

Growth in Diversity



CONSTRUCTION MATERIAL TRADING



RESTO BAR



SECURITIES TRADING

15th Annual Report
2008-09

Contents

<i>Corporate Information</i>	I
<i>Chairman's Message</i>	2-3
<i>Notice</i>	4-9
<i>Director's Report</i>	10-12
<i>Corporate Governance Report</i>	13-25
<i>Management's Discussion & Analysis Report</i>	26-28
<i>Auditor's Report</i>	29-33
<i>Balance Sheet</i>	34
<i>Profit & Loss Account</i>	35
<i>Cash Flow Statement</i>	36
<i>Schedules to Accounts</i>	37-52
<i>Abstract</i>	53

BOARD OF DIRECTORS

<i>Sh. Raju Gupta</i>	-	<i>Managing Director & CEO</i>
<i>Sh. Dinesh Khatri</i>	-	<i>Whole-Time Director & CFO</i>
<i>Sh. Rajesh Mangla</i>	-	<i>Non - Executive Director</i>
<i>Sh. Karamveer Singh</i>	-	<i>Non - Executive Director</i>
<i>Sh. Devendra Singh</i>	-	<i>Non- Executive & Independent Director</i>
<i>Sh. Kailash Mohan Mehta</i>	-	<i>Non- Executive & Independent Director</i>
<i>Sh. Sushil Singla</i>	-	<i>Non- Executive & Independent Director</i>
<i>Sh. Vijay Pal Bhati</i>	-	<i>Non- Executive & Independent Director</i>
<i>Sh. Tej Singh</i>	-	<i>Non- Executive & Independent Director</i>

COMPANY SECRETARY

Ms. Rakhi Mehta

STATUTORY AUDITORS

M/s. Naresh Jai & Associates
Chartered Accountants

INTERNAL AUDITORS

M/s. Sachin S C Singhal & Associates.

BANKERS

Union Bank of India
Bank of India

REGD. OFFICE

202, 2nd Floor,
27 New Delhi House,
Barakhamba Road,
Connaught Place, New Delhi - 110001

From the Chairman's Desk

Dear Shareholders,

It gives me great pleasure to welcome you to yet another Annual General meeting of your company. It is heartwarming to note that your company has been moving ahead confidently, taking all challenges in its stride and leveraging every opportunity for sustained growth. For this, right at the very onset, I would like to place on record my deep appreciation for your strong faith and belief in the company's management.

The year gone by has been the most challenging that we have seen in recent times. From a high point of growth and optimism, the Indian economy came tumbling down into a pool of uncertainty and gloom. What made this slowdown difficult was the fact that it was the doing of extraneous factors like recession in the leading economies of US, Japan, UK and a crash of their financial systems, even though the fundamentals of the Indian economy remained as strong as ever.

This slowdown resulted in bringing down the growth of the core sectors such as real estate, automobiles, banking and exports. This in turn threw all business forecasts into disarray, leaving everyone with depressed sales and cost overruns. The crash of the stock markets only amplified the problems.

I am very happy to state that your company faced these challenges very ably and recorded good growth in spite of the adverse conditions. As a part of a growth strategy, the company merged two non-banking financial companies BTL Investments Ltd and SBS Finance Limited with the company and changed its name to SRS Finance Limited. During the course of the year, the main businesses of the company were consolidated into three broad groups i.e building material trading, restobars and securities trading.

Your company has made solid progress in the trading of building material and apart from the immediate gains, it is the future potential that makes this business very attractive. This is because of the magnificent construction undertaken by several large real estate players in the Nehar-par (Greater Faridabad) region. The development in this part of Faridabad is likely to continue at a high pace for at least another decade. The fact that there is no single source of supply of the required construction material such as cement, steel, glass, tiles, hardware, fittings etc. is an opportunity that your company plans to tap completely. In its very first year of operations, the division has recorded a commendable turnover, keeping the overall scenario in mind.

The securities division of your company is manned by a highly talented team that navigated through a thick maze of uncertainty and volatility to conserve capital and record growth. Their effective strategy of hedging risks is indeed commendable.

In the restobar segment, our brand has developed a strong identity with a loyal base of patrons. The ambience, servings and service is greatly appreciated by the people and preference will ensure continued growth of this segment.

The progress charted even during these times is a reflection of the strength of the human capital that your company is proud to have. On behalf of all our stakeholders, I place my deep appreciation for their contributions.

Now with the economy showing signs of revival, the overall business scenario is far more optimistic. Your company with its dedicated team is well positioned to ride the next wave of growth and report scintillating success in the time to come. I once again thank you for your strong support and wish you the very best.

With best wishes,

Raju Gupta

NOTICE

Notice is hereby given that 15th Annual General Meeting of the members of **SRS Finance Limited** will be held as scheduled below:-

Day/ Date : Saturday, 8th August, 2009
Time : 1.30 P.M
Venue : Deputy Speaker Hall,
'Bharatiyam'
Constitution Club,
Vithalbhai Patel House,
Rafi Marg, Behind Reserve Bank of India
New Delhi- 110001

to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2009 and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Devendra Singh, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Sh. Rajesh Mangla, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution with or without modification(s): -

“RESOLVED THAT M/s. Naresh Jai & Associates, Chartered Accountants, the retiring Auditors, be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company for auditing the Accounts of the Company for the year 2009 – 2010 and the Board of Directors be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution: -

“RESOLVED THAT Sh. Tej Singh, who was appointed as an additional Director of the Company by the Board on 21st November, 2008 and whose tenure of office expires at the ensuing Annual General Meeting pursuant to Sec.260 of the Companies Act, 1956 and in respect of whom a notice from a member proposing his name for the Directorship of the Company has been received along with a deposit of Rs.500 for each notice under the provisions of Sec.257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

6. CHANGES IN THE TERMS OF APPOINTMENT OF SH. RAJU GUPTA – MANAGING DIRECTOR & CEO

To consider and if thought fit, to pass with or without modifications(s), the following resolution as an ordinary resolution: -

“RESOLVED THAT decision of Sh. Raju Gupta, Managing Director & CEO to provide his services to the Company without remuneration w.e.f 1st March, 2009 agreed to by the Board of Directors of the Company (“Board”), the resolution passed by the Board at its Meeting held on 18th March, 2009 be and is hereby confirmed and ratified.

RESOLVED FURTHER THAT Ms. Rakhi Mehta, Company Secretary be and is hereby authorized to comply with all necessary formalities in this regard.”

7. CHANGES IN THE TERMS OF APPOINTMENT OF SH. DINESH KHATRI – WHOLE TIME DIRECTOR & CFO

To consider and if thought fit, to pass with or without modifications(s), the following resolution as ordinary resolution: -

“RESOLVED THAT decision of Sh. Dinesh Khatri, Whole Time Director & CFO to provide his services to the Company without remuneration w.e.f 1st March, 2009 agreed to by the Board of Directors of the Company (“Board”), the resolution passed by the Board at its Meeting held on 18th March, 2009 be and is hereby confirmed and ratified.”

RESOLVED FURTHER THAT Ms. Rakhi Mehta, Company Secretary be and is hereby authorized to comply with all necessary formalities in this regard.”

8. REVERSAL OF RESOLUTION PASSED PERTAINING TO LISTING OF SECURITIES

To consider and if thought fit, to pass with or without modifications, the following resolution as Special Resolution: -

“RESOLVED THAT the special resolution passed in the annual general meeting of the members of the company held on 14th July, 2008 regarding listing of securities of the Company at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) be and is hereby reversed and accordingly the securities of the Company continuing to be listed on Delhi Stock Exchange Ltd., Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE).”


9. REVERSAL OF RESOLUTION PASSED PERTAINING TO DELISTING OF SECURITIES

To consider and if thought fit, to pass with or without modifications, the following resolution as Special Resolution: -

“RESOLVED THAT the special resolution passed in the annual general meeting of the members of the company held on 14th July, 2008 regarding delisting of securities from Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE) be and is hereby reversed and accordingly continuing to be listed on Delhi Stock Exchange Ltd., Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE).”

Place: Faridabad
Date: 30th June, 2009

By Order of the Board
For **SRS Finance Ltd.**



(Rakhi Mehta)

Company Secretary

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. A Proxy to be effective must reach at the Registered Office not later than 48 hours before the schedule time of the Meeting.
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The relevant Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item Nos. 5 - 9 as set out above is appended herein below.
4. Information under Clause 49 of the Listing Agreement regarding appointment/reappointment of Directors in Item Nos. 2, 3 & 5 of the Notice is also annexed hereto separately and forms part of the Notice.
5. Members holding shares in physical mode, in identical order of names in more than one folio are requested to write to Company's RTA at the address mentioned below at No.6 enclosing their share certificates to consolidate their holdings in one folio.
6. Please send your requests for transfer/transmission/consolidation and demat of shares, change of address or any other matter to our Registrar & Transfer Agents at the following address: -

BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.
BEETAL HOUSE, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
New Delhi - 110062
7. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will be closed from 4th August, 2009 to 8th August, 2009 (both days inclusive).
8. The Members desirous of appointing their nominee for the shares held by them, may apply for the same by submitting the Nomination Form (Form 2-B) to the RTA's at the above mentioned address.
9. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on working days between 11.00 A. M. to 1.00 P. M. upto the date of ensuing Annual General Meeting.
10. Members desiring any information/clarification on the accounts are requested to write to the Company atleast 10 days in advance, so as to enable the management to keep the information ready at the Annual General Meeting.
11. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
12. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
13. As a measure of economy, copies of the Annual Report will not be distributed at the meeting. Members are requested to bring their copies along with them to the Meeting.

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

Item No. 5

Sh. Tej Singh was appointed as an Additional Director of the Company by the Board on 21st November, 2008. His tenure of office expires at the ensuing Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. The Board feels that his continuous directorship in the company will be in the interest of the company. A notice from a member has been received by the company along with the deposit of Rs.500/- proposing his name for the Directorship of the Company.

The Proposed Resolution is to be passed as an Ordinary Resolution.

None of the Directors is concerned or interested in the Proposed Resolution except Sh. Tej Singh.

Item No.6

Sh. Raju Gupta, Managing Director voluntarily agreed to provide his services without remuneration for the remainder of his tenure w.e.f 1st March, 2009 taking into consideration the present market scenario; inadequacy in the profits of the Company and the requirement of more funds to be ploughed in the business.

Shareholders approval is sought for confirmation and ratification of the resolution passed by the Board of Directors.

The proposed resolution is to be passed as an ordinary resolution.

Except Sh. Raju Gupta, none of the Directors is concerned or interested in the proposed resolution

Item No.7

Sh. Dinesh Khatri, Whole Time Director voluntarily agreed to provide his services without remuneration for the remainder of his tenure w.e.f 1st March, 2009 taking into consideration the present market scenario; inadequacy in the profits of the Company and the requirement of more funds to be ploughed in the business.

Shareholders approval is sought for confirmation and ratification of the resolution passed by the Board of Directors.

The proposed resolution is to be passed as an ordinary resolution.

Except Sh. Dinesh Khatri, none of the Directors is concerned or interested in the proposed resolution.

Item No.8

The Board of Directors discussed about the global financial crisis and unstable position of the current share market; and decided that it would be in the best interests of the Company to not get the securities of the Company listed with BSE & NSE. Thus, shareholders approval is necessary for the reversal of the resolution approved by the members in the last Annual General Meeting held on 14th July, 2008.

Your Board therefore recommends your approval for the passing of the aforesaid resolution in the best interest of the company and its members.

None of the Directors is concerned or interested in the proposed resolution.

Item No. 9

The Company at its Annual General Meeting held on 14th July, 2008 obtained approval from the members for delisting of the securities of the Company with Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE) as it was planning to get itself listed with NSE & BSE. Since, the Management has withheld the decision of listing of the securities with NSE & BSE therefore, it is decided that the Equity Capital of the Company remains listed with Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE).

Therefore, the Board recommends your approval for passing of the aforesaid resolution.

None of the Directors is concerned or interested in the proposed resolution.

Place: Faridabad
Date: 30th June, 2009

By Order of the Board
For **SRS Finance Ltd.**


(Rakhi Mehta)
Company Secretary

INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING APPOINTMENT/REAPPOINTMENT OF DIRECTORS

Brief Resume of all the directors, nature of their expertise in specific functional areas and names of the Companies in which they hold directorship, membership/chairmanships of Board Committees are provided below:-

SH. DEVENDRA SINGH

Sh. Devendra Singh, aged 51 years is an Independent Director of the Company. He Provides guidance on Legal matters of the company. He is member of Audit Committee of the Company. He holds position of Director on the Board of the following Companies

- SRS Entertainment & Retail Ltd.
- SRS Real Infrastructure Ltd.
- SPS Buildcon Ltd.
- Fortune Portfolio Pvt. Ltd.
- Lakshya Hotels & Resorts Pvt. Ltd.

