ( A)</b>	<b>235,831,209</b>	<b>235,156,281</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(79,102,040)	(72,941,779)
Purchase of Investments	(34,431,699)	5,271,515
Sale of Investments	(69,713,774)	-
Sale of Fixed Assets	4,030,814	247,110
Dividend received	204,533	988,374
Interest received	2,147,198	211,984
<b>Net cash Flow from Investing Activities (B)</b>	<b>(176,864,973)</b>	<b>(66,222,796)</b>



Particulars	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Unsecured Loan	36,053,250	2,828,084
Secured Loan from Bank	(60,938,768)	(73,900,640)
Deferred Tax	63,890,517	(55,829,509)
Dividend Paid	(73,872,500)	(67,394,367)
Additional Tax on Dividend	(11,983,966)	(11,453,673)
Interest Paid	(4,688,242)	(7,387,205)
<b>Net cash Flow from Financing Activities ( C )</b>	<b>(51,539,709)</b>	<b>(213,137,310)</b>
Net Increase / (Decrease) in cash & cash equivalents (A+B+C)	7,426,526	(44,203,825)
Cash and Cash equivalents at the beginning of the year	13,954,158	58,157,983
<b>Cash and Cash equivalents at the end of the year</b>	<b>21,380,684</b>	<b>13,954,158</b>

As per our Report of even date

**For H. H. Topiwala & Co.**

Chartered Accountants

**(H. H. Topiwala)**

Proprietor

Membership No. 38660

Mumbai, August 25, 2011

For and on behalf of the Board

**(Arun Tari)**

Whole - Time Director

**(Sanjive Arora)**

Company Secretary

Mumbai, August 25, 2011

# Schedules forming part of the Balance Sheet

(Amt. in Rs.)

Particulars	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>Authorised :</b>		
250,000,000 (Previous Year 50,000,000) Equity Shares of Rs.5 each	1,250,000,000	250,000,000
300,000,000 (Previous Year 500,000,000) Preference Shares of Rs.5 each	1,500,000,000	2,500,000,000
	<b>2,750,000,000</b>	<b>2,750,000,000</b>
<b>Issued, Subscribed and Paid Up :</b>		
77,745,000 (Previous Year 12,957,500) Equity Shares of Rs.5 each fully paid up (includes 66,187,500 equity shares of Rs. 5 each, allotted as fully paid up Bonus shares out of free reserves)	388,725,000	64,787,500
100,000,000 7% Cumulative Non Convertible Redeemable Preference Shares of Rs.5 each (Redeemable within 20 years from the date of allotment)	500,000,000	500,000,000
	<b>888,725,000</b>	<b>564,787,500</b>
<b>SCHEDULE 2 : RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
As per last Balance Sheet	122,030,414	122,030,414
	<b>122,030,414</b>	<b>122,030,414</b>
<b>Securities Premium Account</b>		
As per last Balance Sheet	669,200	669,200
<b>General Reserve</b>		
As per last Balance Sheet	154,435,204	129,050,000
Transferred from Profit and Loss Account	170,000,000	25,385,204
	<b>324,435,204</b>	<b>154,435,204</b>
Transferred to Share Capital Account consequent to issue of Bonus Shares	323,937,500	-
	<b>497,704</b>	<b>154,435,204</b>
<b>Profit and Loss Account</b>		
Balance Carried Forward	590,625,389	578,397,626
	<b>713,822,707</b>	<b>855,532,444</b>
<b>SCHEDULE 3 : SECURED LOAN</b>		
<b>From Banks</b>		
<b>Cash Credit</b>	49,875,263	69,457,012
(Against mortgage of Office Premises and Property at Panvel Resort)		
<b>Term Loan</b>	43,864,061	83,601,143
(Against hypothecation of Motor Vehicles and mortgage of Office Premises.)		
(Repayable within one year Rs.20,004,000/-)		
<b>From a Company</b>	12,086,342	13,706,279
(Against mortgage of Office Premises) (Repayable within one year Rs.49,32,731/-)		
	<b>105,825,666</b>	<b>166,764,434</b>
<b>SCHEDULE 4 : UNSECURED LOAN</b>		
From Companies	458,122,436	422,069,186
	<b>458,122,436</b>	<b>422,069,186</b>

## Schedules forming part of the Balance Sheet (Contd.....)

## SCHEDULE 5 : FIXED ASSETS

(Amt. in Rs.)

DESCRIPTION	GROSS BLOCK (At Cost)			DEPRECIATION			NET BLOCK		
	As at 01-04-2010	Additions during the year	Deductions during the year	As at 31-03-2011	As at 01-04-2010	For the year	Deduction during the year	As at 31-03-2011	As at 31-03-2010
Freehold Land	427,513,444	6,163,741	-	433,677,185	-	-	-	433,677,185	427,513,444
Building	96,586,948	8,942,153	-	105,529,101	6,204,504	1,634,995	-	97,689,602	90,382,445
Office Premises	253,511,329	216,520	-	253,727,849	8,028,752	3,268,491	-	242,430,606	245,482,577
Plant & Machinery	22,185,345	1,364,727	-	23,550,072	5,237,629	1,091,030	-	6,328,659	16,947,716
Computers	31,792,353	15,280,462	-	47,072,815	12,000,463	5,196,177	-	17,196,640	19,791,890
Furniture & Fixtures	35,031,388	1,339,612	-	36,371,000	8,092,382	2,265,441	-	10,357,823	26,939,006
Vehicles	16,775,558	638,262	11,003,238	6,410,582	4,819,678	792,147	3,707,719	1,904,106	11,955,880
Office Equipments	10,059,608	648,151	-	10,707,759	1,139,342	497,865	-	1,637,207	8,920,266
Air Conditioner	5,878,905	696,164	164,250	6,410,819	1,140,266	292,704	60,724	1,372,246	4,738,639
Electrical Installations	7,706,777	823,958	-	8,530,735	854,150	389,164	-	1,243,314	6,852,627
<b>Total</b>	<b>907,041,655</b>	<b>36,113,750</b>	<b>11,167,488</b>	<b>931,987,917</b>	<b>47,517,166</b>	<b>15,428,014</b>	<b>3,768,443</b>	<b>59,176,737</b>	<b>859,524,489</b>
<b>Previous Year</b>	<b>856,293,807</b>	<b>51,821,781</b>	<b>1,073,933</b>	<b>907,041,655</b>	<b>34,103,514</b>	<b>13,512,671</b>	<b>99,019</b>	<b>47,517,166</b>	<b>822,190,293</b>

Capital Work in Progress

(Previous year : Rs. 26,840,971/-)

69,829,264

## Schedules forming part of the Balance Sheet (Contd.....)

### SCHEDULE 6 : INVESTMENTS (At Cost) - Long Term

(Amt. in Rs.)

Sr. No.	Name of the Company	No. of Shares / Units 31-03-2011	No. of Shares / Units 31-03-2010	Face Value Per Share (Rs.)	As at 31-03-2011	As at 31-03-2010
<b>A)</b>	<b>Investment in Equity Shares (Non - Trade - Quoted, fully paid)</b>					
1	Himachal Futuristic Communications Ltd.	53,600	53,600	10	1,501,802	1,501,802
2	Mahindra & Mahindra Ltd. (Punjab Tractors Ltd.)	100	300	10	62,133	62,133
3	Silverline Technologies Ltd.	5,300	5,300	10	37,443	37,443
4	Tips Industries Ltd.	5,000	5,000	10	197,837	197,837
5	Wellwin Industry Ltd.	3,500	3,500	10	53,350	53,350
6	Carol Info services Ltd.	1,900	1,900	10	60,115	60,115
	<b>Total</b>				<b>1,912,680</b>	<b>1,912,680</b>
	Less : Provision for Diminution in Value of Long Term Investments				747,343	898,528
	<b>Total Long Term Investments</b>				<b>1,165,337</b>	<b>1,014,152</b>
<b>B)</b>	<b>Investment in Equity Shares (Non - Trade - Unquoted, fully paid)</b>					
1	Inter-Connected Stock Exchange of India Ltd.	62,413	62,413	1	15,604,250	15,604,250
2	Panoramic Investment Advisors Pvt. Ltd.	2,400	2,400	10	24,000	24,000
3	Saraswat Co-Op Bank Ltd.	4,358	4,358	10	43,580	43,580
4	Zoroastrian Co op Bank Ltd	-	250	10	-	2,500
<b>C)</b>	<b>Investment in Subsidiary Companies (Unquoted, fully paid)</b>					
1	Shares with no par value of Panoramic Ace Properties Inc., USA	4,704	4,704	-	522,716,060	522,716,060
2	Shares with no par value of Sai Properties Inc., USA	220	220	-	24,084,000	24,084,000
3	Shares @ NZ\$ 1 each of Sai Motel Ltd, New Zealand	1,258,665	1,258,665	-	27,710,073	27,710,073
4	Shares of Panoramic Holidays Ltd	50,000	50,000	10	500,000	500,000
5	Shares of Indo Pacific Hotels Ltd	50,000	50,000	10	500,000	500,000
6	Shares of Panoramic Tour & Travels Ltd.	250,000	250,000	10	11,400,000	11,400,000
7	Shares of Sri Vatsa Hotels Ltd.	8,000,000	4,080,000	10	179,809,000	84,909,000
<b>D)</b>	<b>Investment in Mutual Funds</b>					
1	Reliance Natural Resource Fund Dividend Plan ( NAV as on 31-03-2011 - Rs.10,464,450/-)	977,995	977,995	10	10,000,000	10,000,000
2	Sundaram BNP Paribas Growth Fund ( NAV as on 31-03-2011 - Rs.5,288,447/-)	424,124	424,124	10	10,000,000	10,000,000
3	LIC Mutual Fund ( Saving Plus Fund ) ( Purchased and Sold during the Year Qty 44,26,858- Cost 7,00,04,322)	-	-	-	-	-
<b>E)</b>	<b>National Savings Certificate</b>	-	-	-	6,000	6,000
<b>F)</b>	<b>Investment in Partnership Firms : -</b>					
1	Graciano Cottages	-	-	-	27,402,583	25,738,726
2	Grand View Hotel Restaurant & Bar	-	-	-	18,541,517	10,818,038
	<b>Grand Total</b>				<b>849,506,400</b>	<b>745,070,379</b>

#### Aggregate Book Value of Investments

- 1) Quoted - Market Value Rs.1,543,059/- (Previous Year - Rs.1,133,022/-)

