

REGAL ENTERTAINMENT AND CONSULTANTS LTD.

BOARD OF DIRECTORS

| | |
|------------------------|-----------------------|
| Shri Dinesh Gupta | Managing Director |
| Shri Satish Kusumbiwal | Jt. Managing Director |
| Shri Dhiraj Mehta | |
| Shri Surendra Salgia | |
| Shri Brijesh Mathur | |
| Shri K. B. Agarwal | |

REGISTERED OFFICE

24, Gunbow Street
Fort, Mumbai – 400 001

BANKERS

Central Bank of India
Canara Bank
Axis Bank

AUDITORS

K. K. Gada & Co.
Chartered Accountants
Mumbai.

STOCK EXCHANGE

Mumbai, Madras

ANNUAL GENERAL MEETING

Date : Monday, 29th September 2008
Time : 2.30 p.m.
Venue : Jurassic Park Resort & Club
Kharodi Ali Talao Road
Malad (W)
Mumbai – 400 095.

REGISTRARS AND SHARE TRANSFER AGENTS

Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E),
Mumbai – 400 072
Tel. No. 40430200

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the members of REGAL ENTERTAINMENT AND CONSULTANTS LIMITED will be held on Monday 29th September 2008 at 2.30p.m. at Jurassic Park Resort & Club, Kharodi Ali Talao Road, Malad (W), Mumbai – 00 095, to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at and the Profit & Loss Account for the year ended 31st March 2008 and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Brijesh Mathur who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri K.B. Agarwal who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
5. To consider & if thought fit, to pass with or without modification the following resolution as a Special Resolution.

“RESOLVED AS SPECIAL RESOLUTION THAT in accordance with the provisions of Section 81, 81(1A) and other applicable provision of the Companies Act 1956 and the provisions of the Memorandum and Articles of Association of the company and the Listing Agreement entered into by the company with the Stock Exchange where the company's shares are listed and subject to such other statutory and other approvals, consents, permissions and sanctions from the appropriate concerned authorities, as may be necessary, and further subject to such terms, condition and modification as may be prescribed or imposed by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the company, (hereinafter referred to as “the Board” which terms shall include any committee which the Board may constitute to exercise the powers of the Board including the powers conferred by this resolution), the consent, authority and approval of the company be and is hereby accorded to the Board to offer, issue and allot not exceeding 19,27,900 Equity Shares of the face value of Rs. 10/- each by way of equity shares and / or securities converted into equity ie partly / fully convertible debenture / warrants etc, at a price to be determined in accordance to the Guidelines of Securities and Exchange Board of India on preferential issue at a time or from time to time in one or more lots to the members, Indian public, promoters or promoters group (which expression shall mean and include the promoters in the present management / control of the company, the company directors and their friends, relatives, business associate companies hereinafter referred to as “Promoter Group”), employee of the company, Non Resident Indians (NRI's), Overseas Corporate Bodies (OCB's), Foreign Institutional Investors (FII's), Indian Companies, Incorporated Bodies, Individual and other entities including Financial Institution and mutual funds and to such other categories of investors or any combination thereof, whether members of the company or not by way of one or more offering on preferential allotment basis, on such terms and conditions and in one or more tranches as may be decided or deemed fit by the board in its absolute and sole discretion.”

“RESOLVED FURTHER THAT such of these shares to be issued as are not subscribed may be disposed off by the Board in its absolute discretion in such manner and / or such terms as it may deem fit, including offering or placing them with banks / financial institutions / Investment Institutions / Mutual Funds / Bodies Corporate / such other persons or otherwise as the Board may in the its absolute sole discretion deem fit and proper.”

“RESOLVED FURTHER THAT for purpose of giving effect to the above Resolutions which include the allocation, offer, issue or allotment of Equity Shares, the board be & is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writing as it may, in its absolute direction, deem necessary, expedient or desirable and to settle any questions, difficulty or doubt that may arise in regard to the allocation, offer, issue or allotment of the equity shares and the utilization of the issue proceeds as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the members or otherwise.”

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

“ RESOLVED THAT pursuant to the provisions of Section 198,269,309, 311,314 and other applicable provision, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule XIII thereto, approval of the members be and is hereby accorded for the revision in remuneration of Managing Director & Joint Managing Director as may be decided by the Board from time to time within the limit as, prescribed in Schedule XIII of the Companies Act 1956.”

By order of the Board


DINESH GUPTA
Managing Director

Place: Mumbai
Date: 27th August 2008

Registered Office
24, Gunbow Street,
Fort, Mumbai – 400 001.

NOTE:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. The relevant Explanatory statement pursuant to section 173(2) of the Companies Act 1956 in respect of item no. 5 and 6 is annexed hereto.
3. The relevant details of Directors seeking reappointment under item no. 2 & 3 as required under clause 49 of the listing agreement is annexed.
4. The Register of Members and the Share Transfer book of the Company will remain closed from, Monday 22nd September ,2008 to Saturday 27th September, 2008 (both days inclusive).
5. Members are requested to kindly notify any change in their addresses immediately to the Company's Registered Office and to Registrar and Share Transfer Agent. Members whose Shareholding is in electronic mode are requested to direct change of address notification to their respective Depository participant.
6. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least ten days in advance, so as to enable the Company to keep the information ready.
7. Members are requested to kindly bring their copies of the Report and Account to the meeting.

By order of the Board


DINESH GUPTA
Managing Director

Place: Mumbai
Date: 27th August 2008

Registered Office
24, Gunbow Street,
Fort, Mumbai – 400 001.

EXPLANTORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

The Company wishes to expand its activities in the financial segment with major emphasis on investment banking that will include Equity Capital Market, Advisory Services relating to capital raising etc.

The company is also exploring the viability of acquiring membership of stock exchange & /or commodity exchange.

The company will need additional funds to execute these plans; hence the resolution is proposed to enable the company to raise funds as and when required.

None of the Director is deemed to be concerned or interested in the resolution except to the extent of allotment, which may be made to them in terms of this resolution.

Your directors recommend the resolution as set out in the item 5 of the notice.

ITEM NO.6

Mr. Dinesh Gupta and Mr. Satish Kusumbiwal are the Promoter Directors of the Company and they are conducting day to day management of the company subject to the supervision, direction & control of the board. The Remuneration committee and Board feels that due to varying conditions there may be need for revision in the remuneration of Managing Director and Joint Managing Director.

Mr. Dinesh Gupta and Mr. Satish Kusumbiwal may be deemed to be concerned or interested in the resolution. None of the other directors is concerned or interested in the resolution.

The resolution is proposed to be passed pursuant to Sections 198,269,309,311,314 and other applicable provisions of the Companies Act, 1956 including Schedule XIII to the said Act,

Your Director recommend this resolutions to be passed as Ordinary Resolutions.

ANNEXTURE

PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE REAPPOINTED.

1. Mr. Brijesh Mathur aged around 47 years was first appointed as an additional director on 31st October 2002. Mr. Mathur is a commerce graduate & is a Fellow Member of the Institute of Chartered Accountant of India. Mr. Mathur is a practicing Chartered Accounts having rich experience in corporate taxation, audit etc.

