

REPORT OF THE DIRECTORS**For the Financial Year Ended 31st March, 2009**

Your Directors submit their Report and Accounts for the financial year ended 31st March, 2009.

Performance and Hotel Operations

During the year under review, your Company recorded an income of Rs. 62.27 crores (previous year – Rs. 69.08 crores), profit before tax of Rs. 18.53 crores (previous year – Rs. 21.57 crores) and profit after tax of Rs. 12.66 crores (previous year – Rs.14.41 crores) after providing for income tax of Rs. 5.87 crores (previous year – Rs.7.16 crores). Earnings per share for the year stands at Rs. 5.28 (previous year – Rs 6/-). Cash flow from Operations were Rs. 20.28 crores during the year (previous year – Rs.22.01 crores). Your Directors are pleased to recommend a dividend of Rs. 2/- (previous year - Rs.2/-) per equity share of Rs. 10/- for the year ended 31st March 2009. Your Board further recommends a transfer to General Reserve of Rs. 0.95 crores (previous year - Rs.1.08 crores).

The occupancy of the Company's hotel, ITC Kakatiya, has been adversely affected post 26/11 incident of terrorist attacks in Mumbai. This, coupled with general slowdown in the economy has had an adverse impact on hotel revenues. The hotel has initiated various measures to contain costs without compromising the quality of guest experience and this has resulted in improved profitability.

Despite the slowdown, the company continues to make investments in maintaining the contemporariness of the hotel property and during the year under review, a luxury Spa was commissioned at the hotel, offering a superior guest experience.

Foreign Exchange Earnings and Outflow

During the year, your Company earned foreign exchange of Rs. 24.77 crores (previous year – Rs.31.64 crores). The utilization of foreign exchange was Rs. 4.37 crores (previous year – Rs. 3.90 crores).

Energy / Environment and Safety

The thrust on energy conservation continues, resulting in savings in energy costs. Your Company continues to focus on hygiene, safety and environment. During the year your Company's Hotel, ITC Kakatiya received 'Greentech Gold Award' in service sector for outstanding achievement in Environment Management by Greentech Foundation.

Your Company's hotel viz., ITC Kakatiya also received the ISO 14001 : 2004 recertification during the year.

Directors

Mr. Kuldeep Bhartee resigned as a Director and Managing Director of your Company with effect from close of business on 31st August 2008.

Your Directors would also like to place on record their appreciation of the services rendered by Mr. Kuldeep Bhartee.

Your Directors appointed Mr. Virender Razdan as an Additional Director and also as Managing Director of the Company with effect from 1st September 2008, subject to your approval. An appropriate resolution seeking your approval for appointment of Mr. Virender Razdan as Director and Managing Director of the Company is included in the notice convening the Twenty fourth Annual General Meeting of the Company.

Mr. S.S.H.Rehman, Vice Chairman and Director of your Company resigned with effect from close of business on 20th March, 2009. Your Directors would like to place on record their appreciation of the invaluable services rendered by Mr. Rehman. Your Board of Directors appointed Mr. Nakul Anand as Vice Chairman of the Board of Directors with effect from 21st March, 2009.

In accordance with the provisions of Article 151 of the Articles of Association of the Company, Mr. G.Sivakumar Reddy and Mr.S.C.Sekhar will be retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Human Resource

Your Company continues to attract and retain talent of the highest quality. Your Company has initiated various training and development programmes to sustain competitive edge.

The relationship between the staff and the management continued to be cordial. During the year, a Long Term Wage Agreement was entered into with the employees Union for a period of three years. Your Directors place on record their sincere appreciation of the efforts made and the support rendered by the employees of the Company.

Particulars of Employees

None of the employees fall under the purview of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules,1975.

Auditors

The Auditors of your Company, M/s. Lovelock & Lewes, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Responsibility Statement

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that: a) in the preparation of annual accounts under review the applicable accounting standards had been followed; b) appropriate accounting policies were selected and applied consistently and reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profit of the Company for that period; c) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and d) the annual accounts are prepared on a going concern basis.

The required disclosures and significant accounting policies followed are appearing in Schedules 19 and 20 respectively, to the annual accounts.