Sh. Devendra Singh does not hold any shares in the company

SH. RAJESH MANGLA

Sh. Rajesh Mangla, graduate & aged 41 years, has an experience of 10 years in the field of real estate and construction. He is Chairman of Investors' Grievance & Share Transfer Committee of the Company. He holds the position of Director on the Board of the following Companies: -

- Dimension Infrastructure Pvt. Ltd.
- SRS Entertainment & Retail Ltd.
- SRS Movies Pvt. Ltd.
- SRS Real Infrastructure Ltd.
- SRS Admark Ltd.
- SRS Communications Pvt. Ltd.
- Rajat Fincap Pvt. Ltd.
- SRS International Ltd.
- SRS Portfolio Ltd.
- SRS Power Projects Pvt. Ltd.
- SRS IT Solutions Pvt. Ltd.
- SRS Computech Ltd.
- SRS Buildcon Pvt. Ltd.

Sh. Rajesh Mangla holds 117600 shares i.e. 3.73% as on 31st March, 2009

SH. TEJ SINGH

Sh. Tej Singh, aged 48 yrs is an Independent Director of the Company. He advises in formulation of HR policies of the Company. He holds the position of Director on the Board of the following Companies: -

- SRS Entertainment & Retail Ltd.
- SRS Real Estate Ltd.
- SRS News Ltd.

Sh. Tej Singh does not hold any shares in the Company.

Place: Faridabad

Date: 30th June, 2009

By Order of the Board
For **SRS Finance Ltd.**


(Rakhi Mehta)

Company Secretary

DIRECTORS' REPORT

INTRODUCTION

Your Directors feel pleasure in presenting the 15th Annual Report of your Company along with the Audited Accounts of the Company for the period ended 31st March, 2009

FINANCIAL RESULTS

During the year under review, your Company registered a Net Profit after tax of Rs.25,70,037/70. The Summary of the operating results is as under: -

Particulars	(Amount in Rs.)	
	31.03.2009	31.03.2008
Gross Sales/Operational Revenues and Other Income	62,49,02,155.39	7,85,92,583.88
Profit/(Loss) before Financial Expenses, Depreciation and Tax	1,77,14,770.32	42,50,374.63
Interest and Financial Expenses	81,48,392.56	2,11,693.49
Profit/(Loss) before Depreciation & Tax	9,56,63,77.76	40,38,681.64
Depreciation	52,38,287.98	1,48,120.14
Profit/(Loss) before Tax	43,28,089.78	38,90,561.50
Provision for Tax		
- Current	26,11,005.88	11,73,028.13
- Fringe Benefit Tax	1,82,393.00	22,290.24
- Deferred Tax	(14,73,740.80)	1,64,619.80
- Earlier Years	4,38,394.00	-
Profit after Tax	25,70,037.70	25,30,623.32
Profit/(Loss) brought forward from previous year	3,22,273.82	(22,08,349.00)
Amount transferred to General Reserves	28,92,311.52	3,22,274.32
Earning Per Share (Rs.)		
- Basic	0.04	0.80
- Diluted	0.04	0.80

OVERVIEW

For the year under review, the revenues of your company stood at Rs. 62,49,02,155.39 as against the previous years' revenues of Rs. 7,85,92,584.38 exhibiting a great performance. Profits after Tax for the year under review came to Rs.25,70,037.70 as against the profit of Rs. 25,30,623.32- in the previous year.

DIVIDEND

As the Company is going for expansion and profits are very minimal, your Directors don't recommend any dividend for the year under review.

BOARD OF DIRECTORS

Sh. Tej Singh was appointed as an additional Director on 21st November, 2008. His tenure of office expires at the forthcoming Annual General Meeting and he is eligible for re-appointment. Notice under Section 257 of the Companies Act, 1956 has been received from a member intending to propose his appointment as Director of the Company at the Annual General Meeting.

Sh. Naresh Goel has resigned from the Directorship of the Company on 17th November, 2008. The Board places its sincere appreciation for the services rendered by Sh. Naresh Goel during his tenure of directorship.

Sh. Bimlesh Somani has resigned from the Directorship of the Company on 22nd June, 2009. The Board places its sincere appreciation for the services rendered by Sh. Bimlesh Somani during his tenure of directorship

In accordance with the Articles of Association of the Company and in view of the provisions of Section 255 of the Companies Act, 1956, Sh. Devendra Singh and Sh. Rajesh Mangla retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer themselves for reappointment.

AMALGAMATION OF BTL INVESTMENTS LTD. & S.B.S FINANCE LIMITED

The Hon'ble High Court of Delhi vide its order dated 10th February, 2009 sanctioned the 'Scheme of Amalgamation' of BTL Investments Ltd. & S.B.S Finance Ltd. with the Company. As per the Scheme of Amalgamation, the 'Appointed Date' is 7th July, 2008. Thus w.e.f 7th July, 2008, BTL Investments Ltd. & S.B.S Finance Ltd. stands merged with the Company and the Legal entity of both the Companies stands dissolved without winding-up. Further, the entire business and undertaking of the transferor Companies gets transferred to and vested in the Company.

FIXED DEPOSITS

Your company has not accepted any deposits from the Public and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet for the year ended 31st March, 2009.

AUDITORS

M/s. Naresh Jai & Associates, Chartered Accountants, Auditors of the Company retires at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS' REPORT

The observations of the Auditors and notes on the statement of accounts are self- explanatory.

INTERNAL AUDITORS

M/s Sachin S C Singhal & Associates, Chartered Accountants have been appointed as internal auditors of the company.

CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance and Certificate of the Auditors of your Company pursuant to Clause 49 of the Listing Agreement has been set out separately, forming part of this report.

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

The Report on Management's Discussion & Analysis forming part of this report is annexed herewith.

PERSONNEL

There are no employees during the period drawing remuneration specified under Section 217 (2A) of the Companies Act, 1956. As such, no particulars are required to be furnished.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars in respect of energy conservation and technology absorption are not applicable to the Company.

Foreign Exchange earning & outgo : NIL

DIRECTORS' RESPONSIBILITY STATEMENT

(Pursuant to Section 217(2AA), the Directors of the Company confirm the following: -)

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
2. that Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors of the Company wish to place on record their thanks & gratitude to the Government Authorities, Company's Bankers, Stock Exchanges, SEBI, RTA, and other Financial Institutions and place on record their sincere appreciation for the efforts put in by the employees at all levels and cooperation extended by all those associated with the Company.

Place: Faridabad
Date: 30th June, 2009

On Behalf of the Board
For **SRS Finance Ltd.**


(Raju Gupta)
Managing Director & CEO
DIN – 00006972


(Dinesh Khatri)
Whole-time Director & CFO
DIN - 00006162

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

I. COMPANY'S PHILOSOPHY

The Company believes that Corporate Governance is the interaction of the management, shareholders and Board of Directors to help ensure that all the affairs of the Company has been conducted in a fashion that bring optimum return for stakeholders. It is the combination of compliance of laws, policies, regulations, procedures and voluntary practices to ensure the effective management of the organization in all the spheres it operates in.

The Company always believes in doing the 'right' and giving its best. The management of the Company considers itself a trustee of its shareholders and strives to continuously improve upon all the essential aspects of Corporate Governance such as: -

- Transparency – timely disclosure of all material information to all concerned to show the fair picture of the affairs of the Company;
- Accountability & responsibility towards its shareholders by ensuring healthy growth & development of the Company;
- Adoption of Honest & High Ethical standards to conduct all the business affairs of the Company;
- Professionalisation ensuring that right person is hired at the right position with clear understanding of their roles & responsibilities and hierarchy of the Company;
- Safeguarding shareholders wealth by adopting innovative approaches for best utilization of available resources and continuously following the financial discipline;
- Motivating human resources to take the Company forward by continuously preaching that '*koshish karne walon ki kabhi haar nahi hoti*' (those who try never fail).

2. BOARD OF DIRECTORS

The Company's Board plays a pivotal role in ensuring good governance. The Company's Board of Directors consists of Executive Directors, Non-Executive Directors and Independent Directors representing an adequate mix of professionalism, knowledge and experience. Presently, The board consists of Nine Directors.

The members of the Board have always had complete freedom to express their opinion and decisions are taken on the basis of consensus arrived at after detailed discussions. The members are free to bring up any matter for discussion at the Board Meetings with the Permission of the Chairman.

The agendas and the relevant documents required for discussion are sent in advance separately to each director to enable the Board to explore the matter in detail, generally a week before the fixed date of the meeting. The minutes of the meetings of the Board are circulated individually to all Directors along with the agenda of the next meeting and are confirmed at the subsequent Board Meeting. The Minutes of the various Committees of the Board are also circulated to the Board of Directors and thereafter tabled for noting at the subsequent Board Meeting.

Number of Board Meetings held

The meetings of the Board of Directors are mostly held at the Head Office of the Company at E-18, Nehru Ground, N. I. T. Faridabad – 121001.

During the year 2008-09, Twenty One (21) Board Meetings were held on 21st April, 2008; 28th April, 2008; 5th June, 2008; 16th June, 2008; 20th June, 2008; 16th July, 2008; 21st July, 2008; 29th July, 2008; 8th August, 2008; 6th September, 2008; 29th September, 2008; 17th October, 2008; 23rd October, 2008; 21st November, 2008; 1st December, 2008; 4th December, 2008; 5th January, 2009; 29th January, 2009; 12th February, 2009; 2nd March, 2009 and 18th March, 2009.

Constitution of the Board and their Attendance

The Constitution of the Board of Directors, their attendance at the Board Meetings, Annual General Meeting and directorship/chairmanship in other companies are given below:-

Name/Designation of Director	Category	Attendance of meetings during 2008-09		No. of positions held in other Companies		
		Board Meeting	Last AGM	Other Directorships**	Committee Memberships of other Companies***	Committee Memberships of other Companies***
Sh. Raju Gupta - Managing Director & CEO	Executive	17	Yes	1	-	-
Sh. Dinesh Khatri - Whole-time Director & CFO	Executive	17	Yes	3	-	-
Sh. Rajesh Mangla	Non – Executive	21	Yes	6	-	1
Sh. Karamveer Singh	Non – Executive	21	Yes	6	-	-
Sh. Bimlesh Somani \$	Non – Executive	21	Yes	3	-	-
Sh. Naresh Goel *	Non-Executive & Independent	13	Yes	3	-	-
Sh. Devendra Singh	Non – Executive & Independent	20	Yes	4	2	-
Sh. Kailash Mohan Mehta	Non – Executive & Independent	20	Yes	2	2	-
Sh. Sushil Singla	Non-Executive & Independent	20	Yes	2	-	-
Sh. Vijay Pal Bhati	Non-Executive & Independent	20	Yes	1	-	-
Sh. Tej Singh#	Non- Executive & Independent	08	N. A.	3	-	-

Notes:-

* Ceased to be Director w. e. f. 17th November, 2008.

** The Directorships held by Directors as mentioned above, do not include Alternate Directorships And Directorships of Foreign Companies, Section 25 Companies and Pvt. Ltd. Companies.

*** Includes only Audit Committee and Shareholders / Investors Grievance Committee

Appointed as an additional Director w. e. f. 21st November, 2008

\$ ceased to be Director w.e.f 22nd June, 2009

No Director holds membership of more than (10) ten Board-level Committees nor is a Chairman of more than (5) five Committees of the Board.

Directors' Remuneration

The remuneration of Executive Directors comprises of salary, house rent allowance, Conveyance allowance, medical and other allowances, other perquisites and statutory benefits as per the policy of the Company. Non-Executive Directors are not paid any fee for attending the meetings of the Board or Committee thereof.

The details of remuneration paid/provided to the Executive Directors during the financial year 2008-09 are as under: -

Sh. Raju Gupta	Managing Director & CEO	Rs.261120/-
Sh. Dinesh Khatri	Whole-time Director & CFO	Rs.172260/-

The term of the Managing Director (MD) and Whole-time Director (WTD) is for a period of Two (2) years from the date of their respective appointments. No compensation/remuneration is payable to the directors on severance of their directorship with the Company.

