

**AUDITORS' REPORT TO THE MEMBERS OF**  
**COSIMA TRAVEL & TRADE LINKS (P) LTD.**

We have audited the attached Balance Sheet of **COSIMA TRAVELS & TRADE LINKS(P) LTD.** AS AT 31<sup>st</sup> MARCH, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. We report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of 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 ;



(iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;

(iv) In our opinion, the Balance Sheet and Profit and Loss Account 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) On this basis of written representations received from the directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;

(vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view in the conformity with the accounting principles generally accepted in India:

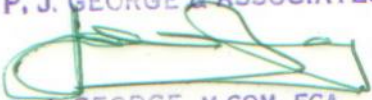
(a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2011; and

(b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.

COCHIN - 682 035  
DATE 31-08--2011



For P. J. GEORGE & ASSOCIATES

  
P. J. GEORGE, M.COM, FCA  
Membership No. 205095  
Proprietor  
Chartered Accountants  
FRN 0093045

**COSIMA TRAVEL & TRADE LINKS (P) LTD**  
**PENTA SQUARE, M.G.ROAD, COCHIN-35**  
**ERNAKULAM**

**BALANCE SHEET AS ON 31-3-2011**

PARTICUL	SCHEDULE NO		3/31/2011	3/31/2010
<b><u>I. SOURCE OF FUNDS</u></b>				
a) SHARE CAPITAL	1		2000000.00	1000000.00
b) RESERVE & SURPLUS			735856.15	563878.42
c) SHARE APPLICATION MONEY (Pending Allotment)			1000000.00	1000000.00
<b><u>II. LOAN FUNDS :-</u></b>				
a) SECURED LOANS	2		2383491.34	1883921.34
b) UNSECURED LOANS				
			6119347.49	4447799.76
<b><u>III. APPLICATION OF FUNDS:-</u></b>				
1) FIXED ASSETS				
a) GROSS BLOCK	3	3984767.55		
b) LESS: DEPRECIATION		1718871.55	2265896.00	2521980.00
2) INVESTMENTS				
3) CURRENT ASSETS, LOANS ADVANCES	4			
SUNDRY DEBTORS		7363093.83		3523521.08
CASH & BANK BALANCES		91542.47		1067165.59
LOANS & ADVANCES		2186862.99		1417079.89
		9641499.29		6007766.56
LESS: CURRENT LIABILITIES & PROVISIONS	5	5797471.80		4068346.80
NET CURRENT ASSETS			3844027.49	1939419.76
DEFERRED TAX ASSET/(LIABILITY)			9424.00	-13600.00
MISCELLANEOUS EXPENDITURE				
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	6			
<b>TOTAL</b>			6119347.49	4447799.76

The schedule 1 to 6 form part of the above Balance Sheet  
For and on behalf of the Board

Managing Director  
Place : Cochin-35  
Date : 31-08-2011

Director  
As per our Report of even date attached



**P. J. GEORGE & ASSOCIATES**

**P. J. GEORGE, M.COM, FCA**

Membership No. 205093

Proprietor

Chartered Accountant

F&N 0093045

**COSIMA TRAVEL & TRADE LINKS (P) LTD**  
**PENTA SQUARE, M.G.ROAD, COCHIN-35**  
**ERNAKULAM**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-3-2011**

PARTICULARS	SCHEDULE NO.	31/03/11	31/03/10
<b><u>INCOME:</u></b>			
COMMISSION & SERVICE CHARGES RECEIVED	7	5567351.10	5079857.72
		5567351.10	5079857.72
<b><u>EXPENDITURE:</u></b>			
ADMINISTRATIVE & OTHER EXPENSES	8	4855694.37	4485208.08
DEPRECIATION	3	462084.00	348020.00
		5317778.37	4833228.08
NET PROFIT		249572.73	246629.64
PROVISION FOR TAXATION		100619.00	89508.00
PROVISION FOR FRINGE BENEFIT TAX		148953.73	157121.64
PROVISION FOR DEFERRED TAX		23024.00	29971.00
NET PROFIT AFTER TAXATION		171977.73	187092.64
NET PROFIT BROUGHT FORWARD FROM PREVIOUS YEAR		563878.42	376785.78
APPROPRIATIONS:- PROPOSED DIVIDEND			
BALANCE CARRIED TO BALANCE SHEET		735856.15	563878.42
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	6		

The schedule 3,6 to 8 form part of the above Profit & Loss Account  
For and on behalf of the Board