Other Information

The Audit Committee of the Company reviewed the financial statements for the year under review at its meeting held on 30th April, 2009 and recommended the same for the approval of the Board of Directors.

On behalf of the Board

G.Sivakumar Reddy
Chairman

Gurgaon, 30th April, 2009

AUDITORS' REPORT TO THE MEMBERS OF SRINIVASA RESORTS LIMITED

1. We have audited the attached Balance Sheet of Srinivasa Resorts Limited, as at March 31, 2009, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 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 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and 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 Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2009 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

(f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2009;

(ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Gurgaon

Date: April 30, 2009

Partha Mitra
Partner
Membership No: 50553
For and on behalf of
Lovelock & Lewes
Chartered Accountants

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Srinivasa Resorts Limited on the financial statements as at and for the year ended March 31, 2009]

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

(c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
2. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. The company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.

9. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, excise duty, sales-tax, wealth tax, service tax, customs duty, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, excise duty, sales tax, wealth tax, service tax, customs duty, and cess which have not been deposited on account of any dispute except as given below.

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
APGST Act, 1957	Sales tax on purchase from unregistered dealers.	175,868	Financial year 1997-1998	Sales tax Appellate Tribunal, Hyderabad
		546,539	Financial year 1998-1999	
APVAT Act, 2005	Exclusion of service tax in computation of VAT liability	1,090,519	April 1, 2005 to January 31, 2008	Hon'ble High Court of Andhra Pradesh, Hyderabad.

10. The company has no accumulated losses as at March 31, 2009, and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the company.
13. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
14. In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
15. The company has not obtained any term loans.
16. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
17. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act, during the year.
18. The company has not raised any money by public issues during the year.
19. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

20. The clauses, (iii) (b), (iii) (c), (iii) (d), (iii)(f), (iii)(g), (v) (b), (xi) and (xix) of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable in the case of the company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

Partha Mitra
Partner
Membership No: 50553
For and on behalf of
Lovelock & Lewes
Chartered Accountants

Place: Gurgaon

Date: April 30, 2009

**BALANCE SHEET
AS AT 31ST MARCH, 2009**

	Schedule	31st March, 2009	31st March, 2008
		[Rs.]	[Rs.]
I. SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Capital	1	240,000,000	240,000,000
b) Reserves and Surplus	2	<u>624,247,953</u>	<u>553,790,325</u>
		864,247,953	793,790,325
2. Deferred Tax Liability - Net	3	78,683,970	79,080,365
Total		<u>942,931,923</u>	<u>872,870,690</u>
II. APPLICATION OF FUNDS			
1. Fixed Assets	4		
a) Gross Block		837,811,839	786,614,883
b) Less: Depreciation		<u>278,070,043</u>	<u>252,777,724</u>
c) Net Block		559,741,796	533,837,159
d) Capital Work - in - Progress		<u>8,196,112</u>	<u>3,884,718</u>
		567,937,908	537,721,877
2. Investments	5	326,637,828	322,017,156
3. Current Assets, Loans and Advances			
a) Inventories	6	13,532,325	9,687,843
b) Sundry Debtors	7	26,311,630	28,618,839
c) Cash and Bank Balances	8	121,759,870	83,320,167
d) Other Current Assets	9	9,177,582	4,858,616
e) Loans and Advances	10	<u>38,902,760</u>	<u>33,733,604</u>
		<u>209,684,167</u>	<u>160,219,069</u>
Less:			
4. Current Liabilities and Provisions			
a) Liabilities	11	102,544,161	89,254,701
b) Provisions	12	<u>58,783,819</u>	<u>57,832,711</u>
		<u>161,327,980</u>	<u>147,087,412</u>
Net Current Assets		48,356,187	13,131,657
Total		<u>942,931,923</u>	<u>872,870,690</u>
Notes to the Accounts	19		
Significant Accounting Policies	20		

The Schedules referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our Report of even date.