## Schedules forming part of the Balance Sheet (Contd.....)

Particulars	(Amt. in Rs.)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 7 : INVENTORIES (At Cost)</b>		
Raw Materials (As taken, valued & certified by the management)	864,704	921,443
	<b>864,704</b>	<b>921,443</b>
<b>SCHEDULE 8 : SUNDRY DEBTORS</b>		
(Unsecured, Considered good subject to confirmation)		
Over six months	1,368,161	1,861,981
Others	133,309,937	190,550,722
	<b>134,678,098</b>	<b>192,412,703</b>
<b>SCHEDULE 9 : CASH AND BANK BALANCES</b>		
Cash in hand	1,558,102	2,148,347
Bank balances		
With Scheduled Banks	18,085,860	9,208,421
Commercial Bank of Dubai - UAE (Maximum balance during the year Rs. 1,900,433/-)	461,722	645,350
Fixed Deposits with Scheduled Banks	1,275,000	1,410,000
T.T. in Transit	-	542,040
	<b>21,380,684</b>	<b>13,954,158</b>
<b>SCHEDULE 10 : LOANS AND ADVANCES</b>		
(Unsecured, Considered good subject to confirmation)		
Advances recoverable in cash or in kind or for value to be received	79,977,793	78,430,369
Accrued Interest	329,695	349,730
Loan to Subsidiaries	184,858,160	103,050,727
Deposits	21,527,163	21,608,123
Advance Income Tax (Net of Provisions)	57,693,116	7,485,138
MAT Credit Entitlement	44,755,223	-
Prepaid Expenses	688,883	993,583
	<b>389,830,033</b>	<b>211,917,670</b>

## Schedules forming part of the Balance Sheet (Contd.....)

Particulars	(Amt. in Rs.)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	31,776,169	4,007,451
Unclaimed Dividend	471,906	865,395
Duties & Taxes	1,960,719	2,826,557
Bank Overdraft	22,205,440	-
Other Liabilities	20,778,491	13,911,538
	<b>77,192,725</b>	<b>21,610,941</b>
<b>PROVISIONS</b>		
Provision for Gratuity	4,740,157	3,813,317
Provision for Leave Encashment	3,626,391	3,092,748
Provision for Proposed Dividend	73,872,500	67,394,367
Provision for Dividend Tax	11,983,966	11,453,673
Provision for Wealth Tax	8,293	32,712
Provision for Taxation	-	-
	<b>94,231,307</b>	<b>85,786,817</b>
	<b>171,424,032</b>	<b>107,397,758</b>
<b>SCHEDULE 12 : MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
GDR Issue Expenses	-	3,433,754
Less : Written off during the year	-	3,433,754
	-	-
Pre-operative Expenditure	-	15,260
Less : Written off during the year	-	15,260
	-	-
Share Issue Expenses	10,080,000	13,440,000
Add : Addition during the year	450,608	-
	<b>10,530,608</b>	<b>13,440,000</b>
Less : Written off during the year	3,450,122	3,360,000
	<b>7,080,486</b>	<b>10,080,000</b>
	<b>7,080,486</b>	<b>10,080,000</b>

## Schedules forming part of the Profit and Loss Account

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>SCHEDULE 13 : INCOME FROM INFORMATION TECHNOLOGY</b>		
Income from I T Export	329,151,747	415,477,019
Income from DTA Sales	280,808,000	9,000
	<b>609,959,747</b>	<b>415,486,019</b>
<b>SCHEDULE 14 : INCOME FROM HOSPITALITY</b>		
Income from Lodging & Boarding	21,123,906	17,314,376
Income from sale of Food & Beverages	36,739,676	22,344,374
	<b>57,863,582</b>	<b>39,658,750</b>
<b>SCHEDULE 15 : OTHER INCOME</b>		
Dividend on Long Term Investments	204,533	988,374
Income from Entry Fees / Management Fees	45,233,335	15,000,000
Interest Received (TDS Rs 2,20,552/- )	2,147,198	211,984
Other Income	922,172	6,855,848
Profit on sale of Investments	290,548	-
Share of Profit from Partnership Firms	6,080,442	3,228,087
	<b>54,878,228</b>	<b>26,284,293</b>
<b>SCHEDULE 16 : MATERIALS CONSUMED</b>		
Opening Stock	921,443	1,751,585
Add : Purchases during the year	14,198,957	9,821,043
	<b>15,120,400</b>	<b>11,572,628</b>
Less: Stock setoff against arbitration claim received	-	1,027,728
Less : Closing Stock	864,704	921,443
	<b>14,255,696</b>	<b>9,623,457</b>
<b>SCHEDULE 17 : PERSONNEL EXPENDITURE (Salaries including Overseas Staff Expenses)</b>		
Salaries & Allowances	91,655,020	60,515,154
Bonus & Ex-Gratia	683,980	130,115
Contribution to PF & ESIC	5,212,252	5,217,636
Director's Remuneration	7,555,307	7,744,458
Gratuity	829,940	1,098,907
Leave Encashment	2,345,619	1,680,686
Staff Training & Development Exps.	28,766	-
Staff Welfare Expenses	2,107,008	1,993,513
	<b>110,417,892</b>	<b>78,380,469</b>
<b>SCHEDULE 18 : PURCHASE OF TRADED GOODS</b>		
Cost of purchase of traded goods	272,610,555	-
	<b>272,610,555</b>	<b>-</b>
<b>SCHEDULE 19 : SOFTWARE DEVELOPMENT EXPENSES</b>		
Consultancy charges	-	58,484,369
	<b>-</b>	<b>58,484,369</b>

## Schedules forming part of the Profit and Loss Account (contd....)

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>SCHEDULE 20 : GENERAL &amp; ADMINISTRATIVE EXPENSES</b>		
Advertisement & Sales Promotion	5,319,828	1,373,440
Audit Fees	493,579	423,618
Bad & Doubtful Debts Written off	87,099	32,089
Books & Periodicals	57,272	51,745
Commission / Discount Expenses	226,640	138,875
Communication Expenses	4,396,250	3,456,412
Computer Expenses	205,387	159,631
Consumables	-	34,825
Donation & Gifts	1,001	3,000
Electricity & Water Charges	8,114,431	5,704,736
Entertainment Expenses	55,080	55,080
Event Expenses	140,949	15,290
Exchange Rate Fluctuation Loss	483,045	10,948,353
Fuel	1,739,054	1,157,753
Housekeeping Expenses	1,629,604	889,412
Insurance Charges	513,761	597,805
Kitchen & Restaurant Expenses	519,594	276,764
License & Fees	1,075,134	1,414,232
Loss on Disposal / Sale of Fixed Assets	3,368,231	727,804
Membership & Subscription	827,718	154,747
Miscellaneous Expenses	334,291	318,325
Office Expenses	885,461	695,916
P.F. Administration Charges	676,788	523,518
Printing & Stationery	1,216,548	1,700,096
Processing Charges	-	166,259
Professional Fees	9,628,021	19,055,132
Rent	2,114,119	2,116,200
Rate & Taxes	1,870,282	3,782,247
Repairs & Maintenance :		
Buildings	741,193	635,123
Machinery	364,066	651,096
Others	4,403,100	2,809,552
Sales Tax / VAT Expenses	1,684,806	394,525
Security Charges	2,181,461	1,656,867
Software Integration Fees & AMC	-	661,800
Transportation expenses	366,715	200,831
Travel & Conveyance Expenses	3,737,480	6,574,679
Vehicle Expenses	2,809,083	2,463,509
Wealth Tax	8,293	32,712
	<b>62,275,364</b>	<b>72,053,998</b>



## Schedules forming part of the Profit and Loss Account (contd....)

Particulars	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>SCHEDULE 21 : INTEREST &amp; FINANCIAL CHARGES</b>		
Bank Charges	504,686	201,689
Foreign Bank Charges	235,427	367,574
Interest on Secured Loan	3,948,129	6,817,942
	<b>4,688,242</b>	<b>7,387,205</b>
<b>SCHEDULE 22 : MISCELLANEOUS EXPENDITURE WRITTEN OFF</b>		
Miscellaneous Expenditures	-	706,899
Preliminary Expenses	-	15,260
GDR Issue Expenses	-	3,433,754
Share Issue Expenses	3,450,122	3,360,000
	<b>3,450,122</b>	<b>7,515,913</b>

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

## 1 SIGNIFICANT ACCOUNTING POLICIES:

### a) Basis of Accounting:

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

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

### b) Fixed Assets:

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

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

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

### c) Depreciation :

The Company has provided for Depreciation using Straight Line Method,at the Rates specified in Schedule XIV of Companies Act ,1956.

### d) Investments:

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

Current investments are carried at the lower of cost and fair value.

### e) Inventories:

Inventories of food materials and beverages, stores and supplies are valued at Lower of Cost Or Net Realizable Value.Cost is determined using First-In-First-Out Method.

### f) Employees benefit:

#### Post - employment benefit plans

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

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

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

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

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

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

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

**Sales and Services :**

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

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

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

**h) Taxation:**

Provision for current year's taxation is based on Minimum Alternate Tax in accordance with the Income Tax Act Under Section 115 JB and Wealth Tax for the year has been provided as per Wealth Tax Act and Rules, 1957

Deferred Tax is recognised on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation, or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets.

**i) Impairment of assets:**

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

**j) Foreign Currency Transactions:**

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

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

In March 2009, Ministry of Corporate Affairs issued a Notification amending AS - 11 , "The effects of Changes in Foreign Exchange Rate". Before the Amendment ,AS-11 required the exchange gain/Loss on the Long term Foreign Currency monetary Assets/Liabilities to be recorded in the Profit and Loss Account.The Amended As-11 provides an irrevocable option to the company to amortise exchange rate fluctuation on the long term foreign currency monetary Assets/Liabilities over the life of the Assets/Liabilities.The Company did not elect to exercise this option.

**k) Preliminary Expenditure :**

Preliminary Expenditure have been written off over a period of five years.

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

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

These are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimates. Contingent Liabilities are not recognised in the financial statements but are disclosed by way of Notes to Accounts.The Contingent Assets are neither recognised nor disclosed in the financial statements.

**2 Secured Loans:**

**a) Term Loans:**

(i) Term Loan of Rs. 50.74 Lakhs ( Prev Year Rs. 227.24 Lakhs ) from Saraswat Co-op Bank Ltd. is secured by Premises at 4th Floor , Aman Chambers, Prabhadevi, Mumbai 400025.

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

Additional Term Loan of Rs. 387.89 Lakhs ( Prev Year Rs. NIL ) drawn by creating additional charge on mortgage of Office Premises at 4th Floor , Aman Chambers, Prabhadevi, Mumbai 400025.

(ii) Term Loan of Rs. NIL ( Prev Year Rs.41.40 Lakhs ) from Axis Bank Ltd. is secured by hypothecation of a vehicle .

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

(iv) Term Loan of Rs. NIL ( Prev Year Rs. 566.00 Lakhs ) from Union Bank India is secured against Mahim office premises and Land at Jaipur.

(v) Term Loan of Rs.120.86 Lakhs ( Prev Year 137.05 Lakhs ) from Indiabulls Financial Services Ltd. is secured against shop premises at Nav Bhavana Premises CHS Ltd. at Prabhadevi, Mumbai

### b) Cash Credit:-

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

3 None of the suppliers had informed the Company that they are micro and small enterprises under the Micro, Small and Medium Enterprises Development Act. Hence information regarding dues to micro and small enterprises could not be furnished.

4 Since the company has not appointed CFO, the Declaration as required under Clause 49 of the Listing Agreement has been signed by the Managing Director of the Company.