Taking into consideration the present market scenario; inadequacy in the profits of the Company and the requirement of more funds to be ploughed in the business from 1st March, 2009 onwards Sh. Raju Gupta, MD & CEO and Sh. Dinesh Khatri, WTD & CFO, has voluntarily decided to provide their services without remuneration for the remainder of their respective tenure.

During the financial year, there was no pecuniary relationship or transaction between the Company and its non-Executive Directors.

Number of Shares held by Non-Executive Directors as on 31st March, 2009

Sh. Karamveer Singh	136100	4.32%
Sh. Rajesh Mangla	117600	3.73%
Sh. Bimlesh Somani	94300	2.99%*

*resigned w.e.f 22nd June 2009.

3. COMMITTEES OF DIRECTORS

A. Audit Committee

During the year 2008-09, Audit Committee of the Company has been reconstituted in the Board meeting held on 28th April, 2008. The present Audit Committee comprises of the following Four (4) Executive and Non-Executive/Independent Directors who have the requisite financial & accounting acumen & knowledge.

Sh. Kailash Mohan Mehta (Chairman)
Sh. Dinesh Khatri
Sh. Devendra Singh
Sh. Sushil Kumar

Ms. Rakhi Mehta, Company Secretary, acts as Secretary of the Audit Committee.

Meetings and Attendance

During the year under review, Five (5) meetings of the Audit Committee were held on 28th April, 2008; 16th June, 2008; 16th July, 2008; 23rd October, 2008 and 29th January, 2009.

Member	Category	No. of Meetings held	Meetings Attended
Sh. Raju Gupta*	Managing Director	5	1
Sh. Karamveer Singh*	Non-Executive	5	1
Sh. Kailash Mohan Mehta (Chairman)	Independent	5	4
Sh. Dinesh Khatri	Whole-time Director & CFO	5	5
Sh. Devendra Singh	Independent	5	4
Sh. Sushil Singla	Independent	5	4

* Ceased to be member w. e. f. 28th April, 2008.

Representatives of Statutory Auditors and personnel of Finance, Accounts, Secretarial, Audit and other departments are invited who were considered necessary for providing inputs to the Committee.

The Composition, Proceedings and Terms of reference of the Audit Committee meets the requirements of Section 292 A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement. The terms of reference of the Audit Committee are: -

- i. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial information is correct, sufficient and credible.
- ii. Recommending the appointment, reappointment and replacement/removal of the statutory auditor and fixation of audit fee.
- iii. Approving payment for any other services to statutory auditors.
- iv. Reviewing with management the monthly, quarterly & annual financial statements before submission to the board focusing primarily on;
 - a) Matters required to be included in the Directors responsibility statement (which is included in the report of the Board of Directors).
 - b) Statement of significant related party transactions;
 - c) Any change in the accounting policies and practices.
 - d) Qualifications in draft audit report.
 - e) Significant adjustments arising out of audit.
 - f) Compliance with listing and other legal requirements.
 - g) Internal audit reports relating to internal control weaknesses;
 - h) The appointment, removal and remuneration of Chief Internal Auditor.
 - i) The financial statements, in particular, the investments made by subsidiary companies.
 - j) Management letters / letters of internal control weakness issued by the Statutory Auditors
- v. Discussions with Statutory Auditors before the audit commences, about the nature, scope and time frame of the audit, as well as post-audit discussions to ascertain any areas of concern, presentation of annual accounts etc.
- vi. Reviewing ongoing relationship of business partners/associates.
- vii. such other functions as may be considered appropriate by it or referred to it by the Board from time to time.

The Audit Committee, besides overseeing the Company's financial reporting process and reviewing the monthly, quarterly & annual financial statements before submission to the Board, advises the management on the areas where systems, processes, measures for controlling and monitoring revenue assurance, internal audit can be improved.

The minutes of the meetings of the Audit Committee are confirmed in the next meeting of the Audit Committee and also placed before the Board for noting.

B. Investors' Grievance & Share Transfer Committee

During the year under review, Investors' Grievance & Share Transfer Committee has been reconstituted on 28th April, 2008 comprising of Sh. Rajesh Mangla, Chairman; Sh. Karamveer Singh and Sh. Dinesh Khatri.

The Committee had been constituted to approve transfers/transmission of shares, issuance of duplicate shares; dematerialization and to look into redressal of shareholders complaints like non-transfer of shares, non-receipt of balance sheets, non-receipt of declared dividends etc.

During the year, Seven (7) meetings of the Investors' Grievance & Share Transfer Committee were held on 20th August, 2008; 30th August, 2008; 22nd September, 2008; 10th October, 2008; 20th October, 2008, 22nd January, 2009 and 30th March, 2009. All the meetings were attended by all the members.

Ms. Rakhi Mehta, Company Secretary, acts as Secretary of the Committee and is designated as Compliance Officer.

During the year 2008-09, no complaint was received from shareholders/investors and no complaint was pending at the beginning or end of the year.

4. GENERAL BODY MEETINGS

The last 3 Annual General meetings of the Company were held as under:-

- 14th Annual General Meeting was held on Monday, 14th July, 2008 at 9.30 A. M. at 'The Crystal', K-4, Pragati Maidan, New Delhi – 110001.
- 13th Annual General Meeting was held on Saturday, 9th June, 2007 at 2:30 P. M. at C-4/1, 100 Ft. Road, North Chhajjupur, Shahdara, Delhi- 110094.
- 12th Annual General Meeting was held on Saturday, 30th September, 2006 at 9:30 A. M. at Badle Bhawan, Chhuria, Mohalla, Tuglakabad, New Delhi – 110044.

All resolutions moved at the Last Annual General Meeting were passed unanimously by show of hands.

There were no special resolutions passed by the Company necessitating postal ballot at any of the above meetings. The following are the Special Resolution passed at the previous Annual general meetings held in past 3 years.

AGM held on	Whether Special Resolution passed	Summary of Special Resolution
14 th Annual General Meeting held on 14.07.2008	Yes	Listing of Securities at National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) Delisting of Securities from Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE)
13 th Annual General Meeting held on 09.06.2007	Yes	Special resolution u/s 372A for Investments/Inter Corporate Loan and u/s 293 (1) (d) for borrowing powers
12 th Annual General Meeting held on 30. 09. 2006	No	

The following Extraordinary General Meetings were held during the last three years.

Year	Venue	Date	Time
2008-09	The Crystal' K-4, Pragati Maidan, New Delhi – 110001	03.09.2008	9.30 A.M.
2006-07	C-4/1, 100 Ft. Road, North Chhajjupur, Shahdara, Delhi – 110094	08.03.2007	2.00 P.M.
2006-07	C-4/1, 100 Ft. Road, North Chhajjupur, Shahdara, Delhi – 110094	25.01.2007	10.30 A.M.

Resolutions passed through Postal Ballot

During the year, the following Special/Ordinary Resolutions contained in the Postal Ballot Notice dated 21st July, 2008 and 1st December, 2008 were passed through Postal Ballot. The Postal Ballot Notices were sent to all the Shareholders, Stock Exchanges where the shares of the Company are listed & to all other persons entitled thereto under registered post.

The Board appointed Mrs. Savita Trehan, Company Secretary in Practice as Scrutinizer to conduct the postal ballot process in a fair and transparent manner.

Details of voting patterns were as under: -

Description of Resolution	Date of announcement of Postal Ballot result	Votes cast in favor of the Resolution	Votes cast against the Resolution
Special Resolution under Section 17 of the Companies Act, 1956 for alteration in the Main Objects of the Company	26.08.2008	2616731 (99.21%)	20600 (0.79%)
Special Resolution under Section 17 of the Companies Act, 1956 for Change in Objects incidental or ancillary to the Main Objects	26.08.2008	2591231 (98.25%)	46100 (1.75%)
Special Resolution under Section 17 of the Companies Act, 1956 for Change in Other Objects	26.08.2008	2593931 (98.35%)	43400 (1.65%)
Special Resolution under Section 21 of the Companies Act, 1956 for change of name of the Company	26.08.2008	2535231 (96.12%)	102100 (3.88%)
Special Resolution under Section 31 of the Companies Act, 1956 for alteration in Articles of Association	26.08.2008	2545131 (96.50%)	92200 (3.50%)
Special Resolution under Section 94 of the Companies Act, 1956 for increase in Authorized Capital	26.08.2008	2470731 (93.68%)	166600 (6.32%)
Ordinary Resolution under Section 293 (1)(a) of the Companies Act, 1956 for authority to sell, lease or otherwise dispose off the whole or substantially the whole, of the undertakings of the Company	07.01.2009	2878220 (91.40 %)	20600 (2.36 %)

Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 for increase in borrowing limits	07.01.2009	2895120 (91.94 %)	57600 (1.82 %)
Special Resolution under Section 372A of the Companies Act, 1956 for providing guarantees/securities in excess of limits	07.01.2009	2895120 (91.94 %)	57600 (1.82 %)

The results of the Postal Ballot are announced by Managing Director at the Registered Office of the Company and are generally published in The Pioneer/Financial Express (English) and Hari Bhoomi (Hindi) for the information of all the shareholders.

5. SECRETARIAL AUDIT

Secretarial Audit is being carried out by Company Secretary in Practice on quarterly basis 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 in physical form and the total number of dematerialized shares held with NSDL and CDSL.

This audit, as process, acts both as a preventive check as well as verification of compliance with various applicable corporate and securities laws.

6. CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct applicable to all Board Members and Senior Management Personnel and they have affirmed their Compliances with the said code during the year under review. The Code has been drafted considering the three interlinked fundamental principles i.e. good corporate governance, good corporate citizenship and exemplary personal conduct. As required, the declaration by the Managing Director & CEO under Clause 49 affirming compliance with the code of conduct by all members of the Board and Senior Management Personnel for the year ended 31st March, 2009 is annexed to this Corporate Governance Report.

A copy of the Code of Conduct has been displayed on the Group's website at www.srsparivar.com.

7. MATERIAL DISCLOSURES

- **Related Party Transactions**

Related Parties and transactions with them as required under Accounting Standard- 18 are given under note No.18 of Schedule '20' of the notes to the Accounts attached with financial statements for the year ended 31st March, 2009. None of the transactions with any of the related parties were in conflict with the interest of the Company.

The Register of Contracts containing transactions, in which directors are interested, is placed before the Board regularly.

- **Legal Compliances**

The Company has complied with all applicable rules & regulations prescribed by Stock Exchanges, SEBI and/or any other statutory authority during the preceding three (3) years on all the matters related to capital market.

- **Risk Assessment And Minimization Procedures**

The Board/Audit Committee on regular intervals reviews the risks and makes plans to mitigate the same.

- **Conflict of interest**

Based on the Disclosures received by the Board from the Company's Senior Management Personnel, none of the Senior Management Personnel had any material financial or commercial transactions where in they had personal interest that could have a conflict with the interest of the Company at large.

- **CEO and CFO Certification**

A certificate, in accordance with the requirements of Clause 49(V) of the Listing Agreement, duly signed by the Managing Director (CEO) and Whole Time Director & Chief Financial Officer (CFO) in respect of the year under review was placed before the Board and taken on record by it.

- **Compliances**

The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) and, to the best of its knowledge; there are no deviations in the accounting treatments which require specific disclosure. The Company has complied with the all mandatory requirements of Clause 49 of Listing Agreement as applicable. The non-mandatory requirements are not being complied with for the time being.

8. MEANS OF COMMUNICATION

The quarterly/half yearly and annual financial results of the company are generally published in The Pioneer/Business Standard in English and Hari Bhoomi/Veer Arjun in Hindi for the information of all the Shareholders. In addition, the quarterly/half yearly and annual financial results are hosted on the Group's website at www.srsparivar.com.

All material information about the Company is promptly sent to the stock exchanges and regular notices/updates are given/provided to the media and shareholders about its financial as well as other developments.

Annual Report containing inter-alia Audited Accounts, Directors' Report, Corporate Governance Report, Management Discussion & Analysis Report and all other important information is sent to the shareholders and others entitled thereto.

