

RAY & RAY

CHARTERED ACCOUNTANTS

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REVIEW REPORT
TO
THE BOARD OF DIRECTORS
OF
U.P. HOTELS LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of U P Hotels Limited for the quarter ended 30th June, 2011 except for the disclosures regarding 'Public shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 12th August, 2011. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
- 3.1 *The Company has not ascertained /accounted for deferred tax asset/liability as at the end of the quarter ended 30th June, 2011 which is not in accordance with Accounting Standard (AS) 22 "Accounting for Taxes on Income". It is stated by the management that the deferred tax will be accounted for at the close of the financial year.*
- 3.2 *The expenses for leave encashment & gratuity for the quarter ended 30th June, 2011 have been provided for on best estimates basis.*
- 3.3 *Accordingly, the resultant impact of above on the profit for the quarter ended 30th June, 2011 and its impact on basic / diluted earnings per share has not been ascertained.*
4. Based on our review conducted as above and subject to our comments in para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results for the quarter ended 30th June, 2011 prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

for RAY & RAY
Chartered Accountants
Firm Registration no. 301072 E

A.K. Sharma
(A.K.Sharma)
Partner

Membership No. 80085

Place: New Delhi
Date : 12th August, 2011