### 5 Retirement benefit Plan:

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

The following table sets out the non funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March, 2011.

	As at 31-03-2011	As at 31-03-2010
<b>i) Change in Benefit Obligations :-</b>		
<b>Projected Benefit Obligations, beginning of the year (01-04-2010)</b>	3,813,317	2,158,410
Service Cost	1,038,795	1,360,570
Interest Cost	305,065	172,673
Actuarial (Gain) / Loss on obligations	(182,313)	307,421
Benefits Paid	(234,707)	(185,757)
<b>Projected Benefit Obligations, end of the year (31-03-2011)</b>	<b>4,740,157</b>	<b>3,813,317</b>
<b>ii) Change in Plan assets :</b>	N.A.	N.A.
<b>iii) Net Gratuity and other cost for the year ended 31st March 2011</b>		
Service Cost	1,038,795	1,360,570
Interest on defined benefit obligation	305,065	172,673
Expected return on plan assets	N.A.	N.A.
Net actuarial (Gain)/ Loss recognized in the year	(182,313)	307,421
<b>Net Gratuity and other cost</b>	<b>1,161,547</b>	<b>1,840,664</b>
<b>iv) Category of Assets as at 31st March 2011</b>	<b>N.A</b>	<b>N.A</b>
<b>v) Assumption used in accounting for the gratuity plan :</b>		
Discounting Rate (p.a)	8%	8%
Increase in Compensation Level	5%	5%
Expected rate of return on Plan assets	N.A.	N.A.

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

6 Investment in Partnership Firms	2010-11	2009-10
The details of Partnership Firms are as follows:-		
<b>a) Graciano Cottages, Goa</b>		
Total Capital & Current Account		
Capital Account	83,000	83,000
Current Account	27,319,583	25,655,726
<b>Name of the Partners</b>		
Panoramic Universal Ltd	95%	95%
Mrs. Usha Tari	5%	5%
<b>b) Grand View Hotel Restaurant &amp; Bar, Pune</b>		
Total Capital & Current Account		
Capital Account	80,000	80,000
Current Account	18,461,517	10,738,038
<b>Name of the Partners</b>		
Panoramic Universal Limited	80%	80%
Mrs.Viidyaa S. Moravekar	15%	15%
Mrs.Usha Tari	5%	5%
<b>7 Contingent Liabilities not provided for :</b>		
<b>I</b> Estimated amount of capital commitments not provided for:	Rs.1816.00 Lacs	Rs.30.44 Lacs
<b>II</b> Contingent Liabilities not provided for:	Rs. Nil	Rs.Nil
<b>III</b> Guarantees given on behalf of wholly owned subsidiary	61,614,000	60,507,000
<b>8 Profit &amp; Loss Account includes:</b>		
Remuneration to Directors	7,555,307	7,744,458
Sitting Fees	Rs. Nil	Rs. Nil
Other Perquisites	Rs. Nil	Rs. Nil
<b>9 Payment to Auditors</b>		
For Audit	488,579	418,618
For other services	5,000	5,000
<b>10</b> Remuneration to Directors of Rs.7,555,307/- includes Rs.2,605,559/- being commission payable to Managing Director		
<b>11</b> Computation of Net Profit in accordance with Section 349 and 350 of the Companies Act, 1956		

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

	2010-11 (Amt. in Rs.)	2009-10 (Amt. in Rs.)
<b>Net Profit Before Tax</b>	<b>239,726,857</b>	<b>234,812,349</b>
<b>Add:</b>		
Depreciation as per Books	15,428,014	13,512,671
Bad Debts Written Off.	87,099	32,089
Directors Remuneration	7,555,307	7,744,458
Loss on Sale of Fixed Assets	3,368,231	727,804
Provision for Wealth Tax	8,293	32,712
	<b>26,446,944</b>	<b>22,049,734</b>
<b>Less:</b>		
Depreciation as per section 350	15,428,014	13,512,671
Diminution in Value of Investments	151,185	341,369
	<b>15,579,199</b>	<b>13,854,040</b>
<b>Net Profit for Managerial Remuneration</b>	<b>250,594,602</b>	<b>243,008,043</b>
<b>Commission payable to Managing Director @ 1% of Net Profit</b>	<b>2,505,946</b>	<b>2,406,020</b>

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

Major Component	As on	For the	As on
	31-03-2011	year ended 31-03-2011	31-03-2010
<b>Deferred Tax Liability</b>			
Depreciation	(9,283,057)	(586,509)	(8,696,548)
<b>Deferred Tax Liability</b>	<b>(9,283,057)</b>	<b>(586,509)</b>	<b>(8,696,548)</b>
<b>Deferred Tax Asset</b>			
U/s 43B of Income Tax, 1961	1,222,049	(180,551)	1,402,600
Accumulated Carried Forward Loss & Unabsorbed Depreciation	-	(63,123,457)	63,123,457
<b>Deferred Tax Asset</b>	<b>1,222,049</b>	<b>(63,304,008)</b>	<b>64,526,057</b>
<b>Deferred Tax - N E T</b>	<b>(8,061,008)</b>	<b>(63,890,517)</b>	<b>55,829,509</b>

15 Disclosures of related parties for the year ended 31-03-2011

1 Enterprises owned by directors / major shareholders of the Company

a) Subsidiaries:-

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

b) Enterprises Controlled by directors/relatives:-

Graciano Cottages, Grand View Hotel Restaurant & Bar,  
Hotel Pinnacle Ltd, Athiti Resorts Ltd, Golden Valley Hotels Ltd.,  
Pan Herbbo Ltd., Herbo Effect (India) Ltd,  
Pan Product Impex P Ltd, Panoramic Land Developers P Ltd,  
Panoramic Investment Advisors P Ltd., Pan Ad,  
Panoramic Hotels Ltd., Pancard Clubs Ltd., Panoramic  
Structures P Ltd, Sai Nirmaan Properties Ltd., Seaview  
Retreats Ltd, Panoramic Tour & Travels Ltd., Smooth Financials  
P Ltd, Panoramic Resorts (India) Ltd., Panoramic Greeneries P  
Ltd, Panoramic Agriculture & Farms P Ltd., Panoramic Agricultural  
Services P Ltd, Panoramic Husbandries P Ltd, Panoramic  
Unnathi P Ltd.

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

**2 Key Management Personnel**

- a) **Viidyaa Moravekar** Managing Director  
b) **Arun Tari** Whole - Time Director

**3 Related party transactions**

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

	2010-11	2009-10
<b>(i) Transactions with Director</b>		
<b>a) Remuneration</b>		
Arun B. Tari	1,396,740	1,513,072
Viidyaa S. Moravekar	6,158,567	6,231,386
<b>(ii) Transactions with Subsidiary Companies</b>		
<b>a) Reimbursement of expenses received</b>		
Panoramic Tour and Travels Ltd.	731,632	953,819
Panoramic Holidays Ltd.	5,013,308	4,875,646
Pancard Clubs Ltd.		
Rent Received	228,795	-
<b>b) Sale of Room Nights and F&amp; B</b>		
Panoramic Holidays Ltd.	645,554	56,294
Panoramic Tour and Travels Ltd.	56,625	278,372
Pan Herbbo Ltd.	80,459	
PanCard Clubs Ltd	1,396,631	-
<b>c) Travelling Expenses</b>		
Panoramic Tour and Travels Ltd.	788,257	4,961,458
<b>d) Rent Received</b>		
Panoramic Tour and Travels Ltd.	228,795	-
<b>e) Sale of Food &amp; Beverages</b>		
Panoramic Holidays Ltd.	-	123,213
<b>(iii) Transactions with Associates Companies</b>		
<b>a) Management Fee Received</b>		
Pancard Clubs Ltd.	33,090,000	15,000,000
<b>b) Sale of Room Nights</b>		
Pan Herbbo Ltd.	-	139,128
Pancard Clubs Ltd.	-	816,635
<b>c) Sale of Food &amp; Beverages</b>		
Pancard Clubs Ltd.	-	263,218
Pan Herbbo Ltd.	-	18,204
<b>d) Sale of Assets</b>		
Seaview Retreats Ltd.	-	275,000
<b>e) Interest on Security Deposit</b>		
Pancard Clubs Ltd.	2,000,000	-
<b>(iv) Amount due from Associate Companies</b>		
<b>a) Panoramic Investment Advisors Pvt. Ltd..</b>	-	50,000
<b>b) Pan Herbbo Ltd.</b>	-	-
<b>(v) Amount due to Subsidiary</b>		
<b>a) Indo Pacific Hotels Ltd.</b>	-	16,340,500
<b>(vi) Amount due from Subsidiary</b>		
<b>a) Sri Vatsa Hotels Ltd.</b>	-	49,937,042
<b>b) Panoramic Holidays Ltd.</b>	-	11,241,929
<b>c) Panoramic Tour and Travels Ltd.</b>	-	9,255,250
<b>d) Sai Motels Ltd (NZ)</b>	-	32,616,476

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

	2010-11	2009-10
<b>(vii) Dividend paid -Equity Shares</b>		
a) Deepashree Tari	1,000	1,000
b) Manda Mohan Phatarphekar	293,500	293,500
c) Pancard Clubs Ltd	7,343,750	7,343,750
d) Panoramic Land Developers Pvt. Ltd.	107,250	107,250
e) Panoramic Resorts (India) Ltd.	203,070	203,070
f) Sudhir S Moravekar	16,124,505	16,124,505
g) Usha Tari	27,500	27,500
<b>(viii) Dividend paid -Preference Shares</b>		
a) Pancard Clubs Ltd	35,000,000	35,000,000
<b>4 Loans/Advances in the nature of Loans given to Subsidiaries and Associates (Pursuant to clause 32 of the Listing Agreement) :-</b>		
a) Sai Motels Ltd. (NZ) (Maximum Balance during the year Rs.32,616,476 /-)	32,616,476	32,616,476
b) Sri Vatsa Hotels Ltd. (Maximum Balance during the year Rs. 13,06,13,437 /-)	130,613,437	49,937,042
c) Panoramic Holidays Ltd. (Maximum Balance during the year Rs 1,72,10,237 /-)	17,210,237	11,241,929
d) Panoramic Tour and Travels Ltd. (Maximum Balance during the year Rs.1,24,11,378 /-)	4,418,010	9,255,280

### Notes :-

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

## 16 Segment Reporting :

### Segment Identification:

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

(Amt. in Rs.)

Particulars	IT Business	Hospitality Business	Total
<b>REVENUE</b>			
External Revenue and Other Income	610,913,692	111,787,865	722,701,557
Inter-Segment Revenue	-	-	-
<b>Total</b>	<b>610,913,692</b>	<b>111,787,865</b>	<b>722,701,557</b>
<b>RESULT</b>			
Profit before Depreciation, Interest & Tax	301,041,586	15,374,012	316,415,598
Depreciation	(278,985)	15,706,999	15,428,014
Interest	2,068,856	2,619,386	4,688,242
Taxation	56,572,485	-	56,572,485
<b>Net Profit</b>	<b>242,679,230</b>	<b>(2,952,373)</b>	<b>239,726,857</b>
<b>OTHER INFORMATION</b>			
Segment Assets	763,388,042	1,411,168,775	2,174,556,817
Segment Liabilities	5,074,433	558,873,673	563,948,106



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

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

(Amt. in Rs.)