9. GENERAL SHAREHOLDER INFORMATION

a) **15th Annual General Meeting**

- Day & Date	Saturday, 8 th August, 2009
- Time	1.30 P.M
- Venue	Deputy Speaker Hall 'Bharatiyam' Constitution Club, Vithalbhai Patel House, Rafi Marg, Behind Reserve Bank of India New Delhi- 110001

No Special Resolution is proposed to be conducted by postal ballot.

b) **Financial Year** 1st April to 31st March

c) **Book Closure** 4th August, 2009 to 8th August, 2009
(Both days inclusive)

d) **Listing at Stock Exchanges**

Delhi Stock Exchange Ltd.
DSE House, 3/1 Asaf Ali Road,
New Delhi – 110002
Ph. No.-011-23292417-418
Fax No.-011-23292181

Jaipur Stock Exchange Limited
Stock Exchange Building,
JLN Marg, Malviya Nagar,
Jaipur – 302017
Ph. No.-0141-2729094
Fax No.-0141-2729082

Ahmedabad Stock Exchange Limited
Kamdhenu Complex,
Opp. Sahajanand College,
Panjara Pole, Ambawadi,
Ahmedabad – 380015
Ph. No.-079-26307971-74
Fax No.-079-26308877
Website – www.aseindia.org

e) **Registrar and Transfer Agents**

BEETAL FINANCIAL & COMPUTER
SERVICES (P) LTD.
BEETAL HOUSE, 3rd Floor,
99, Madangir, Behind Local Shopping Centre, New Delhi –
110062

To expedite the share transfer, Shareholders/Investors' Grievance Committee is constituted to authorize all the transfers; transmission etc. and all shares transfer/transmission/transposition are handled by our RTA's.

f) **Key financial reporting details for the financial year (F.Y) 2008-09**

Audited results for the first quarter ended : 3rd week of July, 2008
30th June, 2008

Unaudited results for the Second quarter/Half year : 4th week of October, 2008
Ended 30th September, 2008

Unaudited (Reviewed) results for the Third quarter : 4th week of January, 2009
Ended 31st December, 2008

Audited results for the financial year ended : April – June, 2009
31st March, 2009

g) **Dematerialization of Shares**

The Company's shares are available for trading in the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company is INE002J01019.

As on 31st March, 2009, 2197200 equity shares equivalent to 69.77 % of total equity are held in dematerialized form with NSDL and CDSL

h) **Distribution of shareholding**

Shareholding Of Nominal Value	No. of Shareholders	%	No. of Shares	Amount (in Rs.)	%
Up to 5000	108	46.96	12800	1,28,000.00	0.41
5001 to 10000	9	3.91	7900	79,000.00	0.25
10001 to 20000	7	3.04	9900	99,000.00	0.31
20001 to 50000	6	2.61	28600	2,86,000.00	0.91
50001 to 100000	38	16.52	291200	29,12,000.00	9.25
100001 and above	62	26.96	2798500	2,79,85,000.00	88.87
TOTAL	230	100.00	3148900	3,14,89,000.00	100.00

i) **All requests and other communications/correspondence should be sent at the Company's Head Office at: -**

Ms. Rakhi Mehta
Company Secretary
SRS Finance Ltd.
E-18, Nehru Ground,
N. I. T. Faridabad – 121001
Ph.0129-2422802-03
Fax 0129-4036560
Email:rakhimehta@srsparivar.com

The non-mandatory requirements are not being complied with for the time being.

9. COMPLIANCE CERTIFICATE FROM THE AUDITORS

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing agreement. The certificate is annexed.

Place: Faridabad
Date: 30th June, 2009

On Behalf of the Board
For **SRS Finance Ltd.**


(Raju Gupta)
Managing Director & CEO
DIN – 00006972


(Dinesh Khatri)
Whole-time Director & CFO
DIN - 00006162

CERTIFICATIONS BY MD & CFO OF THE COMPANY

We, Raju Gupta, MD & CEO and Dinesh Khatri, WTD & CFO, of SRS Finance Ltd., to the best of our Knowledge and belief, certify that:

1. We, have reviewed the Financial statements and cash flow Statements for the year and to the best of the our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, wherever applicable:
 - a) Deficiencies in the design or operation of internal controls, if any, which come to our notice and steps have been taken/proposed to be taken to rectify these deficiencies;
 - b) Significant changes in internal control over financial reporting during the year;
 - c) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
 - d) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Faridabad
Date: 30th June, 2009



Raju Gupta
MD & CEO



Dinesh Khatri
WTD & CFO

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

This is to confirm that the company has adopted Code of Conduct for the Board of Directors and Senior Management Personnel of the company.

I declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

Place: Faridabad
Date: 30th June, 2009



Raju Gupta
MD & CEO

AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE.

To the Members of
SRS Finance Ltd.

We have examined the Compliance of Corporate Governance by SRS Finance Ltd.(the Company) for the year ended 31st March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance note on Corporate Governance (as stipulated in clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and 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 expression of opinion on the financial statements of the Company.

In our opinion and to best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 **Naresh Jai & Associates**
Chartered Accountants



A handwritten signature in blue ink, appearing to read "Naresh Goyal".

Naresh Goyal
Partner
Membership No.501487

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

INDUSTRY INFRASTRUCTURE AND OUTLOOK

The Indian Economy, after exhibiting strong growth during the past couple of years has been experiencing moderation in its growth momentum in the wake of the global economic slowdown. This was reflected in the estimates of growth in the Gross Domestic Product (GDP) at 7.1 % for FY09 as against 9% during the previous fiscal year. Industry, as a whole had also witnessed a sharp slowdown.

This decline in the economic growth rate was largely catalysed by extraneous factors such as the US sub-prime crisis that disrupted businesses and led to a flight of capital from the country. This created a shock wave that left no industry untouched and triggered the sharpest fall in the stock markets seen in recent times. In addition, the falling dollar also impacted sectors like exports significantly, besides contraction of the actual business.

The Service sector, which has been the prime growth engine over the past years, is also showing signs of slowdown mainly in construction, trade, hotels, transportation, communication and business services. The slowdown and increased pressure in margins forced businesses to rationalize their manpower, leading to job losses. This in turn brought in a sharp depression in consumer demand leading to people curtail their expenditure and conserve capital. The reverberations of this fall in purchasing power and cautionary approach were seen not only in the big ticket purchases, but also in a decline in regular behavior such as their eating out in restaurants. Clearly, value enhancement and cutting down on indulgent expenses became the order of the day.

The downturn produced shockwaves in the real estate market, which further impacted sectors like retail, cement and iron. In the time of recession, on one hand Indian consumers are cutting back on their spending and on the other, no retail company wants to buy exorbitantly high priced spaces or take them up on high rentals. Witnessing the slump in real estate sector, the biggest challenges for the Company will be of keeping a check on pricing as well as to enhance the slack demand of building materials. Your Company recognizes this challenge and has taken effective steps. Improvement of operating efficiencies and containment of cost of production is an ongoing process and the company has taken several firm initiatives to control the costs.

COMPANY DEVELOPMENTS

The Company as a part of its future growth strategy decided to merge two Non Banking Financial Companies (NBFC) i.e. BTL Investments Ltd. & S.B.S Finance Ltd with the Company and accordingly changed its name to "SRS Finance Ltd" The scheme of amalgamation with regard to merger was sanctioned by Hon'ble High Court of Delhi vide its order dated 10th February, 2009.

The Company is in the process of getting registration with Reserve Bank of India (RBI) as NBFC.

The Trading division has been performing well with a turnover of Rs3039.23 Lacs as compared to the turnover of Rs. 681.54 Lacs in the previous financial year.

The Restaurant division has reported the revenues of Rs. 133.96 Lacs with a profit of Rs. .3.42 Lacs.

SEGMENT WISE AND PRODUCT WISE PERFORMANCE

Trading Division

The company has started the trading business of construction-linked material taking into consideration the huge volume of construction work that is going on in Faridabad region and Nehar-Par (Greater Faridabad) area. This area is booming with a number of group housing, commercial and institutional projects with the builders having started construction on their projects. The requirement of construction related items is huge, and in spite of this, there is no single source to supply the required building material. The company is expecting that development work in the area will continue for next 10 years time. Together, this is a significant opportunity that your company intends to leverage.

The trading division achieved a turnover of Rs.3039.23 Lacs as compared to Rs. 681.54 Lacs in the previous financial year, which is quite commendable at the period of recession.

Security Division

The revenue from the Security division has been Rs. 2986.25 Lacs with a profit of Rs. 1075.15 Lacs. Though Indian stock market crashed badly last year, the company registered an encouraging growth. This was only possible by the expertise and experience of the in-house team. Its ability to spot opportunities, stay away from unanticipated dangers and maintain good financial health even in uncertain time made all the difference.

Resto Bar Division

The company earned revenue of Rs. 133.96 Lacs from its resto bar as compared to Rs. 125.60 Lacs in the previous year. This is a reflection of the division's focus on operational effectiveness and a keen understanding of the consumer desires and needs.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has Audit Committee consisting of independent directors having expert knowledge and vast experience in the field of their area of operations. They do periodic review of accounting records and various statements/accounts prepared by the accounting department. They advise time to time to the senior management of the Company and interact with them.

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. The Company has clearly laid down policies, guidelines and procedures which form part of its internal control system.

RISK/CHALLENGES

A big risk which the Companies are facing is price risk. Rise in cost of raw materials could impact the company's performance. The company has been leveraging the bargaining power of scale to manage the cost of other materials through consolidated purchase of these materials. As the company has its trading division, it always goes for bulk purchase and gets the benefit of discounts.

The markets are extremely mercurial these days - sometimes respecting fundamentals and sometimes get driven purely by sentiments. So while the long term attractiveness is undisputable, the market is marked by volatility in its current phase, which makes it becomes difficult for investor to judge its direction. However, since your company applies strong hedging techniques, the unpredictable moves are always well-covered.

The biggest challenge at present is to manage the marketing investments, simultaneously assessing Company's brand opportunities, allocation of resources for the long term, and balancing budgets.

Your Company keeps a close watch in streamlining its product portfolios, improve the affordability of their offerings, and provide greater value to bolster the customers' trust, and not making the mistake of cutting costs indiscriminately, which can jeopardize long-term performance.

RISK MANAGEMENT- LEVERAGING OUR EXPERIENCE

Risk management is an integral part of the Company's business process. With the help of experts in this field, risks are carefully mapped and a risks management framework is evolved. Pertinent policies and methods are set forth to mitigate such risks.

To counter risk from growing competition, your Company is renovating its properties, improving service standards, to provide exceptional services, continuously and consistently.

HUMAN RESOURCES

Human Capital is the most precious resource of a company for sustained competitive edge and growth. Your Company encourages regular feedback for phasing-in process improvement and aligning employee's goals with business objectives.

Believing that people's contribution is the main engine for growth, it gives the highest importance to human resources and it focuses on developing a performance culture throughout the organization. These includes encouraging participative management style, improvement of job skills of the employees, inculcating the spirit of innovativeness so as to improve their growth and quality of work, establishing system of evaluation of employees, their performance and need for training. The aim is to create a pool of not just employees but a pool of passionate ambassadors who are motivated to continuously nurture the company with fresh thinking and new ideas.

One of the cornerstones of the company culture is teamwork and continuous learning. To promote this, the company focused on supporting people to unlock their potentials and to enable them to work with a superior team spirit.

CAUTIONARY STATEMENTS

Statements in this Management Discussion and Analysis Report describing Company's objectives, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual Results might differ substantially or materially from those expressed or implied. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Place: Faridabad
Date: 30th June, 2009

On Behalf of the Board
For **SRS Finance Ltd.**



(Raju Gupta)
Managing Director & CEO
DIN – 00006972



(Dinesh Khatri)
Whole-time Director & CFO
DIN - 00006162

AUDITORS' REPORT

To,

The Members of
SRS FINANCE LIMITED,
New Delhi.

1. We have audited the attached Balance Sheet of **SRS FINANCE LIMITED** ('the Company') as at 31st March 2009, the 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.
2. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 [as amended by the Companies (Auditor's Report) (Amendment) Order, 2004] [hereinafter referred to as 'Order'] 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 paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 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 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **NARESH JAI & ASSOCIATES**

Chartered Accountants



NARESH GOYAL

(Partner)

Membership No. 501487



Place: Faridabad

Date: 30.06.2009

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

- i.
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, major fixed assets have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification as compared to book records.
 - (c) Fixed assets disposed off during the year were not substantial and therefore, do not affect the going concern assumption.
- ii.
 - (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.
- iii.
 - (a) As per the information and explanations provided to us, the Company has granted loan to 10 companies covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 3394 lacs and the year-end balance of loans taken from such parties was Rs. Nil.
 - (b) In our opinion, the rate of interest wherever stipulated, and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
 - (c) The loan was fully recovered during the year by the company. Hence the provisions of clause 4 (iii) (c) & (d) of the order are not applicable to the company.
 - (e) The Company had taken loan from 9 companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2994 lacs and the year-end balance of loans taken from such parties was Rs. Nil.
 - (f) In our opinion, the rate of interest wherever stipulated, and other terms and conditions for such loans have been taken from companies listed in the register maintained under section 301 of the Companies Act 1956 are not, prima facie prejudicial to the interest of the company.
 - (g) The loan was fully repaid during the year by the company. Hence the provisions of clause 4 (iii) (g) of the order are not applicable to the company.
- iv. In our opinion and according to the information and explanation given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system of the Company.