Other directorship

Nil

Committee Membership

Regal Entertainment &
Consultants Ltd.
Audit Committee

2. Mr. K.B. Agarwal aged around 43 years was first appointed as an additional director on 24th March 2003. Mr. Agarwal is a commerce graduate & is a member of the Institute of Chartered Accountants of India. Mr. Agarwal is an industrialist.

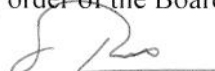
Other directorship

Palco Metals Ltd.

Committee Membership

Regal Entertainment &
Consultants Ltd.
Audit Committee
Remuneration Committee (Chairman)

By order of the Board



DINESH GUPTA
Managing Director

Place: Mumbai

Date: 27th August 2008.

REGISTERED OFFICE

24, Gunbow Street,
Fort, Mumbai – 400 001.

DIRECTORS' REPORT

Your Directors presents their Sixteenth Annual Report and Audited Accounts for the year ended 31st March 2008.

FINANCIAL RESULTS:

| | For the year ended March 31, 2008 (Rs. in Lakh) | For the year ended March 31, 2007 (Rs. in Lakh) |
|---|---|---|
| Income | 198.27 | 122.83 |
| Profit before tax | 29.85 | (11.81) |
| Less: Provision for tax | 0.62 | --- |
| Provision for Fringe benefit Tax | 0.05 | 0.18 |
| Earlier Year Item | 1.15 | 1.08 |
| Deffered Tax Liability | 0.12 | 0.15 |
| Profit after tax | 27. 91 | (13.22) |
| Add: Profit brought forward from last year | (29.65) | (16.43) |
| Profit available for Appropriation | <u>(1.74)</u> | <u>(29.65)</u> |

APPROPRIATIONS:

| | | |
|-------------------------|---------------|----------------|
| Balance Carried Forward | <u>(1.74)</u> | <u>(29.65)</u> |
|-------------------------|---------------|----------------|

DIVIDEND:

In view of the carried forward losses, your Directors do not recommend any Dividend.

OPERATIONS AND OUTLOOK:

The total income increased to Rs.198.27 Lakh from Rs. 122.83 Lakh and the company earned a Profit of Rs. 27.91 Lakh, as against Loss of Rs. 13.22 Lakh in the last year.

ICE SKATING RINK AT ESSELWORLD

The Company has transferred Ice Skating Rink at Esselworld with effect from 3rd May 2008 as per Built, Operate & Transfer (BOT) agreement to Pan India Paryatan Ltd. After transfer of Ice Skating Rink, Company has only one segment i.e. financial .

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with provisions of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- i. That in the presentation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- ii. That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for the year under review;
- iii. That the directors had taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the directors had prepared the accounts for the financial year ended 31st March 2008 on a going concern basis.

REPORT ON CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement with Stock Exchange, a separate Section titled Corporate Governance has been included in this report. The auditors certificate on compliance of clause 49 of the listing Agreement by the Company is annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS:

A brief note on management discussion and analysis is annexed which forms part of the Directors Report.

FIXED DEPOSITS:

The Company has neither invited nor accepted any fixed deposits from the public.

LISTING:

The equity shares of the company are listed in the Stock Exchange, Mumbai and Madras and listing fee for the financial year 2008-2009 have been paid to the concerned Stock Exchanges. The approval of Delhi Stock Exchange for voluntary delisting is still awaited meanwhile company has not made payment of listing fee to Delhi Stock Exchange.

DIRECTORS:

Shri Brijesh Mathur and Shri K.B.Agarwal retire by rotation and eligible for reappointment, which the directors recommend.

AUDITORS:

Shareholders are requested to appoint the Auditors of the Company. M/s K. K. Gada & Co, Chartered Accountants, retiring Auditors have informed the Company that being eligible they offer themselves for reappointment, and have certified that their appointment, if made, will be in accordance with the limits specified in Section 224 (1-B) of the Companies Act, 1956.

The observations of the Auditors in their Report are self explanatory.

EMPLOYEES:

None of the employee of the company is falling under the Category specified in section 217 (2A) of the companies Act 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

The provision of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure in the Report of Board of Directors) Rules 1988 are not applicable to your Company. Since your company is not a scheduled industries as per said rules. However, at ice skating rink adequate measures were taken to conserve energy as far as possible.

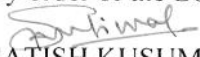
Your Company neither earned nor spent any foreign exchange during the year.

ACKNOWLEDGEMENT

The Board wishes to express its deep appreciation to the entire staff member, Bankers, Shareholders and Clients for their valuable support to the Company.

Place: Mumbai
Date: 27th August, 2008


DINESH GUPTA
Managing Director

By order of the Board

SATISH KUSUMBIWAL
Jt. Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

- Industry structure and development**
The health of financial segment is largely influenced by the economic condition of the country. The Indian economy witnessed a deceleration in the growth rate in F.Y. 2007-08, which was 8.7% as compared to 9.6% in the previous year. This was mainly due to slowing down of the economy & inflationary pressures within India.
- Outlook**
We have positive outlook about the long term India story & expect financial services sector to grow- rapidly . The Company wishes to expand its activities in the financial segment with major emphasis on investment banking that will include Equity Capital Market, Advisory Services relating to capital raising etc. The company is also exploring the viability of acquiring membership of stock exchange & /or commodity exchange
- Opportunities and Threats**
The Indian economy's strength and the long term dynamics continue to work in its favour. With this the long term horizon remains positive, there are short term factors affecting the growth like inflation, fiscal deficits, etc. Though this may result in emergence of many opportunities, these will have to be carefully evaluated in the long term interest of the company and its Shareholders.
- Segment wise Reporting**
During the year under review company had two segments viz Finance and Entertainment.
The income and profit in each segment was as under:(Rs. in Lakh)

| | Finance | Entertainment | Unallocable | Total |
|-----------------------|---------|---------------|-------------|--------|
| Income from Operation | 94.34 | 40.15 | - | 134.49 |
| Profit before tax | 26.44 | 4.38 | (0.97) | 29.85 |

As stated earlier with the transfer of Ice Skating Rink w. e. f. 3rd May 2008 Company will now have only one segment viz financial.

- Risk & Concerns:**
Your company is in continues process of cost control and is taking cost reduction measures. We take all necessary steps to identify measures & manage risk effectively.

6. Internal Control System:

The company maintains an adequate and effective internal control system commensurate with its size & nature of business. The observations of the audit committee, which met four times during the year were taken into consideration.

7. Financial Performance:

The total income during the year increased to Rs. 198.27 lacs from Rs. 122.83 lacs and the company earned a profit of Rs. 27.91 Lakh as against loss of Rs. 13.22 Lakh in the last year.

8. Human resources management:

Relation with the employees continued to remain cordial during the year. Training is imparted as per the requirement of the job.