	Asia	Rest of the World	Total
External Revenue	722,701,557	-	722,701,557

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

		31-03-2011	31-03-2010
<b>a)</b>	<b>Value of Imports: (C.I.F. Value)</b>		
	Raw Materials	NIL	NIL
	Capital Goods	NIL	NIL
	Components and Spares	NIL	NIL
<b>b)</b>	<b>Expenditure in Foreign Currencies</b>		
	Foreign Bank Charges	235,427	170,254
	Other Expenses	2,971,640	3,878,135
<b>c)</b>	<b>Earning in Foreign Currencies</b>		
	Software Export	329,151,747	363,460,822
	Interest	-	243,729

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

## 18 Earnings Per Share

		2010-11	2009-10
I	Profit Attributable to Equity Shareholders (Rs.)	183,154,372	213,422,749
II	Number of Equity Shares	77,745,000	12,957,500
III	Nominal Value of Equity Share	Rs. 5	Rs. 5
IV	Basic Earnings Per Equity Share	1.83	2.22
IV	Diluted Earnings Per Equity Share	2.26	2.22

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

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

For and on behalf of the Board

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

**(Viidyaa Moravekar)**  
 Managing Director

**(Arun Tari)**  
 Whole - Time Director

**(Sanjive Arora)**  
 Company Secretary

Mumbai, August 25, 2011

Mumbai, August 25, 2011

# Information pursuant to the provisions of Part IV of Schedule VI to the Companies Act, 1956

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

<b>1 Registration Details:</b>	
Registration No.	<b>66856</b>
State Code	<b>11</b>
Balance Sheet Date	<b>31st March, 2011</b>
<b>2 Capital raised during the year (Amount in Rs. Thousands)</b>	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement (Preference Shares)	NIL
<b>3 Position of mobilisation and deployment of funds (Amount in Rs. Thousands)</b>	
Total Liabilities	2,174,557
Total Assets	2,174,557
<b>Sources of Funds</b>	
Paid-up Capital	888,725
Reserves & Surplus	713,823
Secured Loans	105,826
Unsecured Loans	458,122
Deferred Tax Liability	8,061
<b>Application of Funds</b>	
Net Fixed Assets	942,640
Investments	849,506
Net Current Assets	375,329
Miscellaneous Expenditure	7,080
Accumulated Loss	NIL
<b>4 Performance of Company (Amount in Rs. Thousands)</b>	
Turnover	722,702
Total Expenditure	482,975
Profit Before Tax	239,727
Profit After Tax	183,154
Basic Earnings Per Share (Equity shares, par value of Rs.5/- each)	1.83
Diluted Earnings Per Share (Equity shares, par value of Rs.5/- each)	2.26
<b>5 Name of Principal Service of Company</b>	
Item Code No.	85
Service Description	Software Development
Item Code No.	34
Service Description	Hotel & Tourism Related Industry

# Auditors' Report

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

We have audited the attached Balance Sheet of **Panoramic Universal Limited** ("the Company") as at March 31, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

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

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the USA and UAE branches not visited by us;
- (iii) The Balance Sheet, Profit and Loss Account and Cash

Flow Statement dealt with by this report are in agreement with the books of account;

- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) The audited Accountant's Review Reports in respect of USA branches and audited Receipts and Payments Statement in respect of UAE branch have been forwarded to us and have been dealt with by us in preparing this report;
- (vi) On the basis of written representations received from the directors, as on March 31, 2011, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956;
- (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
  - b. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

**(H. H. Topiwala)**  
Proprietor

Mumbai,  
August 25, 2011

Membership No. 38660

# Consolidated Balance Sheet as at 31<sup>st</sup> March, 2011

(Amt. in Rs.)			
Particulars	Sch.	As at 31-03-2011	As at 31-03-2010
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	1,238,725,000	914,787,500
Reserves & Surplus	2	1,698,437,435	1,690,905,210
<b>Loan Funds</b>			
Secured Loan	3	447,377,934	559,564,427
Unsecured Loan	4	492,824,322	475,959,354
Deferred Tax Liability		15,102,137	-
<b>Total</b>		<b>3,892,466,828</b>	<b>3,641,216,491</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	5	3,245,647,025	3,095,360,451
Less: Depreciation		648,408,063	576,702,569
<b>Net Block</b>		<b>2,597,238,962</b>	<b>2,518,657,882</b>
<b>Capital Work-In-Progress</b>		<b>267,879,295</b>	<b>150,051,362</b>
<b>Investments (At Cost)</b>	6	<b>37,860,548</b>	<b>37,666,703</b>
<b>Current Assets, Loans and Advances</b>			
Inventories	7	9,751,316	7,062,659
Sundry Debtors	8	277,606,766	312,814,869
Cash and Bank Balances	9	149,532,770	140,606,430
Loans & Advances	10	837,606,411	689,974,668
Minority Interest		26,890,921	(11,242,724)
		<b>1,301,388,184</b>	<b>1,139,215,902</b>
<b>Current Liabilities and Provisions</b>			
Current Liabilities	11	220,881,264	87,187,543
Provisions		116,131,094	187,105,396
		<b>337,012,358</b>	<b>274,292,939</b>
<b>Net Current Assets</b>		<b>964,375,826</b>	<b>864,922,963</b>
<b>Deferred Tax Asset ( Net)</b>		-	48,950,350
<b>Miscellaneous Expenditure</b>	12	25,112,197	20,967,231
(To the extent not written off or adjusted)			
<b>Total</b>		<b>3,892,466,828</b>	<b>3,641,216,491</b>
<b>Notes forming part of the Accounts &amp; Accounting Policies</b>	<b>23</b>		

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

For and on behalf of the Board

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

**(Viidyaa Moravekar)**  
 Managing Director

**(Arun Tari)**  
 Whole - Time Director

**(Sanjive Arora)**  
 Company Secretary

Mumbai, August 25, 2011

Mumbai, August 25, 2011

# Consolidated Profit and Loss Account for the year ended

## 31<sup>st</sup> March, 2011

(Amt. in Rs.)			
Particulars	Sch.	Year ended 31-03-2011	Year ended 31-03-2010
<b>INCOME</b>			
Income from Information Technology	13	1,016,108,814	873,561,674
Income from Hospitality	14	481,212,273	394,921,543
Income from Travel Agency	15	26,918,321	39,784,520
Other Income	16	57,155,892	29,536,542
	<b>Total</b>	<b>1,581,395,300</b>	<b>1,337,804,279</b>
<b>EXPENDITURE</b>			
Materials Consumed	17	86,558,440	75,143,071
Personnel Expenditure	18	330,774,996	289,115,241
Software Development Expenses		-	58,484,369
Purchase of Traded Goods	19	272,610,555	-
General & Administrative Expenses	20	322,958,408	321,936,100
Depreciation & Amortisation	5	66,402,642	73,921,824
Interest and Finance Charges	21	32,812,056	36,569,278
Preliminary Expenses Written Off	22	4,185,746	7,531,335
Provision for the diminution in value of investments		(151,185)	(341,369)
<b>Minority Interest</b>		<b>2,003,954</b>	<b>974,415</b>
	<b>Total</b>	<b>1,118,155,612</b>	<b>863,334,264</b>
<b>PROFIT BEFORE TAX</b>		<b>463,239,688</b>	<b>474,470,015</b>
Provision for Deferred Tax		8,097,298	(17,798,751)
Tax for the Current Year		151,728,759	144,048,575
MMT Credit Entitlement		-	-
<b>PROFIT AFTER TAX</b>		<b>303,413,631</b>	<b>348,220,191</b>
Less: Extraordinary Items		-	-
<b>PROFIT AFTER EXTRAORDINARY ITEMS</b>		<b>303,413,631</b>	<b>348,220,191</b>
Add: Tax paid for earlier years		(633,394)	(15,645)
Add : Provision for Tax No Longer Required		141,216,565	-
Add: Prior Period Adjustments		(190,269)	(8,554,497)
Add: Preliminary Expenses Written Off		(2,160,606)	-
Add : Excess Provisions for Dividend Tax on Preference Shares for earlier years		135,187	-
Add : Deferred Tax Assets (accumulated) for earlier years		(55,829,509)	38,023,769
Add: Profit / (Loss) brought forward from the previous year		1,370,775,818	1,097,335,244
<b>Amount available for appropriation</b>		<b>1,756,727,423</b>	<b>1,475,009,062</b>
<b>APPROPRIATIONS:</b>			
General Reserve		170,000,000	25,385,204
Proposed Dividend			
On equity shares		38,872,500	32,394,367
On preference shares		35,000,000	35,000,000
Tax on Dividend including surcharge		11,983,966	11,453,673
<b>Balance carried to Balance Sheet</b>		<b>1,500,870,957</b>	<b>1,370,775,818</b>
	<b>Total</b>	<b>1,756,727,423</b>	<b>1,475,009,062</b>
Earnings Per Share (Equity shares, par value of Rs.5/- each)		<b>3.38</b>	3.96
Diluted Earnings Per Share (Equity shares, par value of Rs.5/- each)		<b>4.17</b>	3.96

**Notes forming part of the Accounts & Accounting Policies****23**

As per our Report of even date

**For and on behalf of the Board****For H. H. Topiwala & Co.**

Chartered Accountants

**(H. H. Topiwala)**

Proprietor

Membership No.388660

Mumbai, August 25, 2011

**(Viidyaa Moravekar)**

Managing Director

Mumbai, August 25, 2011

**(Arun Tari)**

Whole - Time Director

**(Sanjive Arora)**

Company Secretary

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

# Consolidated Cash Flow Statement

for the year ended 31<sup>st</sup> March, 2011

	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit before tax</b>	<b>463,239,688</b>	<b>474,470,015</b>
Adjustments for :		
Depreciation and Amortisation	66,402,638	73,921,825
Dividend received	(238,778)	(1,009,502)
Interest received	(2,374,506)	(278,629)
Profit on sale of investment	(290,548)	-
Loss on Sale of Fixed Assets	4,206,631	-
Interest paid	32,812,056	36,569,277
Provision for diminution in value of investments	(151,185)	(341,369)
Preliminary Expenditure written off	4,185,746	7,531,335
	<b>104,552,053</b>	<b>116,392,936</b>
<b>Operating Profit before working capital changes</b>	<b>567,791,741</b>	<b>590,862,951</b>
<b>Movement in Working Capital :</b>		
(Increase) / Decrease in Sundry Debtors	35,208,103	(27,253,802)
(Increase) / Decrease in Inventories	(2,688,657)	4,460,082
(Increase) / Decrease in Loans & Advances	(147,631,735)	81,296,068
(Increase) / Decrease in Minority Interest	(401,137,599)	(29,937,598)
(Increase) / Decrease in Misc. Expenditure	(8,330,709)	(1,539,482)
Increase / (Decrease) in Current Liabilities	133,693,722	(76,684,780)
Increase / (Decrease) in Share Capital	-	350,000,000
Increase / (Decrease) in Provision	(70,974,302)	63,326,513
	<b>(100,861,187)</b>	<b>363,667,001</b>
<b>Cash generated from Operations</b>	<b>466,930,553</b>	<b>954,529,951</b>
Direct Tax Paid	(159,826,057)	(126,249,824)
Prior Period Items	82,537,974	29,453,627
<b>Net Cash Flow from Operating Activities (A)</b>	<b>389,642,470</b>	<b>857,733,753</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(272,361,626)	(49,336,405)
Purchase of Investments	69,961,662	(26,128)
Sale of Investments	(69,713,774)	-
Sale of Fixed Assets	5,343,344	9,851,636
Dividend received	238,778	1,009,502
Interest received	2,374,506	278,629
<b>Net cash Flow from Investing Activities (B)</b>	<b>(264,157,110)</b>	<b>(38,222,766)</b>

Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2011

	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Secured Loan from Bank	(112,186,493)	(169,648,907)
Unsecured Loan	16,864,968	(327,218,818)
Deferred tax Asset	64,052,487	(55,451,174)
Dividend Paid	(73,872,500)	(67,394,367)
Additional Tax on Dividend	(11,983,966)	(11,453,673)
Minority Interest	2,003,954	974,415
Interest Paid	(32,812,056)	(36,569,278)
<b>Net cash Flow from Financing Activities ( C )</b>	<b>(147,933,606)</b>	<b>(666,761,802)</b>
<b>Adjustment on account of exchange rate</b>	<b>31,374,586</b>	<b>(144,678,376)</b>
Net Increase / (Decrease) in cash & cash equivalents (A+B+C)	8,926,340	8,070,809
Cash and Cash equivalents at the beginning of the year	140,606,430	132,535,621
<b>Cash and Cash equivalents at the end of the year</b>	<b>149,532,770</b>	<b>140,606,430</b>

As per our Report of even date

**For H. H. Topiwala & Co.**

Chartered Accountants

For and on behalf of the Board

**(H. H. Topiwala)**

Proprietor

Membership No. 38660

**(Viidyaa Moravekar)**

Managing Director

**(Arun Tari)**

Whole - Time Director

**(Sanjive Arora)**

Company Secretary

Mumbai, August 25, 2011

Mumbai, August 25, 2011

## Schedules forming part of the Consolidated Balance Sheet (contd....)

	(Amt. in Rs.)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>Authorised:</b>		
50,000,000 Equity Shares of Rs.5 each	250,000,000	250,000,000
500,000,000 (Previous Year 500,000,000) Preference Shares of Rs.5/- each	2,500,000,000	2,500,000,000
	<b>2,750,000,000</b>	<b>2,750,000,000</b>
<b>Issued, Subscribed and Paid Up:</b>		
77,745,000 (Previous Year 12,957,500) Equity Shares of Rs.5 each fully paid up (includes 66,187,500 equity shares of Rs. 5 each, allotted as fully paid up Bonus shares out of free reserves)	388,725,000	64,787,500
100,000,000 7% Cumulative Non Convertible Redeemable Preference Shares of Rs.5 each (Redeemable within 20 years from the date of allotment)	500,000,000	500,000,000
Share Application Money - Sai Nirmaan Properties Ltd.	350,000,000	350,000,000
	<b>1,238,725,000</b>	<b>914,787,500</b>
<b>SCHEDULE 2 : RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
As per last Balance Sheet	122,030,414	122,030,414
	<b>122,030,414</b>	<b>122,030,414</b>
<b>Securities Premium Account</b>		
As per last Balance Sheet	669,200	669,200
<b>General Reserve</b>		
As per last Balance Sheet	154,435,204	129,050,000
Transferred from Profit and Loss Account	170,000,000	25,385,204
	<b>324,435,204</b>	<b>154,435,204</b>
Transferred to Share Capital Account consequent to issue of bonus shares	323,937,500	-
	497,704	<b>154,435,204</b>
<b>Profit and Loss Account</b>		
Balance Carried Forward	<b>1,500,870,957</b>	<b>1,370,775,818</b>
<b>Currency Translation Reserve</b>	<b>74,369,160</b>	<b>42,994,574</b>
	<b>1,698,437,435</b>	<b>1,690,905,210</b>
<b>SCHEDULE 3 : SECURED LOAN</b>		
<b>From Banks</b>		
<b>Cash Credit</b>		
(Against mortgage of Office Premises and Property at Panvel Resort)	49,875,263	69,457,012
<b>Term Loan</b>	385,416,329	476,401,136
(Against hypothecation of Motor Vehicle and mortgage of Office Premises in India and hotel properties at USA.) (Repayable within one year Rs.41,856,432/-)	12,086,342	13,706,279
<b>From a Company</b>		
(Against mortgage of Office Premises) (Repayable within one year Rs. 4,932,731/-)		
	<b>447,377,934</b>	<b>559,564,427</b>
<b>SCHEDULE 4 : UNSECURED LOAN</b>		
From Other Companies	492,824,322	475,959,354
	<b>492,824,322</b>	<b>475,959,354</b>



## Schedules forming part of the Consolidated Balance Sheet (contd....)

DESCRIPTION	GROSS BLOCK (At Cost)								DEPRECIATION				NET BLOCK	
	As at 01-04-2010	Additions during the year	Deductions during the year	Translation Adjustment	As at 31-03-2011	As at 01-04-2010	Additions during the year	For the year	Deduction during the year	Translation Adjustment	As at 31-03-2011	As at 31-03-2011	As at 31-03-2010	
	(Amt. in Rs.)													
Freehold Land	982,828,228	16,109,553	-	6,157,333	1,005,095,114	-	-	-	-	-	-	1,005,095,114	982,828,228	
Building	1,138,344,697	16,429,766	985,084	21,089,485	1,174,878,864	209,616,195	23,931,615	26,923	4,796,900	4,796,900	238,317,787	936,561,077	928,728,502	
Office Premises	253,511,329	216,520	-	-	253,727,849	8,028,752	3,268,491	-	-	16,277	11,297,243	242,430,606	245,482,577	
Plant & Machinery	27,945,591	1,583,999	-	23,768	29,553,358	7,101,943	1,373,937	-	4,457	4,457	8,492,157	21,061,201	20,843,648	
Computers	33,774,576	17,370,445	-	8,036	51,153,057	12,467,876	5,706,902	-	5,129,094	5,129,094	32,973,822	21,306,700	21,306,700	
Furniture & Fixtures	398,428,247	9,973,361	-	6,610,984	415,012,592	281,508,703	21,496,937	-	123,993	123,993	308,134,734	106,877,858	116,919,544	
Motor Vehicle	29,971,047	819,938	13,172,325	238,063	17,806,723	11,620,923	1,966,877	5,545,233	629,978	629,978	8,166,560	9,640,163	18,300,124	
Office Equipments	55,222,831	2,946,691	6,500	845,362	59,008,384	32,184,560	5,540,536	1,052	1,587,026	1,587,026	20,654,362	23,038,271	23,038,271	
Air Conditioner	6,581,816	864,164	164,250	-	7,281,730	1,316,046	331,704	60,724	-	-	5,694,704	5,265,770	5,265,770	
Electrical Installations	7,791,124	848,111	-	-	8,639,235	858,360	393,599	-	-	-	1,251,959	7,387,276	6,932,764	
Goodwill	90,757,658	55,934,118	-	451,000	147,142,776	-	-	-	-	-	-	147,142,776	90,757,658	
Borrowing Cost	2,067,233	2,191	-	37,820	2,107,244	982,212	84,541	-	18,612	18,612	1,085,365	1,021,879	1,085,021	
Capital Improvement	47,474,708	5,524,676	-	868,550	53,867,934	10,246,450	1,710,477	-	199,069	199,069	12,155,996	41,711,938	37,228,258	
Franchise	20,711,366	-	855,748	378,924	20,234,542	770,549	584,175	-	18,404	18,404	1,373,128	18,861,414	19,940,817	
Leasehold Improvement	-	137,623	-	-	137,623	-	12,851	-	-	-	124,772	-	-	
<b>Total</b>	<b>3,095,360,451</b>	<b>128,761,156</b>	<b>15,183,907</b>	<b>36,709,325</b>	<b>3,245,647,025</b>	<b>576,702,569</b>	<b>66,402,642</b>	<b>5,633,932</b>	<b>10,936,788</b>	<b>10,936,788</b>	<b>648,408,063</b>	<b>2,597,238,962</b>	<b>2,518,657,882</b>	
<b>Previous Year</b>	<b>3,157,436,484</b>	<b>155,228,626</b>	<b>11,307,533</b>	<b>(205,997,126)</b>	<b>3,095,360,451</b>	<b>564,115,786</b>	<b>73,921,824</b>	<b>1,455,897</b>	<b>(59,879,144)</b>	<b>(59,879,144)</b>	<b>576,702,569</b>	<b>2,518,657,882</b>	<b>2,593,320,698</b>	
<b>Capital Work in Progress</b>												<b>267,879,295</b>		
(Previous Year :Rs.1,50,051,362/-)														

## Schedules forming part of the Consolidated Balance Sheet (contd....)

### SCHEDULE 6 : INVESTMENTS (At Cost) - Long Term

(Amt. in Rs.)