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Managing Director

/

Director

As per our Report of even date attached

Place : Cochin-35  
Date : 31-08-2011



For P. J. GEORGE & ASSOCIATES

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P. J. GEORGE, M.COM, FCA  
Membership No. 205093  
Proprietor  
Chartered Accountant  
FRN 009304 S

**COSIMA TRAVEL & TRADE LINKS (P) LTD**  
**PENTA SQUARE, M.G.ROAD, COCHIN-35**  
**ERNAKULAM**

PARTICULARS	AS AT 31-03-2011	AS AT 31-03-2010
<b><u>SCHEDULE-1</u></b>		
<b><u>SHARE CAPITAL</u></b>		
<b><u>AUTHORISED</u></b>		
200000 EQUITY SHARES OF Rs.10/- EACH	2000000.00	500000.00
<b><u>ISSUED, SUBSCRIBED &amp; PAID UP:-</u></b>		
200000 EQUITY SHARES OF Rs.10/- EACH FULLY PAID UP	2000000.00	450000.00
	2000000.00	450000.00
<b><u>SCHEDULE F-2</u></b>		
Union Bank of India (The above both loans are secured on all tangible assets of the company , books debts , etc in present and future )	2008496.34	1401743.34
Union Bank of India - In the name of Director ( The above loan is secured on the hypothication of vehicle purchased by utilizing the loan fund )	374995.00	482178.00
	2383491.34	1883921.34
<b><u>SCHEDULE-4</u></b>		
<b><u>CURRENT ASSETS LOANS AND ADVANCES</u></b>		
<b>A <u>CURRENT ASSETS</u></b>		
<b><u>SUNDRY DEBTORS (UNSECURED- CONSIDERED GOOD- SUBJECT TO CONFIRMATION)</u></b>		
I More than 6 month	875186.71	1006054.71
ii Other debts	6487907.12	2517466.37
Cash in hand	51469.18	10132.18
Cash in hand-Branch	16861.50	20724.50
Cash at Bank -with scheduled bank -in current a/c	23211.79	1036308.91
<b>B <u>LOANS &amp; ADVANCES (UNSECURED-CONSIDERED GOOD-SUBJECT TO CONFIRMATION)</u></b>		
CHITTY	1059820.00	398550.00
DEPOSITS	1053113.99	954000.89
LOANS & ADVANCES	73929.00	64529.00
	9641499.29	6007766.56



**SCHEDULE-3**

**FIXED ASSETS**

Sl. No.	ASSETS	GROSS BLOCK		DEPRECIATION			NET BLOCK				
		At Cost as at 3/31/2010	Addition	Delat-ions	At cost as at 3/31/2011	Upto 3/31/2010	For the Period	Delations	Up to 3/31/2011	As at 3/31/2010	As at 3/31/2011
	BUILDING	1094070.00			1094070.00	195126.00	44947.00		240073.00	898944.00	853997.00
	FURNIHING	280000.00			280000.00	139428.00	25444.00		164872.00	140572.00	115128.00
1	COMPUTER	430805.00	114450.00		545255.00	367815.00	42606.00		410421.00	62990.00	134834.00
2	BIKE	34396.00			34396.00	25555.00	2289.00		27844.00	8841.00	6552.00
3	FURNITURE										
4	& FITTINGS ELECTRICAL	92862.00	33550.00		126412.00	74394.00	3343.00		77737.00	18468.00	48675.00
	FITTINGS	12584.05			12584.05	10266.05	322.00		10588.05	2318.00	1996.00
	AIR CONDITI										
	ONER	62000.00	47600.00		109600.00	32563.00	4530.00		37093.00	29437.00	72507.00
	OFFICE										
	EQUIPMENT	41300.00			41300.00	25303.00	2895.00		28198.00	15997.00	13102.00
5	UPS	28830.50			28830.50	14041.50	2057.00		16098.50	14789.00	12732.00
6	FAX	17500.00			17500.00	13256.00	590.00		13846.00	4244.00	3654.00
7	MOBILE										
	PHONE	16597.00	10400.00		26997.00	12287.00	600.00		12887.00	4310.00	14110.00
8	GENERATOR	57710.00			57710.00	20269.00	5208.00		25477.00	37441.00	32233.00
9	SHELF	59234.00			59234.00	19633.00	5508.00		25141.00	39601.00	34093.00
8	REFRIGER										
	ATOR	5000.00			5000.00	2212.00	388.00		2600.00	2788.00	2400.00
9	VEHICLE	1545879.00			1545879.00	304639.00	321357.00		625996.00	1241240.00	919883.00
		3778767.55	206000.00	0.00	3984767.55	1256787.55	462084.00	0	1718871.55	2521980.00	2265896.00
	Previous Year	3403757.55	700000.00	325000.00	3778767.55	992910.55	348020.00	84143.00	1256787.55	2410857.00	2521980.00