On behalf of the Board

Partha Mitra
Partner
For and on behalf of
Lovelock & Lewes
Chartered Accountants

G. SIVAKUMAR REDDY **VIRENDER RAZDAN**
Chairman Managing Director

Place : Gurgaon
Date : April 30, 2009

S. SANKAR
Company Secretary &
Financial Controller

SRINIVASA RESORTS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2009**

	Schedule	For the year ended 31st March, 2009 [Rs.]	For the year ended 31st March, 2008 [Rs.]
I. INCOME			
Gross Income from Operations		631,492,646	696,632,625
Less: Taxes		<u>52,617,707</u>	<u>43,979,615</u>
Net Income from Operations	13	578,874,939	652,653,010
Other Income	14	<u>43,804,283</u>	<u>38,129,393</u>
		<u>622,679,222</u>	<u>690,782,403</u>
II. EXPENDITURE			
Food, Beverage etc. Consumed	15	67,721,042	67,714,381
Operating and Administrative Expenses	16	335,366,568	374,942,027
Depreciation		<u>34,274,975</u>	<u>32,420,687</u>
		<u>437,362,585</u>	<u>475,077,095</u>
III. PROFIT			
Profit before Taxation		185,316,637	215,705,308
Provision for Taxation	17	57,001,409	69,972,499
Fringe Benefit Tax		<u>1,700,000</u>	<u>1,653,052</u>
Profit after Taxation		126,615,228	144,079,757
Profit brought forward		<u>508,552,605</u>	<u>431,440,448</u>
Available for appropriation		<u>635,167,833</u>	<u>575,520,205</u>
IV. APPROPRIATIONS			
General Reserve		9,500,000	10,810,000
Proposed Dividend		48,000,000	48,000,000
Income Tax on Proposed Dividend		8,157,600	8,157,600
Profit Carried Forward		<u>569,510,233</u>	<u>508,552,605</u>
		<u>635,167,833</u>	<u>575,520,205</u>
Basic and Diluted Earnings Per Share (Rs.)	18	5.28	6.00
Notes to the Accounts	19		
Significant Accounting Policies	20		

The Schedules referred to above form an integral part of the Profit and Loss Account.

This is the Profit and Loss Account referred to in our Report of even date.

On behalf of the Board

Partha Mitra
Partner
For and on behalf of
Lovelock & Lewes
Chartered Accountants

G. SIVAKUMAR REDDY	VIRENDER RAZDAN
Chairman	Managing Director

Place : Gurgaon
Date : April 30, 2009

S. SANKAR
Company Secretary &
Financial Controller

SRINIVASA RESORTS LIMITED

CASH FLOW STATEMENT	31st March, 2009	31st March, 2008
FOR THE YEAR ENDED 31ST MARCH, 2009	[Rs.]	[Rs.]
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX	185,316,637	215,705,308
ADJUSTMENT FOR:		
Depreciation	34,274,975	32,420,687
Interest Income	(6,671,001)	(10,958,846)
Fixed Assets Discarded - Net	4,980,225	4,505,609
Income from Current Investments	(22,186,062)	(14,586,274)
Profit on Sale of Current Investments-Net	(612,267)	(46,453)
Liability no longer required written back	(1,703,389)	(2,587,637)
Provision for doubtful debts	514,684	275,409
	8,597,165	9,022,495
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	193,913,802	224,727,803
ADJUSTMENT FOR		
Trade & Other Receivables	1,582,786	(6,976,648)
Inventories	(3,844,482)	(397,304)
Trade Payables	11,153,883	2,732,328
	8,892,187	(4,641,624)
CASH GENERATED FROM OPERATIONS	202,805,989	220,086,179
Income Tax Paid	(66,866,367)	(76,853,090)
	135,939,622	143,233,089
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(63,822,605)	(93,155,126)
Sale of Fixed Assets	907,494	1,106,552
Purchase of Current Investments	(1,172,687,170)	(1,080,330,993)
Sale/Redemption of Current Investments	1,168,066,498	979,903,107
Interest Received	3,091,692	12,976,693
Income from Current Investments	23,101,772	14,587,284
	(41,342,319)	(164,912,483)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividends etc., paid	(48,000,000)	(48,000,000)
Income Tax on Dividend Paid	(8,157,600)	(8,157,600)
	(56,157,600)	(56,157,600)
NET INCREASE IN CASH AND CASH EQUIVALENTS	38,439,703	(77,836,994)
OPENING CASH AND CASH EQUIVALENTS	83,320,167	161,157,161
CLOSING CASH AND CASH EQUIVALENTS	121,759,870	83,320,167
CASH AND CASH EQUIVALENTS COMPRISE :		
Cash and Bank Balances	121,759,870	83,320,167
	121,759,870	83,320,167

This is the Cash Flow Statement referred to in our Report of even date.