9. Cautionary statement:

Statement in the Management Discussion and Analysis and Statement forming part of Directors Report may contain forward looking & progressive statements within the meaning of applicable security laws & regulations. Actual results may vary from those expressed or implied depending upon economic condition, Government policies & other incidental factors.



By order of the Board

DINESH GUPTA
Managing Director



SATISH KUSUMBIWAL
Jt. Managing Director

Place: Mumbai

Date: 27th August, 2008

CORPORATE GOVERNANCE

- 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:** Regal Entertainment and Consultants Ltd. (Regal or The company) is committed to strong corporate governance and realizes its indispensability in investor protection. Hence, the Company's philosophy on corporate governance is to ensure that information disclosure to present and potential investor is maximized, to ensure that board exercise its fiduciary responsibilities and to ensure that the directors, employees and all concerned are fully committed to maximizing long term value to their Shareholders and the company.

- 2. BOARD OF DIRECTORS:**

As on March 31, 2008 Regal had 6 Directors on its Board, of which four are non-executive directors. The directors are qualified professionals having experience in respective functional area. The board mainly deals with policy formulation, evaluation of performance & control functions.

The board met six times during the year on 30th April 2007, 31st July 2007, 28th August 2007, 31st October 2007 31st December 2007 and 31st January 2008.

The composition of board, their attendance, number of other directorship are given below: -

| Name of Director | Position | Attendance Particular | | No of Directorship & committee Membership / chairmanship | | |
|-------------------|----------|-----------------------|----------|--|----------------------|------------------------|
| | | Board Meeting | Last AGM | Other Directorship | Committee Membership | Committee Chairmanship |
| Dinesh Gupta | P,E | 6 | Present | 3 | 1 | - |
| Satish Kusumbiwal | P,E | 6 | Present | 2 | 1 | - |
| Dhiraj Mehta | N,I | 6 | Present | 3 | 1 | 1 |
| Surendra Salgia | N, I | 6 | Present | 1 | 1 | 1 |
| Brijesh Mathur | N, I | 6 | Present | - | 1 | - |
| K. B. Agarwal | N, I | 6 | Present | 1 | 1 | - |

P = Promoter E = Executive

N = Non Executive

I = Independent

- 3. AUDIT COMMITTEE:**

The role of the Audit committee and its terms of reference and composition are in accordance with provisions of clause 49 of the listing agreement. The role of audit committee includes overseeing the financial reporting process, to ensure proper disclosure of financial statements & reviewing it, discussion with auditor's etc.

The audit committee of the member of the board comprises of 3 non-executive directors, of which Shri Surendra Salgia is the Chairman of the committee and Shri K. B. Agarwal and Shri Brijesh Mathur are independent directors.

The duly constituted committee met four times on the following date where all the members of the committee were present, 31st July 2007, 28th August 2007, 31st October 2007 and 31st January 2008.

- 4.a) REMUNERATION TO DIRECTORS:**

The remuneration of the directors is as per the ceiling approved by the Shareholders. Details of remuneration paid to Managing Director and Jt. Managing Director during the year ending March 31st, 2008 is as under.

| Name | Designation | Remuneration (Rs.) | | |
|-------------------|-----------------------|--------------------|-----------|----------|
| | | Salary | Allowance | Total |
| Dinesh Gupta | Managing Director | 1,80,000 | 72,000 | 2,52,000 |
| Satish Kusumbiwal | Jt. Managing Director | 1,80,000 | 72,000 | 2,52,000 |

b) REMUNERATION COMMITTEES

The Remuneration Committee of the member of Board comprises of three non executive, independent directors of which Shri K.B. Agrawal is the chairman and Shri Surendra Salgia and Shri Dhiraj Mehta are the members of the committee. The said committee has been formed by Board of Directors at their meeting held on July 31, 2008. The terms of reference of the committee amongst other includes recommendation to Board the remuneration package of Company's Managing Director & Joint Managing Director including all element of remuneration packages and to determine on behalf of the Board and on behalf of the Shareholders specific remuneration package for Company's Managing Director & Joint Managing Director.

A declaration signed by Managing Director is given below:

I hereby confirm that, the company has obtained from all the members of the board and senior management, affirmation that they have complied with the code of business conduct and ethics for directors and senior management in respect of the financial year 2007 – 08.

No remuneration was paid to non-executive directors.

5. SHAREHOLDER'S COMMITTEE:

The committee comprise of Shri Dhiraj Mehta who is non-executive, independent director and Chairman of the committee and Shri Dinesh Gupta & Shri Satish Kusumbiwal who are Directors and the compliance officers. The functions of the Shareholders committee mainly includes transfer of shares, redressed of shareholders grievances etc. The duly constituted committee met four times on the following date where all the members of the committee were present: -

30th April 2007, 31st July 2007, 31st October 2007 and 31st January 2008.

There were no complaints received from the shareholders during the year. As on March 31st, 2008, there were no pending share transfers.

6. GENERAL BODY MEETING:

The details of Annual General Meeting held in the last years are given below:

| Annual General Meeting / Year | Day, Date | Time | Venue |
|--------------------------------|------------------------------|-----------|--|
| 15 th Meeting, 2007 | Friday, September 28, 2007 | 2.30 p.m. | Jurassic Park Resort & Club, Kharodi Ali Talao Road, Malad (W) Mumbai – 400 095. |
| 14 th Meeting, 2006 | Friday, September 29, 2006 | 2.30p.m. | Jurassic Park Resort & Club, Kharodi Ali Talao Road, Malad (W) Mumbai – 400 095. |
| 13 th Meeting, 2005 | Thursday, September 29, 2005 | 2.30 p.m. | Jurassic Park Resort & Club, Kharodi Ali Talao Road, Malad (W) Mumbai – 400 095. |

No Special resolutions were put through postal till last year.

7. DISCLOSURES:

- a) There were no transactions of a material nature with the promoters, directors or the management, the company's subsidiaries or relatives of the directors during the financial year of the company which could have potential conflict with the interest of the company. Transaction with related parties are disclosed in point No. 9 of the notes to Accounts, as detailed under schedules 9 of the Annual Accounts.

- b) The company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to Capital Market during the last three years. No penalties or strictures have been imposed on the company by the Stock Exchanges, SEBI or statutory authorities relating to the above.
- c) The individual detail of directors seeking reappointment at the ensuing Annual General Meeting of the company are provided in the explanatory statement accompanying the notice of Annual General Meeting.

SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out a Secretarial Audit to reconcile 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 confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

8. MEANS OF COMMUNICATION:

Company's financial results like quarterly, half yearly are published regularly as per the requirement of listing agreement generally in Free Press Journal and Navshakti. The company currently does not have a website. Official news release is sent to Stock Exchange where shares are listed.

Management Discussion & Analysis is forming part of Directors Report.

