

RAJESH RAJEEV & ASSOCIATES

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To
The Members of
INTIME SPECTRUM SECURITIES LIMITED
(Formerly Oracle Stocks and Shares Limited) →

We have audited the attached Balance Sheet of **INTIME SPECTRUM SECURITIES LIMITED** (Formerly known as Oracle Stocks and Shares Limited) as at 31st March, 2007. Profit and Loss Account and also the Cash Flow Statement 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.

1. 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 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of subsection 4A of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
3. Further to our comments in the Annexure referred to in paragraph 2 above we report that:
 - (a) 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.
 - (b) In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of those books.
 - (c) The Balance Sheet, Profit and Loss Account and Cash flow Statement dealt with by this report are in agreement with the books of account.

Contd...2



RAJESH RAJEEV & ASSOCIATES

CHARTERED ACCOUNTANTS

- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt by this report are in compliance with the mandatory Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
- (e) On the basis of written representation received from the directors as on 31st March 2007 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2007 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (f) 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 give a true and fair view in conformity with the accounting principles generally accepted in India:-
- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2007 and
- ii) In the case of the Profit and Loss Account, of the "Profit" of the Company for the year ended on that date.
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For RAJESH RAJEEV & ASSOCIATES
Chartered Accountants

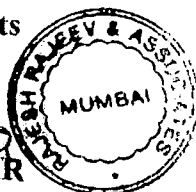

CHANDRASHEKHAR

Partner

M.No. 42376

Place: Mumbai

Date : June 25, 2007



ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph 2 of our report of even date)

- 1) In respect of its Fixed Assets: -
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
 - b) As explained to us, the fixed assets have been physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- 2) In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firm or parties covered in the register maintained under section 301 of the Companies Act, 1956: -
 - a) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, sub-clause (b), (c) and (d) are not applicable.
 - b) The company has taken an unsecured loan repayable on demand from a company, covered in the register maintained u/s 301 of the Act. The maximum amount involved during the year and the year-end balance of such loan Rs.82,500,000/- and Rs. NIL respectively.
 - c) In our opinion, the rate of interest and other terms & conditions of the aforesaid unsecured loan taken by the company are not prima facie prejudicial to the interest of the company.
 - d) In respect of the aforesaid unsecured loan taken by the Company, the Company is regular in repaying the principal amounts as stipulated and is also regular in payment interest.
- 3) 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 the nature of its business for the purchase of fixed assets. We have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- 4) In respect of transactions covered under section 301 of the Companies Act, 1956:
 - a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.



- b. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs only) or more in respect of any party, in the said financial year.
- 5) According to the Information and Explanation given to us, the Company has not accepted any deposits from the public. Therefore the Provisions of Clause (vi) of the Companies (Auditors report) Order, 2003 are not applicable to the company.
- 6) According to the information and explanations given to us the Company has an internal audit system commensurate with its size and nature of its business.
- 7) In respect of Statutory dues: -
- a) According to the information and explanations given and records produced and examined by us the Company is regular in depositing with appropriate authorities undisputed Statutory dues in respect of Income Tax, Service Tax, Profession Tax and Other material statutory dues as applicable having been regularly deposited by the company during the year with appropriate authorities.
- b) The Investor Education Protection Fund, Sales Tax, Provident Fund, Employee State Insurance Fund, Wealth tax, custom duty, excise duty and Cess are not applicable to the company.
- c) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Service Tax, Profession Tax and Other material statutory dues were in arrears as at 31.03.2007 for a period of more than six months from the date they became payable.
- 8) The company has positive net worth at the end of the financial year. The company has no accumulated losses and had not incurred cash losses during the current financial year and immediately preceding financing year.
- 9) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- 10) In our opinion and according to the information and explanation given to us, investments are held by the company in its own name. Also no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- 11) According to the information and explanations given to us, we are of the opinion that the Company has not given any guarantee for loans taken by others from banks or financial institution.
- 12) According to information and explanation given to us the Company has not obtained any term loans during the year.