Note:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements
- Previous Year's figures have been regrouped and / or rearranged wherever considered necessary to conform to those of current year.

On behalf of the Board

Partha Mitra
Partner
For and on behalf of
Lovelock & Lewes
Chartered Accountants

G. SIVAKUMAR REDDY
Chairman

VIRENDER RAZDAN
Managing Director

Place : Gurgaon
Date : April 30, 2009

S. SANKAR
Company Secretary &
Financial Controller

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

		As at 31st March, 2009		As at 31st March, 2008				
		[Rs.]	[Rs.]	[Rs.]	[Rs.]			
1. CAPITAL								
Authorised								
24,000,000 Equity Shares of Rs. 10/- each			240,000,000		240,000,000			
			<u>240,000,000</u>		<u>240,000,000</u>			
Issued and Subscribed			240,000,000		240,000,000			
* 24,000,000 Equity Shares of Rs.10/- each fully paid up. Of the above, 1,000,000 Equity Shares of Rs.10/- each were allotted as fully paid up to the shareholders of the amalgamating company pursuant to the scheme of amalgamation without payment being received in cash.								
			<u>240,000,000</u>		<u>240,000,000</u>			
* Includes								
- 16,320,477 Equity Shares of Rs.10/- each fully paid up, held by the Holding Company, ITC Limited								
2. RESERVES AND SURPLUS								
Capital Reserve			94,603		94,603			
General Reserve								
At Commencement of the year		45,143,117		34,880,000				
Less: Transitional adjustments on initial adoption of Revised AS-15 - Retirement Benefits		-		546,883				
		<u>45,143,117</u>		<u>34,333,117</u>				
Add: From Profit and Loss Account		9,500,000	54,643,117	10,810,000	45,143,117			
Profit & Loss Account			569,510,233		508,552,605			
			<u>624,247,953</u>		<u>553,790,325</u>			
3. DEFERRED TAX LIABILITY - NET								
Deferred Tax Liabilities								
Depreciation - Timing difference			80,921,637		80,669,435			
Less :								
Deferred Tax Assets								
Employee Benefits			1,749,200		1,589,070			
Other Timing Differences			488,467		-			
Deferred Tax Liability - Net			<u>78,683,970</u>		<u>79,080,365</u>			
4. FIXED ASSETS								
	Original Cost as at March 31, 2008	Additions	Withdrawals	Original Cost as at March 31, 2009	Depreciation for the year	Depreciation on Withdrawals	Depreciation upto March 31, 2009	Net Block as at March 31, 2009
Particulars	[Rs.]	[Rs.]	[Rs.]	[Rs.]	[Rs.]	[Rs.]	[Rs.]	[Rs.]
Freehold Land	10,000,000	-	-	10,000,000	-	-	-	10,000,000
Buildings	291,171,729	14,424,976	3,019,771	302,576,934	4,745,835	599,702	55,673,337	246,903,597
Plant and Machinery	283,262,697	32,847,987	8,066,449	308,044,235	16,445,309	4,641,120	100,979,459	207,064,776
Computers etc.	16,808,247	315,000	-	17,123,247	1,519,390	-	12,614,872	4,508,375
Furniture and Fixtures	174,159,327	18,479,368	3,784,155	188,854,540	10,499,217	3,741,834	104,617,938	84,236,602
Motor Vehicles	11,212,883	-	-	11,212,883	1,065,224	-	4,184,437	7,028,446
	786,614,883	66,067,331	14,870,375	837,811,839	34,274,975	8,982,656	278,070,043	559,741,796
Capital Work-in-Progress	3,884,718	68,892,956	64,581,562	8,196,112	-	-	-	8,196,112
Total	790,499,601	134,960,287	79,451,937	846,007,951	34,274,975	8,982,656	278,070,043	567,937,908
Previous Year	715,894,401	189,208,542	114,603,342	790,499,601	32,420,687	14,087,547	252,777,724	537,721,877