9. GENERAL SHAREHOLDER INFORMATION:

- a. Annual General Meeting : Monday 27, 2008 at 2.30 pm. At Jurassic Park Resort & Club, Kharodi Ali Talao Road, Malad (W), Mumbai – 400 095
- b. Financial Calendar : The company follows April – March as its financial year. The unaudited result for every quarter beginning from April are declared in the month following that quarter.
- c. Date of Book closure : 22nd September 2008 to 27th September 2008 (both days inclusive)
- d. Listing on Stock Exchange : The Stock Exchange, Mumbai
: The Stock Exchange, Madras
- e. Listing fee : Paid for the year 2008 – 2009
The approval of the Delhi Stock Exchange for voluntary delisting is still awaited, meanwhile company has not made payment of listing fee to Delhi Stock Exchange
- f. Stock code : 531033 Stock Exchange Mumbai
- g. Demat ISIN no : INE101E10101
- h. Market Price Data (High/Low) during each month in last financial year is given below. (Stock Exchange Mumbai)

| Months | High | Low | Month | High | Low |
|----------------|------|------|---------------|------|------|
| April 2007 | 5.01 | 3.01 | October 2007 | 6.10 | 3.74 |
| May 2007 | 5.39 | 3.92 | November 2007 | 5.28 | 3.44 |
| June 2007 | 6.09 | 5.51 | December 2007 | 8.01 | 4.96 |
| July 2007 | 5.70 | 3.70 | January 2008 | 8.82 | 5.78 |
| August 2007 | 5.25 | 3.66 | February 2008 | 6.53 | 4.61 |
| September 2007 | 5.82 | 4.76 | March 2008 | 5.87 | 3.45 |

- i. Registrar and Transfer Agents and Share Transfer System.
Share sent for physical transfer are registered and returned within 20 days of receipt, if the document are clear and complete in all respects.
There was no share transfer pending as on March 31, 2008. For carrying out physical Share Transfer / demat / remat work including demat connectivity with NSDL & CDSL, Company has appointed Big share Services Pvt. Ltd., E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E) Mumbai – 400 0072, as its transfer agents.

j. Shareholding pattern as on March 31, 2008

| Category | No. Of Shares | Percentage of Total |
|-----------------------------|----------------|---------------------|
| Promoter and promoter group | 884297 | 28.78 |
| Bodies Corporate | 359350 | 11.70 |
| Indian Public | 1780668 | 57.96 |
| Non – resident Indians | 6000 | 0.20 |
| Other clearing Member | 41785 | 1.36 |
| Total | 3072100 | 100.00 |

k. Distribution of Shareholding as on March 31, 2008.

| Number of share | No. Of Shareholder | Percent of Shareholder | Total Number of Shares | Percent of Holding |
|-----------------|--------------------|------------------------|------------------------|--------------------|
| 1-500 | 1691 | 70.87 | 401571 | 13.07 |
| 501-1000 | 334 | 14.00 | 286055 | 9.31 |
| 1001-2000 | 177 | 7.42 | 280201 | 9.12 |
| 2001-3000 | 69 | 2.89 | 180136 | 5.87 |
| 3001-4000 | 31 | 1.30 | 111608 | 3.63 |
| 4001-5000 | 24 | 1.01 | 112474 | 3.66 |
| 5001-10000 | 31 | 1.30 | 221804 | 7.22 |
| 10000 and above | 29 | 1.21 | 1478251 | 48.12 |
| TOTAL | 2386 | 100.00 | 3072100 | 100.00 |

l. Dematerialization of Shares

The company's shares are traded in dematerialized form only. Company has connectivity with two depositories ie National Securities Depository Ltd. (NSDL) and Central Depository Service (India) Ltd. (CDSL). As on March 31, 2008 about 74.23 % comprising 2280300 equity shares are in dematerialized form.

m. The company has not issued any GDRs / ADRs / warrents or any convertible instruments.

n. Plant location:

Company had set up an Ice Skating Rink at Esselworld, Gorai, Borivali (W) Mumbai – 400 091 on BOT (built, operate & transfer) basis, which was transferred w.e.f.3rd May 2008 to Pan India Paryatan Ltd. as per the BOT agreement.

o. Address for correspondence

Shareholders should address their correspondence to the company's registered office or company's Registrar and share transfer agents.

Registered Office:
24 Gunbow Street,
Fort, Mumbai-400 001.
Phone No. 22162811/22

Registrar and Share Aransfert Agents:
Bigshare Services Pvt. Ltd.
E-2 Ansa, Industrial Estate, Sakivijhar Road, Saki Naka,
Andheri (E), Mumbai – 400 072. Tel. 40430200



K. K. GADA & CO.

CHARTERED ACCOUNTANTS

411, Marathon Max, Mulund-Goregaon Link Road, Mulund (W), Mumbai - 400 080.

Tel.: 25917404 / 2564 9833 • E-mail : kirit.gada@rediffmail.com

Ref. No.:

Date : _____

To the Shareholders of Regal Entertainment and Consultants Ltd.

We have examined the compliance of conditions of Corporate Governance by Regal Entertainment And Consultants Ltd for the year ended 31st March 2008 as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchange in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our Opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements,

We state that there were no investor grievances received during the year ended 31st March 2008, as per records maintained by the company which are presented to the Shareholder /Investors Grievances Committee.

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

For K K Gada & Co
Chartered Accountants


KIRIT K GADA
Proprietor
(M NO: 038952)



Place: Mumbai
Date: 27th August 2008



K. K. GADA & CO.

CHARTERED ACCOUNTANTS

411, Marathon Max, Mulund-Goregaon Link Road, Mulund (W), Mumbai - 400 080.
Tel.: 25917404 / 2564 9833 • E-mail : kirit.gada@rediffmail.com

Ref. No.:

Date : _____

AUDIT REPORT

To,
The Members
Regal Entertainment and Consultants Ltd.

We have audited the attached Balance Sheet of Regal Entertainment and Consultants Ltd. As at 31st March, 2008 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on the 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 the auditing standards generally accepted in India Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub- section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.

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

- i) We have obtained all the information and explanations, which to our best knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
- iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt by this report are in the agreement with the books of accounts;
- iv) In our opinion, the Balance Sheet, Profit & 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;





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v) On the basis of written representations received from the directors, as on 31st March, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2008 from being appointed/reappointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with Accounting Policies and Notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
- In the case of Profit & Loss Account, of the Profit of the company for the year ended on that date; and
- In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For K.K. Gada & Co.
(Chartered Accountants)

(Kirit K. Gada)
Proprietor
(Membership No. 38952)

Place: Mumbai

Date: 27/08/2008





K. K. GADA & CO.
CHARTERED ACCOUNTANTS

411, Marathon Max, Mulund-Goregaon Link Road, Mulund (W), Mumbai - 400 080.
Tel.: 25917404 / 2564 9833 • E-mail : kirit.gada@rediffmail.com

Ref. No.:

Date : _____

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE FOR
THE YEAR ENDED 31ST MARCH 2008 TO THE MEMBERS OF REGAL
EPNTERTAINTMENT AND CONSULTANTS LTD.**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
(b) All the assets have been physically verified by the management during the year as per programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
(c) The Company has not disposed off any or substantial part of fixed assets during the year.
2. Since the Company does not have any inventory during the year and therefore 4 (ii) of the Order is not applicable
3. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms, or other parties covered in the register maintained under section 301 of the Companies Act, 1956, and therefore paragraph 4 (iii) of the said Order is not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets. During the course of our audit, no major weaknesses have been noticed in the internal control system.
5. In our opinion and according to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 and therefore paragraph 4 (v) of the said Order is not applicable.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public to which the provisions of the section 58 A and 58 AA of the Companies Act, 1956 and the Rules framed there under are applicable, and therefore paragraph 4(vi) of the Order is not applicable.
7. In our opinion, the company has an internal audit system, which is commensurate with the size and the nature of its business.
8. As informed to us, the maintenance of cost records have not been prescribed by the Central Government under Clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
9. (a) In our opinion and according to the information and explanations given to us, the





K. K. GADA & CO.

CHARTERED ACCOUNTANTS

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Ref. No.:

Date : _____

Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and other statutory dues applicable to it.