**SCHEDULE-5**

**CURRENT LIABILITIES & PROVISIONS**

EXPENSES PAYABLE&PROVISIONS	131750.00	109136.00
SUNDRY CREDITORS	2088040.80	1170244.80
SUNDRY CREDITORS AIR LINES	3254347.00	2770466.00
SREE GOKULAM CHIT AND FINANCE CO PVT LTD -2	156692.00	
SREE GOKULAM CHIT AND FINANCE CO PVT LTD -2	166642.00	
COCHIN KURIES NO.11		18500.00
	5797471.80	4068346.80



**SCHEDULE-7****OTHER INCOME**

TICKET COMMISSION		
AIRLINE COMMISSION	987132.10	1403660.00
INTEREST RECEIVED		92634.00
SERVICE CHARGES ON TICKET ISSUE	140733.00	
SERVICE CHARGES	1313708.00	1082442.00
MISCELLANEOUS COMMISSION	275982.00	93161.00
CANCELLATION CHARGES	17959.00	41153.00
VISA & OTHER SERVICE CHARGES	2274559.00	1986149.00
COMMISSION RECEIVED	557278.00	380658.72
	<b>5567351.10</b>	<b>5079857.72</b>

**SCHEDULE-8****ADMINISTRATIVE & OTHER EXPENSES**

SALARIES & ALLOWANCES	1320466.00	1053540.00
RENT	180600.00	192994.00
BONUS & FESTIVAL ALLOWANCES	38000.00	7000.00
ELECTRICITY CHARGES	103341.00	126575.00
TRAVELLING & PETROL EXPENSES	175190.00	192547.00
CONVEYANCES	13057.00	15576.00
PHOTOSTAT EXPENSES	11473.00	19575.00
PRINTING & STATIONERY	58053.00	53387.00
TELEPHONE EXPENSES	270316.00	199198.00
PAPERS & PERIODICALS	2348.00	3508.00
PETROL CHARGES	10200.00	10300.00
COMMISSION PAID	32200.00	
INTERNET CHARGES	6998.00	440.00
ADVERTISEMENT EXPENSES	2612.00	16732.00
CLEANING CHARGES	13300.00	13966.00
WEB SITE	7100.00	9631.00
TEA EXPENSES	3396.00	6572.00
STAFF WELFARE	67600.00	32500.00
POSTAGE & TELEGRAM	207.00	40.00
OFFICE EXPENSES	25334.00	26277.00
DISCOUNT		275.00
DIGITAL SIGNATURE		2500.00
COURIER CHARGES	56811.00	49051.00
ROC FILING FEE	41600.00	25500.00
REPAIRS & MAINTENANCE	59682.00	4155.00
SERVICE CHARGES	26161.00	
COMPUTER MAINTENANCE	15150.00	19925.00
ELECTRICAL MAINTENANCE	230.00	10629.00
VEHICLE MAINTENANCE	49945.00	2577.00
AIR CONDITION MAINTENANCE	5900.00	
INSURANCE	36334.00	49229.00
MOBILE CONVEYANCE	450.00	
PROFESSIONAL CHARGES	15065.00	1000.00
SECURITY CHARGES	4100.00	4000.00
INTEREST & BANK CHARGES	263647.37	530083.08



INTEREST ON VEHICLE LOAN	53073.00	75227.00
LEGAL CHARGES	12040.00	
DONATION	1670.00	11325.00
WATER CHARGE	2825.00	36173.00
DOCUMENTATION CHARGES	4250.00	
IATA FEE	17494.00	48029.00
IATA INSURANCE	50729.00	
CORPORATION TAX	6370.00	4458.00
DIRECTORS REMUNERATION	1500000.00	1500000.00
GENERATOR RUNNING EXPENSES	7765.00	1520.00
SERVICE CHARGES	127172.00	56621.00
INTEREST IN CHITTY	45230.00	21000.00
LOSS ON SLAE OF VEHICLE		10857.00
AUDITORS REMUNERATION:-		
AUDIT FEE	12500.00	10000.00
INCOME TAX MATTERS	3000.00	2500.00
COMPANY LAW & SECRETERIAL MATTERS	3000.00	2500.00
OTHERS EXPENSES	1900.00	1550.00
BAD DEBTS	64210.00	
MISCELLANEOUS EXPENSES	25600.00	24166.00
	4855694.37	4485208.08



## SCHEDULE - 6

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

#### 1. Significant Accounting Policies:

##### A. Basis of preparation of Financial Statements

a. The financial statements have been prepared under the historical cost convention in accordance with, the generally accepted accounting principles and the provisions of the Companies Act, 1956.

b. The company follows mercantile system of accounting and recognise significant items of income and expenditure on accrual basis.