- v. (a) According to information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into 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, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder are not applicable to the Company.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business and activities.
- viii. According to information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of business carried out by the Company. Therefore, provisions of Clause 4(viii) of the Order are not applicable to the Company.
- ix. (a) The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it, *though there has been a slight delay in a few cases.*
- (b) According to the information and explanations given to us, *except advance tax dues of Rs. 4.52 lacs*, no other undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess were in arrear as at 31st March 2009 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- x. The company has no accumulated losses as at 31st March 2009 and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its Bankers. The Company did not have any outstanding debentures or any outstanding loans from any financial institution during the year.
- xii. In our opinion and according to the information & explanation given 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.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. According to the information and explanation given to us, the company has maintained proper record of transactions for dealing in or trading in shares, securities and other investments and shares and other securities have been held by the Company in its own name.
- xv. As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

- xvi. To the best of our information and knowledge and as per records verified by us, the Company has applied its term loans for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. According to the information and explanations given to us, the Company has not issued any debentures. Therefore, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by means of public issue during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **NARESH JAI & ASSOCAITES**
Chartered Accountants



CA. NARESH GOYAL
(Partner)
Membership No. 501487

Place: Faridabad
Date: 30.06.2009


BALANCE SHEET AS AT 31.03.2009

PARTICULARS	SCH.	AS AT		(Amount in Rs.)
		31.3.2009	AS AT 31.3.2008	AS AT 31.3.2008
SOURCES OF FUNDS				
Share Holders' Funds				
Share Capital	1	816,215,930.00	31,489,000.00	
Reserve & Surplus	2	<u>3,874,625.32</u>	<u>322,273.82</u>	31,811,273.82
Loan Funds				
Secured Loans	3	15,976,583.90	8,869,529.00	
Unsecured Loans	4	<u>27,696,421.59</u>	<u>1,600,752.00</u>	10,470,281.00
			<u>863,763,560.81</u>	<u>42,281,554.82</u>
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	5	34,983,699.79	8,282,100.62	
Less: Depreciation & Amortisation		<u>4,660,256.66</u>	<u>148,120.14</u>	
Net Block		30,323,443.13	8,133,980.48	
Capital Work In Progress		-	<u>13,266,838.61</u>	21,400,819.09
Investments	6		640,588,475.43	3,199,400.00
Deferred Tax Assets (Net)			508,052.00	(164,619.80)
Current Assets, Loans & Advances				
Inventories	7	93,624,386.43	5,972,729.00	
Sundry Debtors	8	84,946,054.00	12,761,354.64	
Cash and Bank Balances	9	1,381,874.33	2,947,997.34	
Loans & Advances	10	<u>144,534,856.68</u>	<u>7,350,327.45</u>	
		324,487,171.44	29,032,408.43	
Less : Current Liabilities & Provisions				
Current Liabilities	11	130,498,671.31	10,193,726.52	
Provisions	12	<u>1,644,909.88</u>	<u>992,726.38</u>	
		132,143,581.19	11,186,452.90	
Net Current Assets			192,343,590.25	17,845,955.53
			<u>863,763,560.81</u>	<u>42,281,554.82</u>
Significant Accounting Policies & Notes to the Accounts	20			

The Schedules referred to above form an integral part of Financial Statements AS PER OUR REPORT OF EVEN DATE ANNEXED For NARESH JAI & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD

Chartered Accountants


GA. NARESH GOYAL
(Partner)



(Membership No.: 501487)

PLACE : Faridabad

DATE : 30.06.2009


RAJU GUPTA
(MANAGING DIRECTOR & CEO)
DIN-00006972


DINESH KHATRI
(WHOLE TIME DIRECTOR & CFO)
DIN-00006162


RAKHI MEHTA
(COMPANY SECRETARY)
M.NO.19978

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2009

PARTICULARS	SCH.	(Amount in Rs.)	
		YEAR ENDED 31.3.2009	YEAR ENDED 31.03.2008
INCOME			
Operational Revenues	13	563,304,940.40	74,261,287.79
Other Incomes	14	61,597,214.99	4,331,296.09
Increase/(Decrease) of Inventory		87,651,657.43	5,972,729.00
		712,553,812.82	84,565,312.88
EXPENDITURE			
Operating Expenses	15	669,291,721.13	73,328,600.86
Personnel Expenses	16	10,658,133.00	2,431,402.00
Office & Administration Expenses	17	14,569,784.79	4,090,436.50
Financial Expenses	18	8,148,392.56	211,693.49
Marketing & Selling Expenses	19	319,403.58	161,580.89
Preliminary Expenses Written off		-	302,918.00
Depreciation	5	5,238,287.98	148,120.14
		708,225,723.04	80,674,751.88
PROFIT BEFORE TAX		4,328,089.78	3,890,561.00
LESS: PROVISION FOR TAX			
Current		2,611,005.88	1,173,028.13
Deferred		(1,473,740.80)	164,619.80
Earlier Years		438,394.00	-
FBT		182,393.00	22,290.24
PROFIT AFTER TAX		2,570,037.70	2,530,622.82
Brought Forward Balance of Profit & Loss A/c		322,273.82	(2,208,349.00)
Amount Carried to Balance Sheet		2,892,311.52	322,273.82
EARNING PER SHARE (Face Value Rs. 10)			
(Basic & Diluted)		0.04	0.80
Significant Accounting Policies & Notes to the Accounts	20		

The Schedules referred to above form an integral part of Financial Statements

AS PER OUR REPORT OF EVEN DATE ANNEXED

For NARESH JAI & ASSOCIATES

Chartered Accountants


CA. NARESH GOYAL
(Partner)

(Membership No.: 501487)

PLACE : Faridabad

DATE : 30.06.2009



FOR AND ON BEHALF OF THE BOARD


RAJU GUPTA
(MANAGING DIRECTOR & CEO)
DIN-00006972


DINESH KHATRI
(WHOLE TIME DIRECTOR & CFO)
DIN-00006162


RAKHI MEHTA
(COMPANY SECRETARY)
M.NO.19978

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2009

(Amount in Rs.)

Sr. No.	PARTICULARS		YEAR ENDED 31-Mar-09	YEAR ENDED 31-Mar-08
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
	Net Profit Before Tax (as per Profit & Loss Account)		4,328,089.78	3,890,561.00
	Adjustment For:			
	Depreciation		5,238,287.98	148,120.14
	Interest Paid		8,148,392.56	211,693.49
	Balance Written Off		735,283.00	-
	Priliminary Expenses Written Off		-	302,918.00
	Profit on sale of Fixed Assets		(4,933,320.08)	-
	Loss on sale of Fixed Assets		557,758.00	-
	Profit on sale of Current Investment		(51,797,500.00)	(3,429,545.00)
	Dividend Income		(705,002.30)	-
	Interest Received		(10,306,790.67)	-
	Operating Profit Before Working Capital Change		(48,734,801.73)	1,123,747.63
	Adjustment For:			
	Trade and Other Receivable		193,533,382.76	(13,472,898.43)
	Inventories		72,681,280.36	(5,972,729.00)
	Trade Payable and Other Liabilities		98,388,590.99	5,180,156.66
	Cash Generated From Operations		315,868,452.38	(13,141,723.14)
	Direct Taxes Paid		(3,524,267.37)	(318,952.86)
	Net Cash From Operating Activities	(A)	312,344,185.01	(13,460,676.00)
B	<u>Cash Flow From Investing Activities</u>			
	Purchases of Fixed Assets		(20,677,695.09)	(21,548,939.00)
	Proceeds from Sale of Fixed Assets		49,029,238.29	23,430,145.00
	Purchases of Investments		(142,243,315.50)	-
	Sales of Investments		343,205,000.00	-
	Dividend Income		750,002.30	-
	Interest Received		10,306,790.67	-
	Net Cash Used In Investing Activities	(B)	240,325,020.67	1,881,206.00
C	<u>Cash Flow From Financing Activities</u>			
	Proceeds From Long Term Borrowings		250,000.00	-
	Repayments of Long Term Borrowings		(1,903,996.51)	-
	Proceed From Short Term Borrowing (Net)		(554,231,745.99)	10,470,281.00
	Proceeds From Issue of Shares		-	-
	Interest Paid		(8,148,392.56)	(211,693.00)
	Net Cash Used In Financing Activities	(C)	(564,034,135.06)	10,258,588.00
	Net Increase In Cash And Cash Equivalent	(A+B+C)	(11,364,929.38)	1,320,882.00
	Cash & Cash Equivalent at the beginning of the Year	I	2,947,997.34	273,323.00
	Received from Merged Entities	II	9,798,806.37	-
	Cash & Cash Equivalent at the end of the Year	III	1,381,874.33	(1,047,599.00)
	Net Increase In Cash And Cash Equivalents	(III-II-I)	(11,364,929.38)	(1,320,882.00)

AS PER OUR REPORT OF EVEN DATE ANNEXED
For NARESH JAI & ASSOCIATES
Chartered Accountants


CA. NARESH GOYAL
(Partner)

(Membership No.: 501487)
PLACE : Faridabad
DATE : 30.06.2009



FOR AND ON BEHALF OF THE BOARD


RAJU GUPTA
(MANAGING DIRECTOR & CEO)
DIN-00006972


DINESH KHATRI
(WHOLE TIME DIRECTOR & CFO)
DIN-00006162


RAKHI MEHTA
(COMPANY SECRETARY)
M.NO.19978

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	AS AT 31.3.2009	AS AT 31.3.2008
SCHEDULE - I		
AUTHORISED CAPITAL		
10,00,00,000 # (P.Y. 25,000,000) Equity shares of Rs. 10/- each	1,000,000,000.00	250,000,000.00
	<u>1,000,000,000.00</u>	<u>250,000,000.00</u>
<p># Increase of 750,00,000 equity shares @ Rs. 10/- each during the year, out of which 220,00,000 equity shares are transferred from merged entities in pursuance to the Scheme of amalgamation of BTL Investments Ltd. & S.B.S Finance Ltd. with the company</p>		
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
31,48,900 Equity Shares of Rs. 10/- Each Fully Paid (P.Y. 31,48,900 Equity Shares of Rs. 10/- Each Fully Paid)	31,489,000.00	31,489,000.00
SHARE CAPITAL SUSPENSE		
Pursuant to the scheme of amalgamation (refer note I of schedule 20B) -Notes to Accounts)		
- 4,99,88,851 Equity shares of Rs. 10/- each fully paid up allotted after balance sheet date for consideration other than cash to the shareholders of BTL Investments Ltd.	499,888,510.00	-
-2,84,83,842 Equity shares of Rs. 10/- each fully paid up allotted after balance sheet date for consideration other than cash to the shareholders of S.B.S. Finance Ltd.	284,838,420.00	-
	<u>816,215,930.00</u>	<u>31,489,000.00</u>
SCHEDULE - 2		
RESERVES & SURPLUS		
Balance of Profit and Loss Account	2,892,311.52	322,273.82
Special Reserve Under RBI Act		
Amount transferred on Amalgamation of BTL Investment Ltd. and S.B.S Finance Ltd.	982,313.80	-
	<u>3,874,625.32</u>	<u>322,273.82</u>
SCHEDULE - 3		
SECURED LOANS		
From Banks:		
Cash Credit	14,353,225.42	8,869,529.00
Vehicle Loans	1,623,358.48	-
(Repayable within one year Rs. 13,23,008/-, P. Y. Rs. Nil)	<u>15,976,583.90</u>	<u>8,869,529.00</u>
<p>a.) Cash credit Facility is secured against Hypothecation of stock and book debts. The facility is further secured by EM of certain properties of Directors & relatives and Personal Guarantees of the Directors & relatives.</p>		
<p>b.) Vehicle loans are secured by hypothecation of respective vehicles.</p>		
SCHEDULE - 4		
UNSECURED LOANS		
Inter- Corporate Deposits	27,696,421.59	1,600,752.00
	<u>27,696,421.59</u>	<u>1,600,752.00</u>

SCHEDULES TO THE FINANCIAL STATEMENTS

SCHEDULE - 5 FIXED ASSETS

NAME OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2008	ADDITION DURING THE YEAR	SALE/TRF. DURING THE YEAR	AS AT 31.03.2009	AS AT 01.04.2008	FOR THE YEAR	ADJUSTMENT ON SALE/ TRANSFER	UP TO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
PLANT & MACHINERY	3,324,002.70	8,490,580.15	8,563,467.45	3,251,115.40	59,384.46	177,354.71	133,015.48	103,723.69	3,147,391.71	3,264,618.24
SMALL MISC ASSETS	-	1,708.00	-	1,708.00	-	566.21	-	566.21	1,141.79	-
VEHICLES	-	12,397,388.61	4,374,645.00	8,022,743.64	-	706,693.26	140,870.53	565,822.73	7,456,920.91	-
LAND	-	14,305,000.00	7,310,000.00	6,995,000.00	-	-	-	-	6,995,000.00	-
FURNITURE & FIXTURES	4,931,669.92	7,691,747.58	7,896,931.15	4,726,486.35	87,430.14	318,915.86	184,840.91	221,505.09	4,504,981.26	4,844,239.78
LEASEHOLD IMPROVEMENTS	-	17,150,461.40	16,548,056.00	602,405.40	-	254,020.72	246,811.00	7,209.72	595,195.68	-
COMPUTERS	26,428.00	787,537.00	686,728.00	127,237.00	1,305.54	28,402.55	20,613.54	9,094.56	118,142.44	25,122.46
GOODWILL	-	11,257,004.00	-	11,257,004.00	-	3,752,334.67	-	3,752,334.67	7,504,669.33	-
Current Year	8,282,100.62	72,081,426.74	45,379,827.60	34,983,699.79	148,120.14	5,238,287.98	726,151.46	4,660,256.66	30,323,433.13	8,133,980.48
Previous Year	-	8,282,100.62	-	8,282,100.62	-	148,120.14	-	148,120.14	8,133,980.48	-

Note: Addition to Assets During the Year include assets transferred during the year on account of amalgamation of BTL Investments Ltd. & S.B.S Finance Ltd. with the Company.