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

	As at 31st March, 2009 [Rs.]	As at 31st March, 2008 [Rs.]
5. INVESTMENTS		
Unquoted, Other than trade		
Long Term		
Government Securities - National Savings Certificates (Deposits with or for deposit with authorities)	10,000	10,000
Current - Other Investments		
ABN AMRO Interval Fund Quarterly Plan I Monthly Dividend Nil (Previous Year - 20,00,000) Units of Rs.10.00 each (20,000 Units sold during the year)	-	20,000,000
AIG Fixed Maturity Plan 1 Series 1 Institutional Growth 20,000 (Previous Year - Nil) Units of Rs.1000.00 each (20,000 Units purchased during the year)	20,000,000	-
AIG India Liquid Fund Institutional Daily Dividend Nil (Previous Year - 30,701) Units of Rs.1000.81 each (30,701 Units sold during the year)	-	30,726,044
DBS Chola Interval Income Fund Quarterly Plan C Institutional Dividend Nil (Previous Year - 20,00,000) Units of Rs.10.00 each (20,00,000 Units sold during the year)	-	20,000,000
HDFC Cash Management Fund - Savings Plan Daily Dividend 61,51,482 (Previous Year - Nil) Units of Rs.10.6364 each (61,51,482 Units purchased during the year)	65,429,624	-
HSBC Interval Fund - Plan 2 Institutional Growth Nil (Previous Year - 19,55,149) Units of Rs.10.23 each (19,55,149 Units sold during the year)	-	20,000,000
ICICI Prudential Institutional Liquid Plan - Super Institutional Daily Dividend 1,13,58,265 (Previous Year - 51,14,015) Units of Rs.10.00 each (1,13,58,265 Units purchased and 51,14,015 units sold during the year)	113,588,332	51,142,708
ICICI Prudential FMP Series 41 - Fifteen Months Plan Institutional Growth 20,00,000 Units of Rs.10.00 each	20,000,000	20,000,000
Kotak FMP 12M Series 7 Institutional - Dividend 10,00,000 (Previous Year - Nil) Units of Rs.10.00 each (10,00,000 Units purchased during the year)	10,000,000	-
Kotak FMP 3M Quarterly Series 28 - Dividend Nil (Previous Year - 30,00,000) Units of Rs.10.00 each (30,00,000 Units sold during the year)	-	30,000,000
Kotak Quarterly Interval Plan Series 5 - Dividend Nil (Previous Year - 20,00,000) Units of Rs.10.00 each (20,00,000 Units sold during the year)	-	20,000,000
Lotus India FMP - 3 Months - Series XXVI Dividend Nil (Previous Year - 20,13,840) Units of Rs.10.00 each (20,13,840 Units sold during the year)	-	20,138,404
Principal Pnb Fixed Maturity Plan (FMP-43) 91 Days - series XIII Nil (Previous Year - 20,00,000) Units of Rs.10.00 each (20,00,000 Units purchased and 40,00,000 units sold during the year)	-	20,000,000
SBI Premier Liquid Fund - Super Institutional - Daily Dividend 97,29,367 (Previous Year - Nil) Units of Rs.10.0325 each (97,29,367 Units purchased during the year)	97,609,872	-
SBI Debt Fund Series - 90 Days Nil (Previous Year - 20,00,000) Units of Rs.10.00 each (20,00,000 Units sold during the year)	-	20,000,000
Sundaram BNP Paribas Fixed Term 367 Days Plan I Institutional Nil (Previous Year - 10,00,000) Units of Rs.10.00 each (10,00,000 Units sold during the year)	-	10,000,000
Sundaram BNP Paribas Interval Fund Qly-Plan-B-Institutional Nil (Previous Year - 19,99,460) Units of Rs.10.00 each (19,99,520 Units purchased and 39,98,980 units sold during the year)	-	20,000,000
Tata Fixed Horizon Fund Series 14 Scheme A - IM - Monthly Dividend Nil (Previous Year - 20,00,000) Units of Rs.10.00 each (20,00,000 Units sold during the year)	-	20,000,000
	326,637,828	322,017,156

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

During the year, the following current investments were purchased and sold :