(b) According to the records of the company and information and explanation given to us, there are no arrears of outstanding undisputed statutory dues referred to in (a) above as at 31st March, 2008 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.

10. The accumulated loss of the Company as at the end of 31st March 2008 was not more than fifty percent of its net worth. The Company has not incurred cash losses in the current year & has incurred cash losses in immediately preceding financial year.

11 In our opinion and according to the information and explanation given to us, since the company has not taken any loans from banks and financial institution or issued any debentures and therefore paragraph 4 (xi) of the said Order is not applicable.

12 According to the information and explanation given to us, and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore paragraph 4(xii) of the Order is not applicable to the Company.

13 The provisions of any special statute applicable to chit fund and Nidhi / mutual benefit fund / society are not applicable to the company and therefore paragraph 4 (xiii) of the Order is not applicable.

14 The Company is dealing in or trading in shares, securities, debentures and other investments. The Company has maintained proper records of the transactions and timely entries have been made in these records. We also report that the company has held the shares, securities, securities, debentures and other securities in its own name.

15 According to the information and explanation given to us, during the year the company has not given any guarantee for loans taken by others from banks or financial institutions and therefore paragraph 4 (xv) of the order is not applicable.

16 According to the information and explanation given to us, the company has not availed any term loans during the year and therefore paragraph 4 (xvi) of the order is not applicable.



REGAL ENTERTAINMENT & CONSULTANTS LTD

BALANCE SHEET AS AT MARCH 31, 2008

| | SCHEDULE | AS AT 31.03.2008 Rs. | AS AT 31.03.2007 Rs. |
|--|----------|----------------------------|----------------------------|
| SOURCES OF FUNDS | | | |
| 1. Shareholders' Fund | | | |
| Capital | 01 | 30,721,000 | 30,721,000 |
| Reserves & Surplus | 02 | 100,000 | 100,000 |
| 2. Loan Funds | | - | - |
| 3. Deferred Tax liability | | 326,768 | 314,829 |
| TOTAL | | 31,147,768 | 31,135,829 |
| APPLICATION OF FUNDS | | | |
| 1. Fixed Assets | | | |
| Gross Block | 03 | 4,877,185 | 4,268,392 |
| Less : Depreciation | | 1,728,051 | 1,457,148 |
| Net Block | | 3,149,134 | 2,811,244 |
| 2. Investments | | - | - |
| 3. Current Assets, Loans & Advances | | | |
| Current Assets | 04 | 11,721,267 | 9,335,253 |
| Loans & Advances | 05 | 16,406,879 | 16,604,013 |
| | | 28,128,147 | 25,939,266 |
| Less : | | | |
| Current Liabilities & Provisions | 06 | 377,564 | 663,971 |
| | | 27,750,583 | 25,275,295 |
| 4. Miscellaneous Expenditure (To the extent not written off or adjusted) | | | |
| Profit & Loss Account | | 174,202 | 2,964,890 |
| Preliminary Expenses | | 73,850 | 84,400 |
| (To the extent not written off) | | | |
| TOTAL | | 31,147,768 | 31,135,829 |
| Significant Accounting Policies & Notes to Accounts | 09 | | |

As per our report of even date attached

On behalf of the Board

For K.K.GADA & CO.,
Chartered Accountant

Kirit K. Gada
Proprietor
(Membership No. 38952)
Place : Mumbai
Date : 27/08/2008



Dinesh Gupta
Managing Director

Surendra Salgia
Director

Satish Kusumbiwal
Jt. Managing Director

K. B. Agarwal
Director

REGAL ENTERTAINMENT & CONSULTANTS LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2008

| | SCHEDULE | CURRENT YEAR Rs. | PREVIOUS YEAR Rs. |
|---|----------|------------------------|-------------------------|
| INCOME | | | |
| Income From Operation | 07 | 13,448,991 | 7,231,407 |
| Closing Stock of Shares/Securities | | 6,377,871 | 5,051,337 |
| TOTAL | | 19,826,862 | 12,282,744 |
| EXPENDITURE | | | |
| Opening stock of Shares/ Securities | | 5,051,337 | 7,184,925 |
| Purchase of Shares/Securities | | 6,785,161 | 822,728 |
| Operational, Office and Adm. Expenses | 08 | 4,734,526 | 5,213,091 |
| Depreciation | 03 | 270,903 | 242,940 |
| TOTAL | | 16,841,928 | 13,463,685 |
| PROFIT BEFORE TAXATION | | 2,984,934 | (1,180,941) |
| Provision for Taxation | | 62,000 | - |
| Provision for Fringe Benefit Tax | | 5,109 | 18,489 |
| Deferred Tax liability Provided | | 11,939 | 15,208 |
| Items of earlier year Written Off | | 115,198 | 107,660 |
| PROFIT AFTER TAXATION | | 2,790,688 | (1,322,298) |
| Balance brought forward | | (2,964,890) | (1,642,592) |
| AMOUNT AVAILABLE FOR APPROPRIATION | | (174,202) | (2,964,890) |

Significant Accounting Policies & Notes to Accounts 09

As per our report of even date attached

For K.K.GADA & CO.,
Chartered Accountant

Kirit K. Gada
Proprietor
(Membership No. 38952)
Place : Mumbai
Date : 27/08/2008



Dinesh Gupta
Managing Director

Surendra Salgia
Director

On behalf of the Board

Satish Kusumbiwal
Jt. Managing Director

K. B. Agarwal
Director

REGAL ENTERTAINMENT AND CONSULTANTS LTD.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-3-2008

| | AS AT 31.03.2008 Rs. | AS AT 31.03.2007 Rs. |
|--|-------------------------------------|-------------------------------------|
| SCHEDULE "01" | | |
| SHARE CAPITAL | | |
| AUTHORISED CAPITAL | | |
| 50,00,000 Equity Shares of Rs. 10/- each | 50,000,000 | 50,000,000 |
| (Previous Year : 50,00,000 Equity Shares of Rs. 10/- each) | | |
| TOTAL | <u>50,000,000</u> | <u>50,000,000</u> |
| ISSUED, SUBSCRIBED & PAID UP CAPITAL | | |
| 30,72,100 (30,72,100) Equity Shares of Rs. 10 each fully paid up for cash | 30,721,000 | 30,721,000 |
| TOTAL | <u>30,721,000</u> | <u>30,721,000</u> |
| SCHEDULE "02" | | |
| RESERVE & SURPLUS | | |
| General Reserve | 100,000 | 100,000 |
| Profit & Loss Account | - | - |
| TOTAL | <u>100,000</u> | <u>100,000</u> |
| SCHEDULE "03" | | |
| FIXED ASSETS | | |