(Please Refer Note I of Schedule 20 B-Notes to Accounts)

SCHEDULES TO THE FINANCIAL STATEMENTS

PARTICULARS	AS AT 31.3.2009	(Amount in Rs.) AS AT 31.3.2008
SCHEDULE - 6		
INVESTMENTS		
LONG TERM, UNQUOTED, NON-TRADE		
1). SRS Entertainment & Retail Ltd. 36,59,36,950(Previous year Nil) equity shares of Rs1/-each	552,365,760	-
2). SRS Admark Ltd. 20,000(Previous year Nil) equity shares of Rs10/-each	4,000,000	-
3). SRS Aviations Pvt. Ltd. 55,752 (Previous year Nil) equity shares of Rs10/-each	11,150,581	-
4). SRS Cinemas Ltd. 17,500 (Previous year Nil) equity shares of Rs10/-each	3,500,000	-
5). SRS Communications Pvt. Ltd. 17,638 (Previous year Nil) equity shares of Rs10/-each	3,527,600	-
6). SRS Computech Ltd. 25,000 (Previous year Nil) equity shares of Rs10/-each	5,000,000	-
7). SRS Infracon. Ltd. 9,600(Previous year Nil) equity shares of Rs10/-each	1,920,000	-
8). SRS Buildcon Pvt. Ltd. 19,437 (Previous year Nil) equity shares of Rs10/-each	3,887,404	-
9). SRS IT Solutions P.Ltd. 58,125 (Previous year Nil) equity shares of Rs10/-each	16,125,000	-
10). SRS Modern Sales Ltd. 2100 (Previous year Nil) equity shares of Rs10/-each	420,000	-
11). SRS Movies Pvt. Ltd. 33,394(Previous year Nil) equity shares of Rs10/-each	6,678,858	-
12). Unichem Impex Pvt. Ltd. 10,4000(Previous year Nil) equity shares of Rs10/-each	5,200,000	-
13). Vijay Finlease Ltd. 2,260,000(Previous year Nil) equity shares of Rs 10/-each	22,600,000	-
14). Horizon Rubber Products Ltd. 95,387(Previous year Nil) equity shares of Rs 10/-each	953,873	-
LONG TERM, QUOTED, NON-TRADE - Mutual Funds	60,000.00	-
INVESTMENT IN IMMOVABLE PROPERTY	<u>3,199,400.00</u> 640,588,475.00	<u>3,199,400.00</u> 3,199,400.00

Note:- All the investments in share & mutual funds are fully paid up.

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	AS AT 31.3.2009	AS AT 31.3.2008
SCHEDULE - 7		
INVENTORIES		
(As taken, valued & certified by the Management)		
- Building Material	5,620,714.00	5,310,488.00
- Shares	87,826,087.43	-
- Others	177,585.00	662,241.00
	93,624,386.43	5,972,729.00
SCHEDULE - 8		
SUNDRY DEBTORS		
(Unsecured, considered Good)		
- Outstanding for a period exceeding six months	7,262,000.00	-
- Others	77,684,054.00	12,761,354.64
	84,946,054.00	12,761,354.64
SCHEDULE - 9		
CASH & BANK BALANCES		
Cash in Hand	556,766.611	2,747,306.76
Balance with Scheduled Banks		
-in Current Accounts	725,107.72	200,690.58
-in FDR Accounts*	100,000.00	-
* (Pledged with the Bank for Bank guarantee)		
	1,381,874.33	2,947,997.34
SCHEDULE - 10		
LOANS & ADVANCES		
Security Deposit	4,44,269.00	2,949,600.00
Income tax paid under protest (Refer note No.7 of schedule 20 (B)-Notes to Accounts)	1,200,000.00	1,200,000.00
Advances for Investment	41,050,000.00	-
Loans & Advances	94,984,710.26	-
Advance to Suppliers	58,908.10	2,447,863.00
Advance Recoverable in Cash or Kind Value to be Recovered	6,796,969.32	752,864.45
	144,534,856.68	7,350,327.45
SCHEDULE - 11		
CURRENT LIABILITIES		
Advance from Customers	96,483,443.00	600,000.00
Sundry Creditors	31,794,692.51	4,191,475.62
Bank Overdrawn	-	3,995,555.86
Security Deposit	491,666.00	288,809.00
Other Liabilities	1,728,869.80	1,117,886.04
	130,498,671.31	10,193,726.52
SCHEDULE - 12		
PROVISIONS		
Provision for Income Tax (Net of Advance Tax & TDS Rs. 15,55,546, P.Y. Rs. 3,02,384)	1,055,459.88	870,644.13
Provision for FBT (Net of Advance Tax & TDS Rs. Nil, P.Y. Rs. 8,433)	212,014.00	13,857.24
Provision for Gratuity	343,427.00	65,089.00
Provision for Leave Encashment	34,009.00	43,136.00
	1,644,909.88	992,726.38

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	YEAR ENDED 31.3.2009	YEAR ENDED 31.3.2008
SCHEDULE - 13		
OPERATIONAL REVENUES		
(a) Sale of Shares	235,815,982.44	-
(b) Sale of Building Material	274,370,970.00	62,843,696.28
© Sale of Foreign currency	29,414,704.00	-
(d) Sale at Restaurant	13,396,493.29	11,417,591.51
(e) Interest Received	10,306,790.67	-
Total (a+b+c+d+e)	<u>563,304,940.40</u>	<u>74,261,287.79</u>
SCHEDULE - 14		
OTHER INCOMES		
Commission Received	2,528,495.00	421,200.00
Profit on Intra day Trading	137,495.63	-
Misc. Income	1,495,401.98	480,551.09
Dividend Income	705,002.30	-
Profit on sale of Investments	51,797,500.00	3,429,545.00
Profit on sale of Fixed Asset	4,933,320.08	-
	<u>61,597,214.99</u>	<u>4,331,296.09</u>
SCHEDULE - 15		
OPERATING EXPENSES		
PURCHASES		
(a) Purchase of shares	362,800,403.42	-
(b) Purchase of Building Material	268,040,329.37	66,036,634.12
(c) Purchase of Foreign Currency	28,721,973.04	-
(d) Purchases at Restaurant	4,300,605.37	4,449,433.25
Total (a+b+c+d)	<u>663,863,311.20</u>	<u>70,486,067.37</u>
Other Operational Expenses	5,428,409.93	2,842,533.49
TOTAL OPERATING EXPENSES	<u>669,291,721.13</u>	<u>73,328,600.86</u>
SCHEDULE - 16		
PERSONNEL EXPENSES		
Salaries, Wages, Stipend & other allowances	9,008,936.00	1,805,525.00
Director's Remuneration	433,380.00	-
Contribution to Provident Fund & Other Funds	506,842.00	124,136.00
Staff Welfare	124,954.00	105,609.00
Provision for Employees's benefits	269,211.00	108,225.00
Incentive	314,810.00	287,907.00
	<u>10,658,133.00</u>	<u>2,431,402.00</u>

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	YEAR ENDED 31.3.2009	YEAR ENDED 31.3.2008
SCHEDULE - 17		
OFFICE & ADMINISTRATION EXPENSES		
AGM Expenses	28,962.00	9,500.00
Audit Fees	50,000.00	50,000.00
Common Area Maintenance Charges	299,208.00	-
Vehicle Running & Maintenance Expenses	770,602.00	42,347.00
Donation	96,000.00	-
Electricity & Water Charges	1,503,163.00	802,032.00
Legal & Professional Charges	1,318,824.00	263,575.00
Listing Expenses	42,585.00	94,044.00
Misc. Expenses	552,401.93	234,291.00
Postage & Stamp	37,199.00	130.00
Balances Written Off	735,283.00	-
Loss on sale off Fixed Assest	557,758.00	-
Insurance	134,200.86	-
Printing & Stationery	206,706.00	121,627.00
Rent	3,502,056.00	1,715,000.00
Repair & Maintenance	569,015.00	130,457.50
Rates & Taxes	3,499,046.00	67,300.00
Security Charges	89,949.00	387,492.00
Telephone Expenses	559,466.00	172,641.00
Travelling Expenses	17,360.00	-
	<u>14,569,784.79</u>	<u>4,090,436.50</u>
SCHEDULE - 18		
FINANCIAL EXPENSES		
Interest on Cash Credit	1,978,672.00	-
Interest on Unsecured loans	5,680,722.00	98,969.80
Interest on Vehicle Loan	186,216.49	-
Bank & Other Financial Charges	302,782.07	112,723.69
	<u>8,148,392.56</u>	<u>211,693.49</u>
SCHEDULE - 19		
MARKETING & SELLING EXPENSES		
Advertisement Expenses	315,890.58	59,851.00
Business Promotion	2,254.00	23,700.00
Discounts	1,259.00	78,029.89
	<u>319,403.58</u>	<u>161,580.89</u>

SCHEDULE- 20

Significant Accounting Policies and Notes to Accounts

A. SIGNIFICANT ACCOUNTING POLICIES

I. Accounting Conventions

The Company follows the mercantile system of accounting and recognizes Income and Expenditure on accrual basis. The accounts are prepared on historical cost basis, as a going concern, in accordance with the relevant disclosure requirements of the provisions of the Companies Act, 1956 and are consistent with generally accepted accounting principles and Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable to the company.

2. Use of Estimates

The presentation of financial statements is in conformity with the generally accepted accounting principles, which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known/materialized.

3. Revenue Recognition

- 3.1 Revenues from sale of trading goods are recognized when the significant risk and rewards in respect of ownership of the goods are transferred to customer.
- 3.2 Revenue of restaurant business is recognized on the accrual basis at the time of sale at counter.
- 3.3 Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.
- 3.4 Sale of land and other properties are recognized in the financial year in which the transfer of significant risk and rewards of ownership is made after handing over of possession by way of agreement to sell / registration of sale deed or otherwise in favour of parties.
- 3.5 Other revenues are recognized on accrual basis.
- 3.6 Interest is recognized on a time proportion basis.

4. Fixed Assets, Capital Work in Progress and Intangible Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the cost of acquisition / purchase price inclusive of duties, taxes, incidental expenses, erection / commissioning expenses, interest etc. up to the date of assets is ready for its intended use. Credit of duty, if available, is adjusted in the acquisition cost of the respective fixed assets.

Capital Work –in – Progress, including capital advances, is carried at cost, comprising direct cost, related incidental expenses and interest on borrowings to the extent attributed to them.

Intangible assets are recognized as per the criteria specified in Accounting Standard-26 “Intangible Assets” issued by the Institute of Chartered Accountants of India and recorded at the consideration paid for acquisition

5. **Investments**

Long term investments are carried at their historical cost less any other than temporary diminution in the value of the investments. Current investments are marked down to their net realizable value, if less than the historical cost.