Sr. No.	Name of the Company	No. of Shares / Units 31-03-2011	No. of Shares / Units 31-03-2010	Face Value Per Share (Rs.)	As at 31-03-2011	As at 31-03-2010
<b>A)</b>	<b>Investment in Equity Shares (Non - Trade - Quoted, fully paid)</b>					
1	Himachal Fut. Comm.	53,600	53,600	10	1,501,802	1,501,802
2	Swaraj Mazda (Punjab Tractors Ltd.)	300	300	10	62,133	62,133
3	Silverline	5,300	5,300	10	37,443	37,443
4	Tips Industries	5,000	5,000	10	197,837	197,837
5	Wellwin Industries Ltd.	3,500	3,500	10	53,350	53,350
6	Carol Info services Ltd.	1,900	1,900	10	60,115	60,115
	<b>Total</b>				<b>1,912,680</b>	<b>1,912,680</b>
	<b>Less : Provision for Diminution in Value of Long Term Investments</b>				<b>747,343</b>	<b>898,528</b>
	<b>Total Long Term Investments</b>				<b>1,165,337</b>	<b>1,014,152</b>
<b>B)</b>	<b>Investment in Equity Shares (Non - Trade - Unquoted, fully paid)</b>					
1	Inter-Connected Stock Exchange of India Ltd.	62,413	62,413	1	15,604,250	15,604,250
2	Panoramic Investment Advisors Pvt. Ltd.	2,400	2,400	10	24,000	24,000
3	Saraswat Co-op Bank Ltd.	4,358	4,358	10	43,580	43,580
4	Zoarastrian Co-op Bank Ltd	500	500	10	5,000	5,000
<b>C)</b>	<b>Investment in Mutual Funds</b>					
1	Reliance Natural Resource Fund Dividend Plan (NAV as on 31-03-2011 - Rs.10,464,450/-)	977,995	977,995	10	10,000,000	10,000,000
2	Sundaram BNP Paribas Growth Fund (NAV as on 31-03-2011 - Rs.5,288,447/-)	424,124	424,124	10	10,000,000	10,000,000
3	Franklin Templeton Mutual Fund Reinvested during the year : Units -1493.661 , Rs. 33,901/- (NAV as on 31-03-2011 - Rs.7,02,280/-)	64,753	64,502	10	703,622	669,721
4	UTI Treasury Advantage Fund - Growth Plan (NAV as on 31-03-2011 - Rs.3,42,300/-)	138	138	10	300,000	300,000
5	LIC Mutual Fund ( Saving Plus Fund ) (Purchased and Sold during the Year Qty 44,26,858- Cost Rs.7,00,04,322)	-	-	-	-	-
<b>D)</b>	<b>National Savings Certificate</b>	-	-	-	14,758	6,000
	<b>Grand Total</b>				<b>37,860,548</b>	<b>37,666,703</b>

#### Aggregate Book Value of Investments

1) Quoted - Market Value Rs.1,543,059 /- (Previous Year - Rs.1,133,022/-)

## Schedules forming part of the Consolidated Balance Sheet (contd....)

	(Amt. in Rs.)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 7 : INVENTORIES (At Cost)</b>		
Raw Materials (As taken, valued & certified by the management)	9,751,316	7,062,659
	<b>9,751,316</b>	<b>7,062,659</b>
<b>SCHEDULE 8 : SUNDRY DEBTORS</b>		
(Unsecured, Considered good subject to confirmation)		
Over six months	11,046,227	4,470,011
Others	266,560,539	308,344,858
	<b>277,606,766</b>	<b>312,814,869</b>
<b>SCHEDULE 9 : CASH AND BANK BALANCES</b>		
Cash in hand	6,503,927	8,035,612
Bank balances		
With Scheduled Banks	34,588,728	16,568,300
Commercial Bank of Dubai - UAE (Maximum balance during the year Rs.19,00,433/-)	461,722	645,350
ANZ Banking Group (NZ) Ltd - Current account (Maximum balance during the year Rs.3,305,311/-)	3,254,162	2,560,808
M & T Bank-Syracuse A/c.8890764262 (Maximum balance during the year Rs.2,137,273/- )	1,000,018	1,068,419
Wachovia - Custom Bus-7028 (Maximum balance during the year Rs.14,521,008/-)	-	14,521,008
Wachovia - M M S A/c No.9304 (Maximum balance during the year Rs.583/-)	-	583
Wachovia Money Market Account A/c.3134 (Maximum balance during the year Rs.27,143,918/-)	21,521,679	33,541,630
Merchant Account - Chase Merchant (Maximum balance during the year Rs.427,224/-)	207,337	427,224
Wachovia Bank Cash Manager A/c.5459 (Maximum balance during the year Rs.48,963,594/-)	22,999,903	-
Wachovia Bank A/c No.7015 (Maximum balance during the year Rs.4,564,000/-)	4,564,000	-
TD Bank -ATM Account (Maximum balance during the year Rs.45,640/-)	45,640	-
Bank of America A/c No.0643 (Maximum balance during the year Rs.17,756,298/- )	393,531	17,571,681
Wachovia SM Bus. MM 5446 (Maximum balance during the year Rs.37,130,116/-)	23,297,845	-
Wachovia Bank - M M S A/c No.9359 (Maximum balance during the year Rs.7,928,410/-)	691,068	2,017,079

## Schedules forming part of the Consolidated Balance Sheet (contd....)

	(Amt. in Rs.)	
	As at 31-03-2011	As at 31-03-2010
Bank of America A/c No.6372 (Maximum balance during the year Rs.269,025/-)	37,025	-
Bank of America -A/c 7218 (Maximum balance during the year Rs.26,287,685/- )	1,964,876	3,468,115
Bank of America A/c No.7221 (Maximum balance during the year Rs.403,104/-)	234,730	389,710
Bank of America -A/c 7749 (Maximum balance during the year Rs.1,201,484/- )	458,413	1,569
TD Banknorth (Maximum balance during the year Rs.9,283,607/-)	2,127,292	4,222,470
First Union Wachovia - Check 1590 (Maximum balance during the year Rs.38,304,641/-)	1,593,693	2,552,365
Wachovia Bank - A/c 8097 (Maximum balance during the year Rs.25,229,303/- )	1,994	2,196,718
Wachovia Bank A/c No. 8385 (Maximum balance during the year Rs.1,158,720/-)	390,957	552,934
First Merit Bank A/c No. 3895 (Maximum balance during the year Rs.3,942,024/-)	1,953,267	1,088,105
First Merit Bank A/c No. 3900 (Maximum balance during the year Rs.478,364/-)	10,921	267,016
Bank of America (Maximum balance during the year Rs.243,405/- )	-	243,405
Wachovia - Account 1084 (Maximum balance during the year Rs.11,881,668/-)	905,060	848,577
Commerce Bank - A/c7925188844 (Maximum balance during the year Rs.3,892,992/-)	17,498	1,498,915
Wachovia Bank A/c No. 324741 (Maximum balance during the year Rs. 72,79,572/-)	316,742	797,617
Commerce Bank - A/c.7923075035 (Maximum balance during the year Rs.14,137,482/-)	2,955,981	3,982,481
Bank of Baroda - Current Deposit Account (USA)	15,609,761	19,586,340
Wachovia Bank -Bus Ckg Fleet 9355 (Maximum balance during the year Rs.359/-)	-	359
Fixed Deposits with Scheduled Banks	1,425,000	1,410,000
T.T. in Transit (UAE Branch)	-	542,040
	<b>149,532,770</b>	<b>140,606,430</b>

## Schedules forming part of the Consolidated Balance Sheet (contd....)

	(Amt. in Rs.)	
	As at 31-03-2011	As at 31-03-2010
<b>SCHEDULE 10 : LOANS AND ADVANCES</b>		
(Unsecured, Considered good subject to confirmation)		
Advances recoverable in cash or in kind or for value to be received	694,649,539	630,593,295
Accrued Interest	363,680	370,147
Deposits	27,914,756	32,618,994
Advance Tax and TDS	59,149,170	17,686,846
Mat Credit Entitlement	44,755,223	-
Prepaid Expenses	10,774,043	8,705,386
	<b>837,606,411</b>	<b>689,974,668</b>
<b>SCHEDULE 11 : CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	65,581,334	25,119,441
Unclaimed Dividend	471,906	865,395
Advances	-	8,617,004
Duties & Taxes	2,694,816	3,150,725
Bank Overdraft	22,205,440	-
Other Liabilities	129,927,768	49,434,978
	<b>220,881,264</b>	<b>87,187,542</b>
<b>PROVISIONS</b>		
Provision for Gratuity	5,013,587	4,044,152
Provision for Leave Encashment	3,783,949	3,215,648
Provision for Proposed Dividend	73,872,500	67,394,367
Provision for Dividend Tax	11,983,966	11,453,673
Provision for Taxation	21,477,092	100,997,556
	<b>116,131,094</b>	<b>187,105,396</b>
<b>Total</b>	<b>337,012,358</b>	<b>274,292,939</b>
<b>SCHEDULE 12 : MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
<b>GDR Issue Expenses</b>	-	3,433,754
Less : Written off during the year	-	3,433,754
	<b>4,551,688</b>	4,556,710
<b>Preliminary Expenses</b>	1,498,850	-
Add : Addition during the year	<b>6,050,538</b>	<b>4,556,710</b>
Less : Written off during the year	2,885,830	5,022
	<b>3,164,708</b>	<b>4,551,688</b>
<b>Pre-operative Expenditure</b>	6,304,343	5,487,017
Add : Addition during the year	8,541,860	1,539,485
	<b>14,846,203</b>	<b>7,026,502</b>
Less : Written off during the year	-	722,159
	<b>14,846,203</b>	<b>6,304,343</b>
<b>Share Issue Expenses</b>	10,111,200	13,481,600
Add : Addition during the year	450,608	-
	<b>10,561,808</b>	<b>13,481,600</b>
Less : Written off during the year	3,460,522	3,370,400
	<b>7,101,286</b>	<b>10,111,200</b>
	<b>25,112,197</b>	<b>20,967,231</b>

## Schedules forming part of the Consolidated Profit and Loss Account

	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>SCHEDULE 13 : INCOME FROM INFORMATION TECHNOLOGY</b>		
Income from I T Export	329,151,747	415,477,019
Consulting Income	406,149,067	458,075,655
Income from DTA Sales	280,808,000	9,000
	<b>1,016,108,814</b>	<b>873,561,674</b>
<b>SCHEDULE 14 : INCOME FROM HOSPITALITY</b>		
Income from Lodging & Boarding	386,185,814	338,483,203
Income from sale of Food & Beverages	90,934,682	54,852,210
Income from Time Share Activity	4,091,777	1,586,130
	<b>481,212,273</b>	<b>394,921,543</b>
<b>SCHEDULE 15 : INCOME FROM TRAVEL AGENCY</b>		
Income from Foreign Currency	21,199	37,393,479
Income from Commission on Tickets & Other Services	26,897,122	2,391,041
	<b>26,918,321</b>	<b>39,784,520</b>
<b>SCHEDULE 16 : OTHER INCOME</b>		
Dividend on Long Term Investments	238,778	1,009,502
Interest Received (TDS Amount Rs.220,552/-)	2,374,506	278,629
Other Income	9,018,725	13,248,411
Income from Entry Fees / Management Fees	45,233,335	15,000,000
Profit on sale of Investments	290,548	-
	<b>57,155,892</b>	<b>29,536,542</b>
<b>SCHEDULE 17 : MATERIALS CONSUMED</b>		
Opening Stock	3,974,158	4,712,136
Add : Purchases during the year	85,817,588	75,336,461
Add : Freight Inward	-	96,360
	<b>89,791,746</b>	<b>80,144,957</b>
Less: Stock setoff against arbitration claim received	-	1,027,728
Less : Closing Stock	3,233,306	3,974,158
	<b>86,558,440</b>	<b>75,143,071</b>
<b>SCHEDULE 18 : PERSONNEL EXPENDITURE (Salaries including overseas staff expenses)</b>		
Salaries & Allowances	307,911,647	262,829,243
Bonus & Ex-Gratia	852,568	4,289,590
Contribution to PF & ESIC	5,806,680	5,680,288
Directors' Remuneration	7,555,307	7,744,458
Gratuity	905,468	1,162,306
Leave Encashment	2,515,876	1,744,532
Partners' Remuneration	60,000	60,000
Staff Training & Development Exps.	28,766	86,132
Staff Welfare Expenses	5,138,684	5,518,692
	<b>330,774,996</b>	<b>289,115,241</b>
<b>SCHEDULE 19 : PURCHASE OF TRADED GOODS</b>		
Purchase of Traded Goods	272,610,555	58,484,369
	<b>272,610,555</b>	<b>58,484,369</b>