| Description | Gross Block | | | Depreciation | | | Net Block | |
|----------------------|---------------------|--------------------------------|---------------------|---------------------|-----------------|---------------------|---------------------|---------------------|
| | As at 31.03.2007 | Addition During the Year | As at 31.03.2008 | As at 31.03.2007 | For the Year | As at 31.03.2008 | As at 31.03.2007 | As at 31.03.2008 |
| Air Conditioner | 49,500 | - | 49,500 | 15,800 | 2,351 | 18,151 | 33,700 | 31,349 |
| Compuiter | 316,580 | 45,000 | 361,580 | 254,138 | 52,294 | 306,432 | 62,442 | 55,148 |
| Motor Car | 411,000 | 563,793 | 974,793 | 411,000 | 7,024 | 418,024 | - | 556,769 |
| Goodwill | 200,000 | - | 200,000 | 80,000 | 20,000 | 100,000 | 120,000 | 100,000 |
| Office Equipment | 24,135 | - | 24,135 | 13,597 | 1,146 | 14,743 | 10,538 | 9,392 |
| Furniture & Fixtures | 207,432 | - | 207,432 | 110,645 | 13,130 | 123,775 | 96,786 | 83,656 |
| Plant & Machinery | 1,783,365 | | 1,783,365 | 425,780 | 132,326 | 558,106 | 1,357,585 | 1,225,259 |
| Building | 1,276,380 | | 1,276,380 | 146,188 | 42,631 | 188,819 | 1,130,193 | 1,087,562 |
| TOTAL | 4,268,392 | 608,793 | 4,877,185 | 1,457,148 | 270,903 | 1,728,051 | 2,811,245 | 3,149,134 |
| Previous Year | 4,202,562 | 65,830 | 4,268,392 | 1,214,208 | 242,940 | 1,457,148 | 2,988,354 | 2,811,245 |

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REGAL ENTERTAINMENT AND CONSULTANTS LTD.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-3-2008

| | AS AT 31.03.2008 Rs. | AS AT 31.03.2007 Rs. |
|---|----------------------------|----------------------------|
| SCHEDULE "04" | | |
| CURRENT ASSETS | | |
| Cash on hand | 669,408 | 596,221 |
| Bank Balance with scheduled banks on Current Account | 2,058,894 | 2,078,076 |
| Fixed Deposit With Canara Bank | 2,500,000 | 1,500,000 |
| Accrued Interest on Fixed Deposit | 5,575 | 7,267 |
| Sundry Debtors | 109,519 | 102,352 |
| Stock in trade (Shares & Securities) | 6,377,871 | 5,051,337 |
| TOTAL | 11,721,267 | 9,335,253 |
| SCHEDULE "05" | | |
| LOANS AND ADVANCES | | |
| Deposits | 256,500 | 256,500 |
| Loans to others | 11,224,473 | 12,186,063 |
| Advance Tax & T.D.S. | 502,399 | 397,014 |
| Advance tax paid Under Fringe Benefit Tax | 14,541 | 16,541 |
| Advances Recoverable in cash or kind for the value to be received | 4,408,966 | 3,747,895 |
| TOTAL | 16,406,879 | 16,604,013 |
| SCHEDULE "06" | | |
| CURRENT LIABILITIES | | |
| Sundry Creditors for Expenses | 31,835 | 31,416 |
| Sundry Creditors for Purchases | 185,066 | 374,066 |
| Outstanding Expense | 3,554 | - |
| | 220,455 | 405,482 |
| PROVISIONS | | |
| Provision for Taxation | 62,000 | - |
| Provision for doubtful debts | 90,000 | 240,000 |
| Provision for Fringe Benefit Tax | 5,109 | 18,489 |
| TOTAL | 377,564 | 663,971 |

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REGAL ENTERTAINMENT AND CONSULTANTS LTD.

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

| | Year ended 31.03.2008 <u>Rs.</u> | | Year ended 31.03.2007 <u>Rs.</u> | |
|--|--|-------------------|--|------------------|
| SCHEDULE "07" | | | | |
| INCOME FROM OPERATION | | | | |
| Sale of Shares/Securities | 9,022,609 | | 2,246,232 | |
| Loss from Capital Market Operations | 393,182 | 8,629,427 | 258,349 | 1,987,883 |
| Income from Operations at Ice Skating Rink | | 4,015,255 | | 4,173,065 |
| Dividend | | 28,522 | | 62,810 |
| Interest | | 775,787 | | 1,007,649 |
| (TDS-122,746/- C.Y & P.Y-111,526) | | | | |
| TOTAL | | <u>13,448,991</u> | | <u>7,231,407</u> |

SCHEDULE "08" **OPERATIONAL, OFFICE AND ADMINISTRATION EXPENSES**

| | | |
|----------------------------------|------------------|------------------|
| Salaries, Bonus & Allowance | 832,215 | 805,925 |
| Staff Welfare Expenses | 3,372 | 1,957 |
| Electricity Expenses | 1,699,059 | 1,388,985 |
| Conveyance & Travelling Exp. | 6,192 | 67,035 |
| Water Charges | 55,629 | 50,502 |
| Printing & Stationery | 71,956 | 58,786 |
| Share of PAN India Paryatan Ltd. | 1,336,471 | 1,589,968 |
| Telephone Exp. | 109,658 | 105,099 |
| Postage & Courier | 20,836 | 21,409 |
| Office Rent | 117,000 | 114,000 |
| A.G.M. Exp. | 1,000 | 1,560 |
| Bank Charges | 1,081 | 986 |
| Auditor's Remuneration | 17,958 | 17,958 |
| Filing Fees | 2,000 | 2,000 |
| Listing Fee | 16,300 | 16,300 |
| Entertainment Exp. | 4,879 | 1,179 |
| Insurance | 1,544 | 1,633 |
| Office Expenses | 43,614 | 25,040 |
| Advertisement Exp. | 19,715 | 19,461 |
| Demat Exp. | 8,020 | 2,135 |
| Bad Debts | 117,062 | 44,350 |
| Repairs & Maintenance | 149,020 | 349,605 |
| Depository Expenses | 29,429 | 33,541 |
| Legal & Professional charges | 10,672 | 7,612 |
| Preliminary Expenses W/O | 10,550 | 10,550 |
| Miscellaneous Expenses | 620 | 16,358 |
| Miscellaneous A/c written off | 23,980 | - |
| Membership & Subscription | 3,700 | - |
| Security Transaction Tax | 20,994 | 9,158 |
| Investment written off | - | 450,000 |
| TOTAL | 4,734,526 | 5,213,091 |



SCHEDULE - "09"

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH 2008

A) SINGNIFICANT ACCOUNTING POLICIES

1. Basis for Accounting:

Accounts are prepared under the historical cost convention. The Company has materially comply with accounting standards as recommended by the Institute of Chartered Accountants Of India.