6. **Inventories**

Inventories are valued at lower of cost and net realizable value.

Cost of Inventories is determined on First in First out (FIFO) basis in the ordinary course of business.

7. **Taxation**

Income tax expenses are accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax as stated below:

Current Tax:

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provision of Income Tax Act, 1961.

Deferred Tax:

Deferred Tax is recognized, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years timing difference.

Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses, which are recognized to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

8. **Retirement and other employee benefits**

Retirement benefits are accounted for on accrual basis in respect of Provident Fund, defined contribution scheme, with contribution charged against revenue each year.

Gratuity liability and Leave Encashment are defined benefit obligations and provided for on the basis of an actuarial valuation made at the end of each financial year.

9. **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals on accruals of past or future cash receipts or payments. The cash flows from operating, financing, and investing activities of the company are segregated.

10. **Earning Per Share**

Earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

In determining earning per share, the company considers the net profit after tax. The number of shares used in computing the earning per share is the weighted average of number of shares outstanding during the accounting period. Earning per share is presented on annualized basis unless otherwise stated.

11. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are material, and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent, and disclosed by way of notes to the accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.

12. Depreciation on Fixed Assets and Amortization

Depreciation on fixed assets is applied on straight-line basis as per the rates and manner specified in the Schedule XIV to the Companies Act, 1956 on pro rata basis.

Depreciation on fixed assets costing upto Rs.5000/- is provided @ 100% over a period of one year.

Intangible Assets are amortized over the useful life of the assets or ten years, whichever is earlier. Goodwill on amalgamation is written off over a period of three years.

Depreciation on leasehold improvements is charged over the period of lease

13. Foreign Exchange Transaction

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of the transaction.

Monetary items denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported are recognized as income / expense in the period in which they arise.

Non-monetary items are carried at cost

14. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are considered as part of the cost of Assets/Projects. Qualifying Asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are treated as period cost and charged to the profit and loss account in the year in which incurred.

15. Leases

Assets taken on lease under which, all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Operating lease payments are recognized as expenses in the profit and loss account on a straight-line basis over the lease term.

16. Impairment of Assets

An asset is impaired if there are sufficient indication that the carrying cost would exceed the recoverable amount of cash generating asset. In that event an impairment loss so computed would be recognized in the accounts in the relevant year.

B. NOTES TO ACCOUNTS

I. Scheme of Amalgamation of “BTL Investments Limited and S.B.S Finance Limited with the Company”

- Subsequent to the amalgamation of BTL Investments Limited and S.B.S Finance Limited with the Company, all the assets and liabilities of the amalgamating companies have been transferred to and vested in the Company, through the Scheme of Amalgamation (“Scheme”) under section 391 to section 394 of the Companies Act, 1956 approved by Honorable High Court of Delhi vide its order dated 10th February 2009, becoming effective on 9th March 2009 on filing of the certified copies of the aforesaid order with the Registrar of Companies, Delhi & Haryana w.e.f. 7th July, 2008 (the Appointed date of the Scheme) and accordingly:
- All assets and liabilities of BTL Investments Limited and S.B.S Finance Limited have been transferred and stand vested with the Company with effect from the appointed date at their respective book values on that date. Both the Companies carried on all their businesses and activities for the benefit of and in trust for, the Company from the appointed date. Thus, the assets, profit or income accruing or arising to BTL Investments Limited and S.B.S Finance Limited, and liabilities, expenditure or losses arising or incurred by them from the appointed date are treated as the profit or income or expenditure or loss as the case may be, of the Company. The Scheme has accordingly been given effect to in these accounts & all transactions amongst Amalgamated and Amalgamating companies have been netted off.
- The amalgamation have been accounted for under the “Pooling of Interests Method” as prescribed by Accounting Standard 14 – Accounting for Amalgamations (AS 14) issued by the Institute of Chartered Accountants of India (ICAI). Accordingly, the assets, liabilities and reserves of BTL Investment Limited and SBS Finance Limited have been taken over at their book values on the Appointed Date, subject to adjustments, if any specified in the respective Scheme.

In terms of the Schemes, the Company has acquired assets and liabilities having Net Book Value of Rs. 77,34,69,725, as detailed hereunder:

(Amount in Rs.)

Particulars	BTL Investments Ltd.	S.B.S Finance Ltd	Total
Fixed Assets (including CWIP)	1, 88, 87, 241	79,92,448	2,68,79,689
Investments	36, 79, 72, 800	41,85,80,460	78,65,53,260
Current Assets	31,24, 17,798	26,12,78,516	57,36,96,314
Total Assets	69,92,77,839	68,78,51,424	138,71,29,263
Less:			
Loans (Secured and Unsecured)	18,86,78,436	40,04,10,031	58,90,88,467
Deferred Tax Liability/(Asset)	7,88,005	13,064	8,01,069
Current Liabilities and Provisions	1,94,71,304	33,16,384	2,27,87,688
Special Reserves under RBI Act	5, 38, 753	4,43,561	9,82,314
Total Liabilities	20,94,76,498	40,41,83,040	61,36,59,538
Net Book Value	48,98,01,341	28,36,68,384	77,34,69,725

- The difference between the consideration of Rs.1,55,10,892 (being face value of Equity Shares of the Company issued) for amalgamation and the Net Book Value, after adjusting reserves of BTL Investments Ltd. and S.B.S. Finance Ltd., is transferred to Goodwill account, in accordance with AS-14 “Accounting on Amalgamations” issued by the Institute of Chartered Accountants of India and the respective Scheme, as detailed hereunder:

Particulars	BTL Investments Ltd.	S.B.S Finance Ltd	Total
Net Book Value	48,98,01,341	28,36,68,384	77,34,69,725
Less:			
Profit & Loss Account	23, 13, 142	19,40,534	42,53,676
Add:			
Miscellaneous Expenditure	Nil	Nil	Nil
Balance	48, 74, 88, 199	28,17,27,850	76,92,16,049
Less: Issue of Equity Shares	49, 98, 88, 509	28,48,38,432	78,47,26,941
Goodwill on amalgamation	1, 24, 00, 310	31,10,582	1,55,10,982

2. Pursuant to the Scheme and approved share exchange ratio, on 10th February, 2009, SRS Finance Limited has allotted 4,99,88,851 and 2,84,83,842 Equity Shares of Rs.10/- each to the shareholders of BTL Investment Ltd. And S.B.S. Finance Ltd. respectively in the ratio of 5.028375 and 3.12818 fully paid-up Equity Share of Rs.10/- each of the Company for every 1 fully paid-up Equity Shares of Rs.10/- each held in BTL Investments Ltd. and S.B.S. Finance Ltd respectively.
3. The necessary steps and formalities in respect of transfer of properties from BTL Investment Limited and S.B.S Finance Limited in favour of company, modification of charges etc., are under implementation. Documentation relating to transfer of titles, rights, obligations, liabilities, etc., in favour of the company is in progress. However, these vest in SRS Finance Limited by operations of Statute viz. section 391 to 392 of the Companies Act, 1956.
4. In terms of the Scheme, the New Equity Shares shall rank pari-passu in all respects with the existing Equity Shares of the Company. Accordingly, the appropriation for the proposed dividend includes the dividend amount on entire restructured Share Capital.
5. In view of the aforesaid Schemes of Arrangement with effect from July 7, 2008, the figures for the current year are not comparable to those of the previous year.

6. Contingent Liabilities

As per the assessment of the management, bank guarantee of Rs.1,00,000 is the only outstanding contingent liabilities for the year ending 31st March, 2009.

7. Unadmitted Claims

There has been a demand of Rs. 23,77,572/- raised by the Income Tax Department with respect to periods till A/Y 1997 – 98. The company is contesting the same at Income Tax Appellate Tribunal, New Delhi and the management understands that there exists a very strong case in its favour and, therefore, no provision had been made against it. In the meanwhile the company has paid Rs. 12,00,000/- under protest to the department and for balance amount a stay has been obtained from the department.

8. Management considers that all the current assets, Loans & Advances are fully recoverable at the value at least equal to value disclosed in the books and there is no other than temporary diminution in the value of long term investments.
9. The management is of the considered opinion that none of the assets of the company has suffered from impairment during the period.
10. Company has capitalized borrowing costs of Rs. Nil (Previous year 5,06,432/-) relating to the period of the construction of the project during the year.

11. Expenditure in Foreign Currency: NIL

12. Directors Remuneration

During the year ended on 31st March 2009, remuneration of Rs. 4,33,380/- (Previous Year Nil) has been paid to the directors of the company.

13. Employee's Benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company has also provided for Leave Encashment which is unfunded.

The following tables summarize the components of net benefit expense recognized in the profit and loss account and amounts recognized in the balance sheet for the respective plans (as per Actuarial Valuation as on March 31, 2009).

Net employee benefit expense (recognized in the Statement of Profit & Loss for the year ended March 31, 2009)

(Amount in Rs.)

Particulars	Gratuity		Earned Leave	
	2008-09	2007-08	2008-09	2007-08
Current Service Cost	94,303	38,001	19,963	28,476
Interest Cost	4,556	-	3,020	
Expected return on plan assets	-	-		
Past Service Cost	-	-		
Actuarial (gain) / loss recognized in the year	1,79,479	27,088	(32,110)	14,660
Net benefit expense	2, 78,338	65,089	(9,127)	43,136

Net Asset / (Liability) recognized in the Balance Sheet as on March 31, 2009

Particulars	Gratuity		Earned Leave	
	2008-09	2007-08	2008-09	2007-08
Present Value of Defined Benefit Obligation at the end of the year	3,43,427	65,089	34,009	43,136
Fair Value of Plan Assets	-	-		
Net Asset / (Liability) recognized in the Balance Sheet	(3,43,427)	(65,089)	(34,009)	(43,136)

Changes in the present value of Defined Benefit Obligation are as follows:

Particulars	Gratuity		Earned Leave	
	2008-09	2007-08	2008-09	2007-08
Present Value of Defined Benefit Obligation at the beginning of the year.	65,089	-	43,136	
Interest Cost	4,556	-	3,020	
Current Service Cost	94,303	38,001	19,963	28,476
Benefits Paid	-	-		
Actuarial (gain) / loss on obligation	1,79,479	27,088	(32,110)	14,660
Present Value of Defined Benefit Obligation at the closing of the year	3,43,427	65,089	34,009	43,136

The principal assumptions used in determining gratuity and leave liability for the Company's plans are shown below:

Particulars	Gratuity		Earned Leave	
	2008-09	2007-08	2008-09	2007-08
Discount Rate (based on the market yields available on Government bonds at the accounting date with term that matches that of the liabilities)	7.00%	8.00%	7.00%	8.00%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	4.50%	5.50%	4.50%	5.50%
Rate of Return on Plan Assets	NA	NA	NA	NA
Average Outstanding Service of Employees upto Retirement (years)	29.26 Years	29.26 Years	24.62 Years	30.63 Years

Contribution to Defined Contribution Plans:

(Amount in Rs.)

Particulars	2008-09	2007-08
Provident fund	4,60,474	84,739

14. Detail of investment purchased and sold during the year

Investment in Shares (unquoted, non-trade, Longterm investment)

(Amount in Rs.)

Name of Company	Number of Shares	Purchases Value	Sales Value
SRS Aviations Pvt. Ltd.	10,000	20,00,000	20,00,000
SRS Real Infrastructure Ltd.	9,64,200	5,56,20,000	10,74,17,500
SRS Entertainment & Retail Ltd.	11,09,43,750	22,18,87,500	22,18,87,500

15. Segment Reporting

Company's business activities mainly comprise of three segments namely "Restaurants", "Finance and investment" and "Wholesale Trading".