## Schedules forming part of the Consolidated Profit and Loss Account (contd....)

	(Amt. in Rs.)	
	Year ended 31-03-2010	Year ended 31-03-2009
<b>SCHEDULE 20 : GENERAL &amp; ADMINISTRATIVE EXPENSES</b>		
Accounting Fees	566,547	305,049
Administrative Expenses	-	137,814
Advertisement & Sales Promotion	39,649,854	27,236,410
Audit Fees	809,570	704,141
Affiliation Fees	-	2,475,000
Sundry Balance W/ Off.	4,379,335	3,001,260
Books & Periodicals	89,637	54,340
Commission / Discount Expenses	15,241,609	17,275,364
Communication Expenses	13,657,623	12,589,184
Computer Expenses	289,928	437,859
Consumables	2,527,744	963,005
Donations & Gifts	247,918	338,619
Electricity & Water Charges	45,363,935	39,177,553
Entertainment Expenses	2,027,969	2,975,504
Event Expenses	157,949	30,290
Exchange Rate Fluctuation Loss	483,045	10,948,353
Franchise Fees	3,482,512	-
Fuel	7,361,366	4,309,344
Housekeeping Charges	15,691,253	20,945,956
Insurance Charges	10,827,855	10,690,006
Kitchen & Restaurant Expenses	3,053,686	408,157
Labour Charges	187,991	2,615,077
License & Fees	2,648,213	2,597,092
Loss on Discarding / Sale of Fixed Assets	4,206,631	770,793
Membership & Subscription	2,514,013	2,213,554
Miscellaneous Expenses	5,546,342	12,823,001
Office Expenses	6,648,496	8,606,620
PF Administration Charges	931,874	565,089
Printing & Stationery	2,265,765	3,218,978
Bad Debts and Provisions	14,939,915	17,177,151
Professional Fees	24,308,359	31,376,543
Rent	9,618,570	4,243,140
Rate & Taxes	37,328,199	39,693,119
Repairs & Maintenance :		
Buildings	7,299,676	5,192,595
Machinery	5,555,936	3,237,707
Others	11,087,972	9,113,682
VAT Expenses	3,854,590	2,292,422
Software Integration Fees & AMC	415,282	661,800
Security Charges	3,382,993	2,661,227
Transportation expenses	409,076	265,646
Travel & Conveyance Expenses	9,288,043	11,168,670
Vehicle Expenses	4,602,844	6,406,274
Wealth Tax	8,293	32,712
	<b>322,958,408</b>	<b>321,936,100</b>

## Schedules forming part of the Consolidated Profit and Loss Account (contd....)

	(Amt. in Rs.)	
	Year ended 31-03-2011	Year ended 31-03-2010
<b>SCHEDULE 21 : INTEREST &amp; FINANCE CHARGES</b>		
Bank Charges	6,459,727	4,506,489
Foreign Bank Charges	235,427	367,574
Interest Charges - Others	12,000	11,121,741
Interest on Secured Loan	26,104,902	20,573,474
	<b>32,812,056</b>	<b>36,569,278</b>
<b>SCHEDULE 22 : PRELIMINARY EXPENSES WRITTEN OFF</b>		
Miscellaneous Expenditures	-	706,899
Preliminary Expenses	725,224	20,282
GDR Issue Expenses	-	3,433,754
Share Issue Expenses	3,460,522	3,370,400
	<b>4,185,746</b>	<b>7,531,335</b>



# Schedules : 23

## Notes on Consolidated Profit and Loss Account

### 1 SIGNIFICANT ACCOUNTING POLICIES :

- a) The consolidated financial statements comprise Panoramic Universal Ltd. and its subsidiary companies and partnership firms. The consolidated financial statement have been prepared on following basis:
- i) The financial statement of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21-"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
  - ii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is taken to cumulative currency translation reserve as shown separately.
  - iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
  - iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
  - v) Minority interest in the net assets of considered subsidiaries consists of:-
    - a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made: and
    - b) the minorities' share of investments in equity since the date the parent subsidiary relationship comes into existence.

#### b) Other significant accounting policies

##### i) Convention:

The Financial Statements are prepared under Historical Cost Convention in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the presentational requirements laid down by the Companies Act, 1956 on going concern basis

##### ii) Fixed Assets:

Fixed assets are stated at their original cost along with taxes, duties, freights and any directly attributable cost of bringing the asset to its working condition for the intended use up to the date of commissioning for operation, attributable to acquisition / construction of the concerned assets except where fixed assets are taken over at consolidated price . Fixed Assets acquired on business purchase at consolidated price have been stated at replacement cost except for land which is stated at fair value.

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

##### iii) Depreciation and Amortization:

Depreciation on assets other than those situated in the USA and New Zealand has been provided at the rates and in the manner prescribed in the Schedule XIV to the Companies Act, 1956 on the straight line basis. Depreciation in respect of the assets in the USA and New Zealand has been provided according to the provisions of the Taxation Laws prevailing in the respective countries.

##### iv) Investments:

Long term Investments are stated at cost. Provision for diminution in the value of long term investments are made into the account. Profit or loss on sale of investments are taken in to account at the time of sale of investments.

### v) Inventories:

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

### vi) Employees benefit:

#### Post - employment benefit plans-India

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

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

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

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

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

### vii) Sales and Services:

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

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

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

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

### viii) Taxation:

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

(ii) Deferred Tax is recognised on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation, or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets.

(iii) Provision for current tax and deferred tax in respect of Indian and overseas subsidiaries has made as per Taxation Laws in the respective countries.

### ix) Impairment of assets:

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

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

**x) Foreign Currency Transactions**

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

All monetary items denominated in foreign currencies at the end of the period have been translated at the period end rates. In respect of income and expenditure at the overseas branches, average month-end exchange rates have been adopted.

Foreign currency translation treatment in respect of foreign subsidiaries is described in 1 (a) (ii).

**xi) Deferred Revenue Expenses:**

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

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

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

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

**xiii) Borrowing Costs**

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

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

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

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

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

### 3 Secured Loans:

#### a) Term Loans: -India :

(i) Term Loan of Rs. 50.74 Lakhs ( Prev Year Rs. 227.24 Lakhs ) from Saraswat Co-op Bank Ltd. is secured by Premises at 4th Floor ,Aman Chambers, Prabhadevi, Mumbai 400025.

Additional Term Loan of Rs. 387.89 Lakhs (Prev Year Rs. NIL) drawn by creating additional charge on mortgage of Office Premises at 4th Floor , Aman Chambers, Prabhadevi, Mumbai 400025.

(ii) Term Loan of Rs. NIL ( Prev Year Rs.41.40 Lakhs ) from Axis Bank Ltd. is secured by hypothecation of a vehicle.

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

(iv) Term Loan of Rs. NIL ( Prev Year Rs. 566.00 Lakhs ) from Union Bank India is secured against Mahim office premises and Land at Jaipur.

(v) Term Loan of Rs.120.86 Lakhs ( Prev Year 137.05 Lakhs ) from Indiabulls Financial Services Ltd. is secured against shop premises at Nav Bhavana Premises CHS Ltd. at Prabhadevi, Mumbai

#### b) Cash Credit : -India :

(i) Cash Credit from Saraswat Co-op Bank Ltd. is secured by mortgage of Office Premises at 4th Floor,Aman Chambers, Prabhadevi, Mumbai- 400025 and property at Panvel Resorts.

#### c) Term Loans - Outside India :

(i) Term Loan of Rs. 485.29 lakhs from Zion's Bank is secured by mortgage of Econolodge Quality Inn property in USA

(ii) Term Loan of Rs. 1428.97 lakhs from Bank of West is secured by mortgage of Holiday Inn Hudson property in USA.

(iii) Term Loan of Rs. 1422.95 lakhs from Zion's Bank is secured by mortgage of The Georgian property in USA

(iv) Term Loan of Rs. 78.30 lakhs from Mission Oaks National Bank is secured by mortgage of The Georgian property in USA

4 None of the suppliers had informed the Company that they are micro and small enterprises under the. Micro, Small and Medium Enterprises Development Act. Hence information regarding dues to micro and small enterprises could not be furnished.

5 Advances includes Rs. 3,36,97,792/- receivable from an ex-employee for funds embezzled by him from few USA subsidiaries. The Company has filed civil Suit seeking the attachments of two properties purportedly acquired from the embezzled funds.The Hon'ble High court of Madras was pleased to pass ad-interim injunction on 22nd February,2011 in C.S. No. 119 of 2011 restraining the employee and his wife from alienating disposing ,encumbebering or dealing with the properties refered to in that suit In view of above, no provision is presently required.

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

6 Since the company has not appointed CFO, the Declaration as required under Clause 49 of the Listing Agreement has been signed by the Managing Director of the Company.

**7 Retirement benefit Plan: (For Employees in India)**

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

The following table sets out the non funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at 31st March 2011

	As at 31-03-2011	As at 31-03-2010
<b>i) Change in Benefit Obligations :-</b>		
<b>Projected Benefit Obligations, beginning of the year (01-04-2010)</b>	3,813,317	2,158,410
Service Cost	1,038,795	1,360,570
Interest Cost	305,065	172,673
Actuarial (Gain) / Loss on obligations	(182,313)	307,421
Benefits Paid	(234,707)	(185,757)
<b>Projected Benefit Obligations, end of the year (31-03-2011)</b>	<b>4,740,157</b>	<b>3,813,317</b>
<b>ii) Change in Plan assets :</b>	N.A.	N.A.
<b>iii) Net Gratuity and other cost for the year ended 31st March 2011</b>		
Service Cost	1,038,795	1,360,570
Interest on defined benefit obligation	305,065	172,673
Expected return on plan assets	N.A.	N.A.
Net actuarial (Gain)/ Loss recognized in the year	(182,313)	307,421
<b>Net Gratuity and other cost</b>	<b>1,161,547</b>	<b>1,840,664</b>
<b>iv) Category of Assets as at 31st March 2011</b>	<b>N.A</b>	<b>N.A</b>
<b>v) Assumption used in accounting for the gratuity plan :</b>		
Discounting Rate (p.a)	8%	8%
Increase in Compensation Level	5%	5%
Expected rate of return on Plan assets	N.A.	N.A.