2. Depreciation:

Depreciation is charged on all the assets on Straight Line basis (SLM) at the rates and manner prescribed in schedule XIV of the Companies Act, 1956 as amended upto date.

3. Investment:

There has been no Investment made during the Financial Year

4. Inventories:

Inventories of shares and securities are carried at cost.

5. Revenue Recognition as per AS 9:

- (a) Revenue from Sale is recognized at the time when transaction is entered into.
- (b) Revenue from Interest is recognized on time proportion basis except interest on certain loans amounting to Rs.33,49,818/- on which the Company charges no Interest.
- (c) Revenue from Dividend is recognized when declaring Company declares dividend.
- (d) Revenue from Capital Market Transactions are recorded at the point of squaring up of transactions takes place.

6. Accounting for Fixed Assets as per AS 10:

Fixed Assets are stated at cost less depreciation. Costs comprised of cost of acquisition and all attributable costs of bringing the assets to condition for their intended use. In case of Self-constructed Fixed Assets cost includes all costs which are directly related to specific asset and all costs that are attributable to construction activity are allocated to specific assets.

7. Accounting for Retirement Benefits in Financial Statement Of Employers as per AS 15:

Not applicable to the company since there are No Employees eligible for Retirement Benefits

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8. Segment Reporting under Accounting Standard (AS) 17:

The Company operates in two business segments namely Entertainment and Finance. Segments Revenue results and Capital Employed at the end of the year is as follows:

| Segment Revenue Results and Capital Employed | | | |
|---|---|-------------------------------------|-------------------------------------|
| (Rs. in Lakhs) | | | |
| Sr. No. | Particulars | Year Ended 31.03.2008 Audited | Year Ended 31.03.2007 Audited |
| 1 | Segment Revenue | | |
| | Financial | 94.34 | 30.58 |
| | Entertainment | 40.15 | 41.73 |
| | Revenue from operations | 134.49 | 72.31 |
| 2 | Segment Result | | |
| | Profit (+)/Loss (-) before interest tax | | |
| | Financial | 26.44 | (15.87) |
| | Entertainment | 4.38 | 4.55 |
| | Total | 30.82 | (11.32) |
| | Less: 1) Interest | | -- |
| | 2) Unallocable Exp | 0.97 | 0.49 |
| | Profit before tax | 29.85 | (11.81) |
| 3 | Capital Employed | | |
| | (Segment assets-segment liabilities) | | |
| | Financial | 243.94 | 221.73 |
| | Entertainment | 22.17 | 22.16 |
| | Unallocated | 40.35 | 35.67 |
| | Total | 306.46 | 278.56 |

9. Related party disclosure as per Accounting Standard (AS) 18:

The list of related parties as identified by the management are as under:

| | | Name of the party | Nature of Transaction | Amount |
|----|--------------------------|---|-------------------------|-----------------|
| 1. | Key Management Personnel | 1. Mr. Satish Kusumbiwal (Joint Managing Director) | Managerial Remuneration | Rs. 1,80,000 /- |
| | | 2. Mr. Dinesh Gupta (Managing Director) | Managerial Remuneration | Rs. 1,80,000 /- |

The Company has identified all related parties. No provision for doubtful debts or advances is required to be made and no amounts have been written off or written back during the year in respect of debts due from or to related part

10. Lease Accounting as per Accounting Standard 19:

Not applicable to the Company since no lease transaction took place during the year.

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11. Earning per Share as per Accounting Standard 20:

The particulars of Basic Earning Per Share are as follows:

| | As on 31.03.2008 | As on 31.03.2007 |
|--|---------------------|---------------------|
| Net Profit/Loss for the year (Rs.) | 27,90,688 | (13,22,298) |
| No. of Equity Shares outstanding at the beginning and at the end of the year | 30,72,100 | 30,72,100 |
| Nominal Value of Shares (Rs.) | 10 per share | 10 per share |
| Basic Earning per share (Rs.) (Net Profit for the year attributable to Equity Shareholder / Weighted Avg. No. of Equity Shares outstanding during the year) | 0.91 | (0.43) |

Diluted Earning per share is not applicable as the Company has not issued any Preference Shares / Security / Warrant / Debentures which are convertible into equity shares in future.

12. Consolidated Financial Statement as per Accounting Standard (AS) 21:

Not applicable as the Company does not have any subsidiary.

13. Accounting for Taxes on Income as per Accounting Standard (AS) 22:

Income Tax expenses is accrued in accordance with AS – 22 “Accounting for taxes on Income” which includes Deferred Taxes. Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable virtual certainty that sufficient future taxable income will be available.

14. Accounting Of Intangible Assets as per Accounting Standard (AS) 26:

The Company has amortized Goodwill of Rs. 20,000/- as per Accounting Standard (AS) 26

15. Deferred Revenue Expenditure:

Expenses for increase in Authorised Share Capital have been written off 1/10 of the aggregate during the year

16. Financial Reporting of Interest in Joint Venture as per Accounting Standard (AS -27)

The Company is running an Ice Skating Rink at Esselworld, constructed on Revenue Sharing, BOT (Built, Operate & Transfer) basis with Pan India Paryatan Ltd. The Rink commenced operation from May 2003. The Agreement is for a period of 5 years beginning from the date of commencement of Commercial Operation. The Agreement expired on 3rd May 2008 & all the related Assets & Liabilities are transferred to the Pan India Paryatan Ltd as per terms of agreement.

17. Impairment of Assets as per Accounting Standard (AS- 28):

Since carrying amount of assets does not exceeds recoverable amount, there is no need for provision of impairment of loss of the assets as per Accounting Standard 28.

18. Provisions, Contingent Liabilities and Contingent Assets (AS- 29):

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent Liabilities, if material, are disclosed by way of notes.

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B) OTHER NOTES:

1. Previous year figures are regrouped/rearranged wherever necessary.

2. Sundry Debtors:

| | AS on 31.03.2008 | AS on 31.03.2007 |
|--|-----------------------------|---------------------|
| Debtors considered good in respect of which the Company is fully secured | Nil | Nil |
| Debtors considered good for which the Company holds no security | 109,519/- | 1,02,352/- |
| Debtors considered Bad or Doubtful | Nil | Nil |
| Debts due to Private Company in which Director is Director or member | Nil | Nil |
| Debt due to firm in which Director is partner | Nil | Nil |

3. There are no S.S.I. creditors above 30 days exceeding Rs. 1,00,000 /-.

4. Auditors Remuneration:

| | Current Year | Previous Year |
|----------------------------|---------------------|---------------|
| As a Statutory Auditor | 10,000 /- | 10,000/- |
| For Tax Audit | 6,000 /- | 6,000 /- |
| (Exclusive of Service Tax) | | |

5. Expenditure on employee getting remuneration not less than Rs. 24,00,000 / - p.a. or Rs. 2,00,000 / - p.m. is **Nil**.