Segment information as required by accounting Standard Segment Reporting (AS-17) is given hereunder:-

S. No.	Particulars	Restaurant	Finance and Investment	Trading	Others	Total
1.	Segment Revenue	133.96 (125.60)	2986.25 (Nil)	3039.23 (681.54)	89.57 (38.51)	6249.02 (845.65)
2.	Segment Expenses	130.55 (121.55)	2879.10 (Nil)	2976.89 (660.38)	137.72 (22.69)	6124.26 (804.63)
3.	Segment Profit	3.42 (4.10)	107.15 (Nil)	62.34 (21.16)	(-) 48.15 (15.81)	124.76 (41.02)
	Less : Financial Expenses					81.48 (2.12)
	Profit Before Tax					43.28 (38.91)
	Less: Provision For Taxation					17.58 13.60
	Profit after Tax					25.70 (25.31)
4.	Carrying amount of Segment Assets (including CWIP)	85.56 (102.62)	9042.74 (Nil)	662.78 (180.20)	168.00 (216.66)	9959.07 (499.48)
5.	Carrying amount of Segment Liabilities (Including CWIP)	20.66 (33.62)	1270.88 (Nil)	427.97 (91.16)	38.65 (56.58)	1758.17 (181.35)

16. Auditor's Remuneration

Particulars	2008-09	2007-08
Statutory Audit Fees	35,000/-	35,000/-
Tax Audit Fees	10,000/-	10,000/-
Out of Pocket Expenses	5,000/-	5,000/-

17. Deferred Tax Assets and Liabilities

In view of the Accounting Standard-AS-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the deferred tax assets/liabilities as at 31st March 2008 comprise of the following major components:

Particulars	As at 31.03.2009 (Rs.)	As at 31.03.2008 (Rs.)
Fixed Assets	7,01,220.20	164,619.80
Deferred Tax Liability (A)	7,01,220.20	164,619.80
Disallowance u/s 40 (a) (ia) of Income tax Act	10,92,644.40	Nil
Provision for Gratuity & Leave Encashment	1,16,627.70	Nil
Deferred Tax Asset (B)	12,09,272.10	Nil
Net Deferred Tax Liability/(Assets) (A-B)	(5,08,052.00)	164,619.80

Note:- Deferred Tax Asset tfd from Merged Entities Rs. 8,01,069.00

18. Related Party Transactions

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are disclosed below:

- a. **List of related parties and relationships, where control exists:** NIL
- b. **Related parties and relationships with whom transactions have taken place during the year:**
 - i. **Associate Company:** SRS Entertainment & Retail Ltd.
 - ii. **Investing Company:** NIL
 - iii. **Key Management Personnel (KMP)**
Raju Gupta
Dinesh Khatri
 - iv. **Enterprises owned or significantly influenced by KMP and/or their Relatives**
SRS Real Estate Ltd.*
BTL Investments Ltd.*
BTL Industries Ltd.*
SRS Housing Finance Ltd. (Formerly known as BTL Commercial Ltd.)*
S.B.S Finance Ltd.*
Three-D food & Beverages Pvt. Ltd.
Fortune Portfolio Pvt. Ltd.

* Related party relationship with these companies has ceased to exist during the financial year.

c. Transactions with related Parties:

S.No.	Name of the Party	Nature of Transaction	2008-09 Amount (Rs.)	2007-08 Amount (Rs.)
1.	SRS Entertainment & Retail Ltd.	Advance for Investment	3,11,40,000	Nil
		ICD Given & Received	38,00,47,788	Nil
		Rent received	7,29,000	Nil
		Advance given	14,95,000	Nil
		Fixed Assets (including CWIP) sold	3,96,14,410	Nil
		Fixed Assets purchased	50,29,166	Nil
		Sale of Material	4,00,012	Nil
		Purchase of Material	5,26,864	Nil
		Reimbursement of Expenses	3,45,945	Nil
		Closing Balance:		
	Sundry Creditors	9,38,157	Nil	
2.	SRS Real Estate Ltd.	Loan taken & repaid	Nil	17,10,000
		Sale of Goods	Nil	1,33,37,159
		Commission received	Nil	4,21,200
		Rent paid	Nil	45,000
3.	S.B.S Finance Ltd.	Loan taken & partly repaid	Nil	35,40,000
		Purchase of Shares	Nil	22,00,000
		Sale of Shares	Nil	15,00,000
4.	BTL Investments Ltd.	Sale of Land	Nil	88,05,000
		Loan taken & partly repaid	Nil	1,88,40,000
		Purchase of Shares	Nil	44,00,000
		Sale of Shares	Nil	80,00,000
5.	SRS Housing Finance Ltd. (Formerly known as BTL Commercial Ltd.)	Purchase of Shares	Nil	22,50,000
6.	BTL Industries Ltd.	Purchase of Shares	Nil	6,50,000
7.	Three -D Food & Beverages Pvt. Ltd.	Advance Given	20,000	Nil
8.	Raju Gupta	Director's Remuneration	2,61,120	Nil
9.	Dinesh Khatri	Director's	1,72,260	Nil

19. "Earning per Share" computed in accordance with Accounting Standard -20 issued by the Institute of Chartered Accountants of India.

Particulars	2008-09	2007-08
a) Numerator		
Net profit after taxation as per profit and loss A/c	25,70,038	25,30,623
b) Denominator:		
Weighted average no. of equity shares outstanding (Including effect of Share Capital Suspense A/c on merger) for:		
-Basic	6,07,67,206	31,48,900
-Diluted	6,07,67,206	31,48,900
c) Earning per share (EPS) (Face value of Rs. 10 each):		
-Basic	0.04	0.80
-Diluted	0.04	0.80

20. Additional information pursuant to the provisions of para 3, 4C and 4D of part II of Schedule VI to the Companies Act, 1956, as certified by the management (to the extent applicable):

a. Details of Goods Purchased for Resale:

(Amount in Lacs.)

Class Of Goods	Units	Opening Stock		Purchases		Sales		Closing Stock	
		Qty	Amt.	Qty	Amt.	Qty	Amt.	Qty	Amt.
Iron & Steel	MT	147.52	53.10	6,711.19	2649.46	6,690.42	2712.48	168.29	56.21
		Nil	Nil	753.63	268.46	606.11	221.95	147.52	53.10
Shares	No.	Nil	Nil	51,13,028	3628.00	38,76,184	2358.16	12,36,844	878.26
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Cement	Bags	Nil	Nil	14800	31.08	14800	31.08	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Currency		-	Nil	-	287.72	-	294.15	-	Nil
		-	-	-	-	-	-	-	-
Others			6.62		43.00		133.96		1.77
			Nil		Nil		Nil		Nil

Note: Figures in brackets are for previous year.

1. Quantitative information is not possible for restaurant items due to dealing in numerous items and different units of measurement.
2. Quantitative information is not given for foreign currency since it is a monetary item.
3. Previous year figures are given in brackets.

21. The previous period's/year's have been regrouped/reclassified, wherever necessary to conform to the current period's/year's presentation

As per our report of even date attached.

For **NARESH JAI & ASSOCIATES**
Chartered Accountants


CA. NARESH GOYAL
(Partner)
(Membership No.: 501487)
PLACE : Faridabad
DATE : 30.06.2009



FOR AND ON BEHALF OF THE BOARD


RAJU GUPTA
(MANAGING DIRECTOR & CEO)
DIN-00006972


DINESH KHATRI
(WHOLE TIME DIRECTOR & CFO)
DIN-00006162


RAKHI MEHTA
(COMPANY SECRETARY)
M.NO.19978

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details (Rupees in thousand)

CIN	L74899DLI994PLC057184	State Code	55
Balance Sheet Date	31-Mar-09		

II. Capital Raised during the year

Public Issue	-	Right Issue	-
Bonus Issue	-	Private Placement (Including share issued on amalgamation)	784,727

III. Position of Mobilisation and Deployment of Funds

Total Liabilities	863,764	Total Assets	863,764
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Sources of Funds

Paid-up-Capital (including Share Suspende A/c)	816,216	Reserves & Surplus	3,875
Secured Loans	15,977	Unsecured Loans	27,696

Application of Funds

Net Fixed Assets (including CWIP)	30,323	Investments	640,588
Net Current Assets	192,344	Misc Expenditure	-
Deferred Tax Assets	508		


IV. Performance of Company

Turnover	563,305	Total Expenditure	620,574
Other Income	61,597	Profit before tax	4,328
Profit after tax	2,570		
	Basic		Diluted
Earnings per Share in Rs :	0.04	Earnings per Share in Rs :	0.04
Dividend Rate	-		

V. Generic names of the Principal Products of Company

Item Code No.(ITC Code)	NIL
Product Description	N.A.

FOR AND ON BEHALF OF THE BOARD


RAJU GUPTA
 (MANAGING DIRECTOR
 & CEO)
 DIN-00006972


DINESH KHATRI
 (WHOLE TIME
 DIRECTOR & CFO)
 DIN-00006162


RAKHI MEHTA
 (COMPANY SECRETARY)
 M.NO.19978

PLACE : FARIDABAD
 DATE : 30.06.2009

NOMINATION FORM
 [(To be filled in by individual(s))]

To, _____ From : Name of the Shareholder and address _____

SRS Finance Ltd.
 C/o Beetal Financial & Computer Services (P) Ltd.
 BEETAL HOUSE, 3rd Floor,
 99, Madangir, Behind Local Shopping Centre,
 New Delhi – 110062

Folio No./DP ID* _____
 No. of Shares _____

I am / We are holder(s) of Shares of the Company as mentioned above. I/We nominate the following person in whom all rights of transfer and/or amount payable in respect of Equity Shares shall vest in the event of my/our death.

Nominee's name							Age					
To be furnished in case the nominee is minor			Date of Birth									
Guardian's Name & Address												
Occupation of Nominee ()		1. Service		2. Business		3. Student		4. Household				
		5. Professional		6. Farmer		7. Others						
Nominee's Address												
				Pin Code								
Tel. No.				Fax No.								
Email Address				STD Code								
Specimen signature of Nominee/Guardian (in case nominee is a minor)												

Kindly take the aforesaid details on record.

Thanking You,
 Yours Faithfully,

Date:

Name (s) of equity shareholder(s) [as appearing on the Certificate(s)]		Signature (as per specimen with Company)
Sole/1 st holder		
2 nd holder		
3 rd holder		
Witnesses (two)		
	Name & Address of Witness	Signature & Date
1.		
2.		

INSTRUCTIONS:

- Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
- The nomination can be made by individuals only. If the Shares are held jointly, all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
- A minor can be nominated by a holder of Shares and in that event the name & address of the Guardian shall be given by the holder.
- The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
- Transfer of Shares in favor of a nominee shall be a valid discharge by a Company against the legal heir(s).
- Only one person can be nominated for a given folio.
- Details of all holders in a folio need to be filled; else the request will be rejected.
- The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
- Whenever the Shares in the given folio are entirely transferred or dematerialized, then this nomination will stand rescinded.
- Upon receipt of a duly executed nomination form, the Registrar & Transfer Agent (RTA) of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
- The nomination can be varied or cancelled by executing fresh nomination form.
- The Company will not entertain any claims other than those of a registered nominee, unless so directed by Court.
- The intimation regarding nomination/nomination form shall be filed in duplicate with the RTA of the Company who will return one copy thereof to the Shareholder.
- For Shares held in dematerialized mode nomination is required to be filed with the Depository Participant in their prescribed form.

FOR OFFICE USE ONLY

Nomination Registration Number	
Date of Registration	
Checked by (Name & Signature)	

SRS FINANCE LIMITED.

Regd. Office: 202, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi- 110001

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders may obtain additional Attendance Slip at the venue of the meeting.

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

Name and Address of the Shareholder

I hereby record my presence at the 15th Annual General Meeting of the Company held on Saturday, 8th August, 2009 at 1.30 p.m at "Deputy Speaker Hall, 'Bharatiyam', Constitution Club, Vithalbhai Patel House, Rafi Marg, Behind Reserve Bank of India, New Delhi- 110001

Signature of Shareholder/Proxy

* Applicable for investors holding shares in dematerialized form.

SRS FINANCE LIMITED.

Regd. Office: 202, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi- 110001

PROXY

I/Webeing Member/Members of **SRS FINANCE LIMITED.** hereby appoint.....(or failing him.....) of.....) as my/our Proxy to attend and vote for me/our behalf at the 15th Annual General Meeting of the Company to be held on Saturday 8th August, 2009 at 1.30 p.m "Deputy Speaker Hall, 'Bharatiyam', Constitution Club, Vithalbhai Patel House, Rafi Marg, Behind Reserve Bank of India, New Delhi- 110001 and at any adjournment thereof.

Signed thisday of.....2009

Signature_____

Reference Folio No. / DP ID & Client ID*

No. of Shares _____

* Applicable for investors holding shares in dematerialized form.

Affix here One
Rupee Revenue
Stamp

Note: This Form in order to be effective should be complete and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Malls | Cinemas | Food Courts | Retail | Group Housing | Townships | IT Parks | Hotels | Education

REGD. OFFICE: New Delhi House, Barakhamba Road, Connaught Place, New Delhi - 110001 T 011-41571258-60 F 011-41571269 www.srsparivar.com
CORP. OFFICE: SRS Multiplex, City Centre, Sec-12, Faridabad (NCR Delhi) T 0129-4090100 / 4009308 F 0129-4009309 info@srsparivar.com