##### B. Fixed Assets

Fixed assets includes all expenditure of capital nature and are stated at cost of acquisition, installation and commissioning expenses. Fixed assets are valued at historical cost less depreciation.

##### C. Depreciation on Fixed Assets :

Depreciation has been calculated on Written Down Value method on a pro-rata basis, with reference to the date of installation, corresponding to the rates prescribed under Schedule XIV of the Companies Act, 1956, as amended from time to time. Fixed assets less than Rs.5000/- are written off in the initial year itself on pro-rata basis.

##### D. Inventories:

The company has no inventories.

##### E. Preliminary Expenses:

Preliminary expenses are treated as deferred revenue expenditure and the same is being written off in ten equal installments, starting from the initial year in which it was incurred.

F. Provision of gratuities Act are not applicable to the Company.

G. There is no changes in accounting policies

#### 2. NOTES ON ACCOUNTS

##### a. Comparative figures for the previous year:

The figures for the previous year have been regrouped wherever necessary to confirm to the classification for the current year.

##### b. Details of Managerial remuneration

###### (a) To Managing Director

	<u>As at 2010-11</u>	<u>As at 2009-10</u>
i) Salary & Allowances	500000.00	500000.00
ii) Perquisites	-----	-----
iii) Sitting fees	-----	-----



b) To Whole Time Directors

i) Salary & Allowances	1000000.00	1000000.00
ii) Perquisites	-----	-----
iii) Sitting fees	-----	-----

c. In the opinion of the Directors , sundry debtors ,loans and advances and other current assets have the value at which they are stated in the Balance sheet , if realized in the ordinary course of business

d Sundry debtors, sundry parties ,loans and advances, secured loans , trade advances and sundry creditors and bank balances are subject to confirmation/reconciliation

e. Value of imports calculated on C.I.F. basis by the company during the period in respect of:

	<u>As at 2010-11</u>	<u>As at 2009-10</u>
i) Raw materials	NIL	NIL
ii) Components & spare parts	NIL	NIL
iii) Capital goods	NIL	NIL

f. Expenditure in foreign currency during the period on account of royalty, know-how, professional consultations fees, interest and other matter - NIL (2009-10- NIL)

g. (i) ) Value of imported raw materials, spare parts and components consumed during the year and percentage thereof - Nil (2009-10- Nil)

(ii) Value of indigenous raw materials, spare parts and components consumed during the year and percentage thereof - Nil (2009-10- Nil)

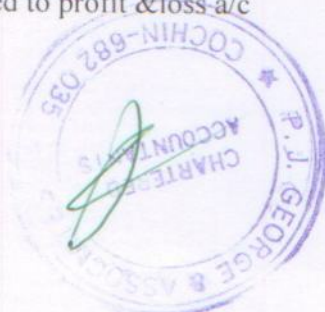
h Deferred Tax

i) The Company has adopted Accounting Standard 22 (AS22): " Accounting for Taxes on Income" which is mandatory. Accordingly:

i) The company has provided for deferred tax during the year. Net deferred tax asset for the year amounting Rs. 9424 has been provided.

ii) Major components of Deferred Tax Liabilities

Deference between Book Value of Depreciable Assets as per books of account and written Down Value for tax purposes	Rs 9424.00
Deferred tax Assets as on 31-3-2011	Rs 9424.00
Opening Deferred tax liability	Rs. 13600.00
Deferred tax liability credited to profit & loss a/c	Rs.23024.00



i Earning Per share

Earning per share is computed as follows

- (i) Net Profit for the year attributable to equity share holders is Rs 171977.73
- (ii) Weighted average number of equity shares for Basic/ Diluted Earning per share is 100548
- (iii) Nominal value of equity shares is Rs.10

	171977.73
Basic/Diluted Earning per share	= .....
	100548
EPS	= Rs 1.71

j Remittance in Foreign currency on Account of Dividend - Nil (2009-10 Nil)

k. Earnings in Foreign Exchange - NIL (2009-10- Nil)

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Signature to Schedule 1 to 8 which form integral part of accounts.  
For and on behalf of Board

Managing Director

Director

As per our Report of even date.

Place : Cochin - 35

Date : 31--08--2011.



For P. J. GEORGE & ASSOCIATES

P. J. GEORGE, M.COM, FCA

Membership No. 205093

Proprietor

Chartered Accountant

FRN 009304 S