6. **Contingent Liabilities: Nil**

7. Taxes on Income as per Accounting Standard (AS) 22:

| | Balance as on 31.03.07 | Arising during the year | Balance as on 31.03.2008 |
|--|---------------------------|-------------------------------|-----------------------------|
| Deferred Tax Liabilities on account of timing difference in Depreciation | 3,14,679 | 11,939 | 3,26,768 |
| Deferred tax assets | Nil | Nil | Nil |
| Net Amount | 3,14,679 | 11,939 | 3,26,768 |

8. Debit and Credit balances of the parties are subject to confirmation.

9. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the values stated, if realised in the ordinary course of business. Certain Balances in Sundry Debtors, Loans and Advances are subject to confirmations/reconciliation and adjustments, the effect of which in the opinion of the management will not be significant, and would be carried out as and when settled.

As per our report of even date attached

For K.K. Gada & Co.,
Chartered Accountants,

Kirit K. Gada
(Proprietor)
Membership No. 38952



Dinesh Gupta
Managing Director

K.B. Agarwal
Director

Satish Kusumbiwal
Jt. Managing Director

Surendra Salgia
Director

Place: Mumbai
Date: 27/08/2008

Cash Flow Statement annexed to the Balance Sheet for the Year ended 31st March 2008

| | 31.03.08 | Rs. in Lakh 31.3.2007 |
|--|----------|--------------------------|
| A. Cashflow from operating Activities: | | |
| Net profit before Tax & extraordinary items | 29.85 | (11.81) |
| Adjustment for | | |
| Depreciation | 2.71 | 2.43 |
| Deferred Exp., Preliminary, & issue Exp. W/off | 0.11 | 0.11 |
| Misc. A/c / Investment W/off | 0.24 | 4.50 |
| Accrued Interest on FD | 0.06 | 0.07 |
| | 3.12 | 07.11 |
| Operating profit before working capital changes | 32.97 | (4.70) |
| Adjustment for | | |
| Trade & other receivables | (0.07) | 1.15 |
| Inventories | (13.27) | 21.34 |
| Loans | 1.51 | 11.20 |
| Trade payable | (1.85) | (1.97) |
| Cash Generated from operations | 19.29 | 27.02 |
| Direct Taxes paid | 2.66 | 0.93 |
| Net cash from operating activities | 16.63 | 26.09 |
| B. Cash Flow from Investing Activities | | |
| Purchase of fixed assets | 6.09 | 0.66 |
| Net Cash used in Investing Activities | 6.09 | 0.66 |
| C. Cash flow from financing Activities | | |
| Proceeds from issue of share capital | -- | -- |
| Dividend paid | -- | -- |
| Proceeds from long term borrowings | -- | -- |
| Repayment of long term borrowings | -- | -- |
| Net cash used in financing activities | -- | -- |
| Net increase in Cash & Cash equivalents (A+B+C) | 10.54 | 25.43 |
| Opening balance of cash Equivalents | 41.74 | 16.31 |
| Closing Balance of Cash Equivalents | 52.28 | 41.74 |

Mumbai
Dated: 27th August 2008



By order of the Board
Dinesh Gupta
Managing Director
Satish Kusumbiwal
Jt. Managing director

AUDITORS' REPORT

We have examined the attached Cash Flow Statement of Regal Entertainment & Consultants Limited for the year ended 31st March 2008 The Statement has been prepared by the Company in accordance with the requirement of listing agreement Clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 27th August 2008 to the members of the company.

For K. K. Gada & Co.
Chartered Accountants
Kirti K. Gada
Proprietor

Place: Mumbai
Date: 27th August 2008



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
STATEMENT PURSUENT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACTS,
1956**

| | | |
|------------------------|------------|----|
| I. Registration Detail | State Code | 11 |
| Registration No. | 011-64689 | |
| Balance Sheet Date | 31-03-2008 | |

II. Capital Raised during the year (Amount in Rs. Thousand)

| | | | |
|--------------|-----|-------------------|-----|
| Public Issue | NIL | Right Issue | NIL |
| Bonus Issue | NIL | Private Placement | NIL |

III. Position of Mobilisation and deployment of Funds (Amount in Rs. Thousand)

| | | | |
|-----------------------------|-------|--------------------------|-------|
| Total Liabilities | 31148 | Total Assets | 31148 |
| Source of Funds | | | |
| Paid-up Capital | 30721 | Reserve and Surplus | 100 |
| Secured Loans | NIL | Unsecured Loans | NIL |
| Application of Funds | | | |
| Net Fixed Assets | 3149 | Investment | NIL |
| Net Current Assets | 27751 | Misc. Expenditure | 248 |
| Accumulated Losses | NIL | | |

IV. Performance of Company. (Amount in Rs. Thousand)

| | | | |
|--|-------|---------------------------|-------|
| Turnover | 19827 | Total Expenditure | 16842 |
| +/- Profit/Loss Before Tax | 2985 | +/- Profit/Loss After Tax | 2791 |
| (Please appropriate box, + Profit, - Loss) | | | |
| Earning Per Share in (Rs.) | 0.91 | Dividend Rate % | NIL |

V. Generic Name of Three Principle Products/Services of Company (As per Monetary Terms)

| | | |
|---------------------|---------------------|----|
| Item Code No. (ITC) | Product Description | NA |
|---------------------|---------------------|----|

**ENTERTAINMENT AND
FINANCIAL ADVISORY
SERVICES, DEALING IN SECURITIES**

As per our report of even date attached

For **K. K. GADA & CO.**
Chartered Accountants

Kirit K. Gada
Proprietor

DINESH GUPTA
Managing Director

SURENDRA SALGIA
Director

SATISH KUSUMBIWAL
Jt. Managing Director

K. B. AGARWAL
Director



Place : Mumbai
Date : 27th August 2008



K. K. GADA & CO.

CHARTERED ACCOUNTANTS

411, Marathon Max, Mulund-Goregaon Link Road, Mulund (W), Mumbai - 400 080.
Tel.: 25917404 / 2564 9833 • E-mail : kirit.gada@rediffmail.com

Ref. No.:

Date : _____

AUDITORS' REPORT

We have examined the attached Cash Flow Statement of Regal Entertainment & Consultants Limited for the year ended 31st March 2008. The Statement has been prepared by the Company in accordance with the requirement of listing agreement Clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 27th August 2008 to the members of the company.

For K. K. Gada & Co.
Chartered Accountants
Kirit K. Gada
Proprietor

Place: Mumbai
Date: 27th August 2008





K. K. GADA & CO.

CHARTERED ACCOUNTANTS

411, Marathon Max, Mulund-Goregaon Link Road, Mulund (W), Mumbai - 400 080.
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For K. K. Gada & Co.
Chartered Accountants
Kirit K. Gada
Proprietor

Place: Mumbai
Date: 27th August 2008