<b>8 Investment in Partnership Firms</b>	As at 31-03-2011	As at 31-03-2010
The details of Partnership Firms are as follows:-		
<b>a) Graciano Cottages, Goa</b>		
Total Capital & Current Account		
Capital Account	83,000	83,000
Current Account	27,319,583	25,655,726

Name of the Partners	Share of Profit / (Loss)	
Panoramic Universal Ltd	95%	95%
Mrs. Usha Tari	5%	5%

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

### b) Grand View Hotel, Restaurant & Bar, Pune

Total Capital & Current Account		
Capital Account	<b>80,000</b>	80,000
Current Account	<b>18,461,517</b>	10,738,038

Name of the Partners	Share of Profit / (Loss)	
Panoramic Universal Limited	80%	80%
Mrs.Viidyaa S. Moravekar	15%	15%
Mrs.Usha Tari	5%	5%

### 9 Contingent Liabilities not provided for :

I Estimated amount of capital commitments not provided for:	<b>Rs. 1041 Lacs</b>	Rs.418.80 Lacs
II Contingent Liabilities not provided for:	<b>Rs. Nil</b>	Rs. Nil
III Guarantees given on behalf of wholly owned subsidiary	61,614,000	60,507,000

### 10 Profit & Loss Account includes:

Remuneration to Directors	<b>7,555,307</b>	7,744,458
Sitting Fees	<b>Rs. Nil</b>	Rs. Nil
Other Perquisites	<b>Rs. Nil</b>	Rs. Nil

### 11 Payment to Auditors

For Audit	804,570	699,141
For other services	5,000	5,000

12 Remuneration to Directors of Rs.7,555,307/- includes Rs.2,605,559/- being commission payable to Managing Director

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

Component	As on 31-03-2011 (Amt. in Rs.)	For the year ended 31-03-2011 (Amt. in Rs.)	As on 31-03-2010 (Amt. in Rs.)
<b>Difference between Book &amp; Tax</b>			
Depreciation	(16,324,186)	(748,478)	(15,575,708)
U/s 43B of Income Tax, 1961	1,222,049	(180,551)	1,402,600
Accumulated Carried forward Loss & Unabsorbed Depreciation	-	(63,123,457)	63,123,457
<b>Deferred Tax Asset / (Liability)</b>	<b>(15,102,137)</b>	<b>(64,052,486)</b>	<b>48,950,349</b>

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

**14 Disclosures of related parties for the year ended 31-03-2011****1 Enterprises owned by directors / major shareholders of the Company**

Graciano Cottages, Grand View Hotel Restaurant & Bar, Hotel Pinnacle Ltd, Athiti Resorts Ltd, Golden Valley Hotels Ltd., Pan Herbbo Ltd., Herbo Effect (India) Ltd, Pan Product Impex P Ltd, Panoramic Land Developers P Ltd, Panoramic Investment Advisors P Ltd., Pan Ad, Panoramic Hotels Ltd., Pancard Clubs Ltd., Panoramic Structures P Ltd, Sai Nirmaan Properties Ltd., Seaview Retreats Ltd, Panoramic Tour & Travels Ltd., Smooth Financials P Ltd, Panoramic Resorts (India) Ltd., Panoramic Greeneries P Ltd, Panoramic Agriculture & Farms P Ltd, Panoramic Agricultural Services P Ltd, Panoramic Husbandries P Ltd, Panoramic Unnathi P Ltd.

**2 Key Management Personnel**

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

**3 Related party transactions**

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

	As at 31-03-2011	As at 31-03-2010
<b>(Amt. in Rs.)</b>		
<b>(i) Transactions with Director</b>		
<b>a) Remuneration</b>		
<b>(i) Transactions with Director</b>		
<b>a) Remuneration</b>		
Sudhir S. Moravekar	20,556,640	16,577,316
Viidyaa S. Moravekar	6,158,567	6,231,386
Arun B. Tari	1,396,740	1,513,072
<b>b) Interest to partners</b>		
Viidyaa S. Moravekar	1,800	1,800
Usha Tari	600	600
<b>(ii) Transactions with Associate Companies</b>		
<b>a) Management Fees Received</b>		
Pancard Clubs Ltd.	33,090,000	15,000,000
<b>Interest on security deposit received</b>		
Pancard Clubs Ltd.	2,000,000	-
<b>b) Reimbursement of expenses paid</b>		
Pancard Clubs Ltd.	-	4,882,644
<b>c) Sale of Room Nights and Foods &amp; Beverages</b>		
Pan Herbbo Ltd.	80,459	157,332
Pancard Clubs Ltd.	1,396,631	1,079,853
<b>d) Sale of Assets</b>		
Sea View Retreats Ltd	-	275,000

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

### (iv) Amount due from related party

Panoramic Investment Advisors Pvt. Ltd.	-	50,000
---	---	--------

### (v) Amount due to related Party

Panocard Clubs Ltd.	-	22,282,485
---------------------	---	------------

### (iv) Dividend paid -Equity Shares

Panocard Clubs Ltd	7,343,750	7,343,750
Panoramic Resorts (India) Ltd	203,070	203,070
Panoramic Land Developers Pvt. Ltd	107,250	107,250
Mrs.Manda Mohan Phatarphekar	293,500	293,500
Mrs Usha Tari	27,500	27,500
Mrs Deepashree Tari	1,000	1,000
Mr.Sudhir S. Moravekar	16,124,505	16,124,505

### (v) Dividend paid - Preference Shares

Panocard Clubs Ltd	35,000,000	35,000,000
--------------------	------------	------------

## 15 Segment Reporting :

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

(Amt. in Rs.)

Particulars	IT Business	Hospitality Business	Travel Business	Total
<b>REVENUE</b>				
External Revenue and other Income	1,017,062,759	535,313,183	29,019,358	1,581,395,300
Inter-Segment Revenue	-	-	-	-
<b>Total</b>	<b>1,017,062,759</b>	<b>535,313,183</b>	<b>29,019,358</b>	<b>1,581,395,300</b>
<b>RESULT</b>				
Profit before Depreciation, Interest & Tax	650,618,168	(98,444,700)	10,280,918	562,454,386
Depreciation	(278,985)	65,696,245	985,382	66,402,642
Interest	2,068,856	30,290,428	452,772	32,812,056
Taxation	56,572,485	99,952,514	3,301,058	159,826,057
<b>Net Profit</b>	<b>592,255,812</b>	<b>(294,383,886)</b>	<b>5,541,706</b>	<b>303,413,631</b>
<b>OTHER INFORMATION</b>				
Segment Assets	1,75,589,975	36,44,482,701	72,394,152	3,892,466,828
Segment Liabilities	13,135,441	9,40,994,891	1,174,061	9,55,304,393

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



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

	(Amt. in Rs.)		
	Asia	Rest of the World	Total
External Revenue and Other Income	785,682,978	795,712,322	1,581,395,300

**16 Earnings Per Share**

	2009-11	2009-10
<b>I</b> Profit Attributable to Equity Shareholders (Rs.)	303,413,631	348,220,191
<b>II</b> Number of Equity Shares	77,745,000	12,957,500
<b>III</b> Nominal Value of Equity Share	Rs. 5.00	Rs. 5.00
<b>IV</b> Basic Earnings Per Equity Share	Rs. 3.38	Rs. 3.96
<b>V</b> Diluted Earnings Per Equity Share	Rs. 4.17	Rs. 3.96

**17** The segment wise revenues in the consolidated financials for the current & previous year has been regrouped for appropriate representation in the financial statements. The same is on account of the nature of the revenues of the wholly owned subsidiaries in terms of hospitality and commission on sales of Information Technology products. The impact of the same on total Revenue and Profits of the company is "NIL", except the segment wise classification.

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

**For and on behalf of the Board**

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

**(Viidyaa Moravekar)**  
 Managing Director

**(Arun Tari)**  
 Whole - Time Director

**(Sanjive Arora)**  
 Company Secretary

Mumbai, August 25, 2011

Mumbai, August 25, 2011

# PANORAMIC UNIVERSAL LIMITED



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

## Discount Coupon

Dear Shareholder,

The Company is pleased to issue this coupon which will entitle you to avail a discount of 25% on room tariff as well as 15% on bill value of upto Rs. 2,000/- at the Food & Beverage outlets located in any of the hotels of the Panoramic Group in India. This discount cannot be clubbed with any other Discount Scheme. The Company will not make cash refunds against any coupon or part used thereof, and will not be able to extend the validity of the coupon(s) nor issue duplicate coupon(s) in case of loss or defaced coupon(s). This coupon is not valid for consumption of Beer, Liquor and Cigarettes.



Please DO NOT detach the coupon, but present it intact, when your bill is being prepared



### F&B Coupon

Bill Value upto Rs. 1000/-  
Discount - 15%  
Valid Upto 30-09-2012



### F&B Coupon

Bill Value upto Rs. 1000/-  
Discount - 15%  
Valid Upto 30-09-2012



### Stay Coupon

Discount - 25%  
Valid Upto 30-09-2012



### Stay Coupon

Discount - 25%  
Valid Upto 30-09-2012

### **Instructions for Booking Room with us:**

1. Shareholder shall be provided a discount of 25% on the Room Tariff Rate & 15% on Bill Value of upto Rs. 2000/- of Food & Beverages of such clubs / hotels / resorts prevalent at the time of intimation of usage of room nights to the company.
2. Confirmation Vouchers shall be issued on a first-come- first-served basis and are subject to eligibility of the Shareholder as well as availability of room / accommodation at his intended destination.
3. Shareholder shall apply to the company at least thirty (30) days in advance to the company, of the date/s of their intended utilization of room nights giving the details of the destination/s, dates of check-in and check-out in order to enable the company to issue a Confirmation Voucher for his scheduled stay.
4. During the peak season, Shareholder shall have to apply at least Ninety (90) days in advance of the date/s of their intended utilisation of the room nights. Since different hotels have different peak periods, Company's decision as to what period is to be treated as peak season shall be final and binding.
5. On check-out, the shareholder shall have to settle all bills towards food & beverages and utilisation of any other amenities and facilities, such as usage of the air conditioner, additional bed, spa, gymnasium, upgradation of room, telephone / STD / ISD facility, internet facility, etc. at the hotel/club/resort chosen by him in cash or debit card or by credit cards (Master / Visa) only and no cheque payment will be accepted towards the said expenses.
6. The decision of the company shall be final and binding on the shareholder with regard to acceptance or rejection of such applications.
7. The discount is available only for shareholders and their immediate family member like Spouse, Parents & Children and is NOT TRANSFERABLE.
8. F & B Coupon are to be utilised during the stay at the hotel.
9. For further details Contact: +91-22-666 22 777. Email: vinutha.boga@panoramicworld.biz
10. Non availability of the room nights at any given date shall not be considered as a valid ground of dispute and the shareholder shall not agitate on such matter in any forum

**Applicable on normal prices displayed at the Foods & Beverage outlets, located at any of the hotels of the Panoramic Group in India. This discount cannot be clubbed with any other Discount Scheme. The decision of the company shall be final and binding**

**Applicable on normal prices displayed at the Foods & Beverage outlets, located at any of the hotels of the Panoramic Group in India. This discount cannot be clubbed with any other Discount Scheme. The decision of the company shall be final and binding**

**“This Discount can not be clubbed with any other Discount Scheme”**

**“This Discount can not be clubbed with any other Discount Scheme”**

### **Forward looking statement**

In this annual report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward looking statements that set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future information or otherwise.

*Disclaimer: The testimonials for our properties have been taken from [www.tripadvisor.com](http://www.tripadvisor.com)*