- 1) 89,98,800 Units of Sundaram BNP Paribas Interval Fund Quarterly Plan C at a cost of Rs.90,000,000
- 2) 19,99,540 Units of Kotak Quarterly Interval Plan Series 4 Dividend Option at a cost of Rs.20,000,000
- 3) 20,00,000 Units of HDFC Fixed Maturity Plan Series VIII at a cost of Rs.20,000,000
- 4) 20,00,000 Units of DSP Merrill Lynch FMP 6M Series 6 at a cost of Rs.20,000,000
- 5) 30,00,000 Units of DWS Quarterly Interval Fund Series 1 Dividend Plan at a cost of Rs.30,000,000
- 6) 10,00,000 Units of ICICI Prudential FMP Series 44-Three Months Plan D Retail Dividend Option at a cost of Rs.10,000,000
- 7) 20,00,000 Units of ABN Amro Interval Fund Series 2 Quarterly Plan M Monthly Div Redemption Option at a cost of Rs.20,000,000
- 8) 20,00,000 Units of JM Fixed Maturity Fund Series X Quarterly Plan 4 Institutional Dividend Option at a cost of Rs.20,000,000
- 9) 10,00,000 Units of ABN Amro Interval Fund Series 2 Quarterly Plan N Interval Dividend Option at a cost of Rs.10,000,000
- 10) 10,00,000 Units HSBC Fixed Term Series 60 Institutional Dividend Tenure 90 Days at a cost of Rs.10,000,000
- 11) 20,00,000 Units of Lotus India FMP 3 Months Series XXXIII at a cost of Rs. 20,000,000
- 12) 20,00,000 Units of ICICI Prudential FMP Series 44 Three Months Plan E at a cost of 20,000,000
- 13) 10,00,000 Units Lotus India FMP 3 months Series XXXIV Dividend Option at a cost of Rs. 10,000,000
- 14) 10,00,000 Units of JM Fixed Maturity Fund Series XII Quarterly Plan 1 Institutional Dividend Plan at a cost of Rs. 10,000,000
- 15) 10,00,000 Units of Kotak FMP 1 M Series 3 Dividend Option at a cost of Rs. 10,000,000
- 16) 9,98,163 Units of Templeton Quarterly Interval Plan Plan A Retail Dividend Payout Option at a cost of Rs. 10,000,000
- 17) 10,00,000 Units of Lotus India Quarterly Interval Fund Plan H Institutional Dividend Option at a cost of Rs. 10,000,000
- 18) 9,99,110 Units of Canara Robeco Mutual Fund 1 Month at a cost of Rs. 10,000,000
- 19) 20,00,000 Units of Kotak Quarterly Interval Plan Series 8 at a cost of Rs. 20,000,000
- 20) 19,99,020 Units of Lotus India Quarterly Interval Fund Plan E Dividend Option at a cost of Rs. 20,000,000
- 21) 20,00,000 Units of BSL Quarterly Interval Series 4 Dividend Payout Option at a cost of Rs. 20,000,000
- 22) 20,00,000 Units of Tata Fixed Horizon Fund Series 19 Scheme F at a cost of Rs. 20,000,000
- 23) 9,99,720 Units of Canara Robeco Interval Monthly Institutional Dividend Fund at a cost of Rs. 10,000,000
- 24) 20,00,000 Units of Tata Fixed Income Portfolio Fund Scheme B 3 Institutional Monthly I at a cost of Rs. 20,000,000
- 25) 20,00,000 Units of Canara Robeco FMP Series 4 (qtrly plan 1) Institutional Dividend Option at a cost of Rs. 20,000,000
- 26) 10,00,000 Units of JM Financial Mutual Fund Series XIII Quarterly Plan 1 at a cost of Rs. 10,000,000
- 27) 20,00,000 Units of HSBC Fixed Term Series 68 Institutional Dividend Tenure 3 months at a cost of Rs. 20,000,000
- 28) 20,00,000 Units of Sundaram BNP Paribas Fixed Income Interval Fund Quarterly Series Plan D at a cost of Rs. 20,000,000
- 29) 20,00,000 Units of JM Fixed Maturity Fund Series XIII (qtrly plan 2) Institutional Dividend Plan at a cost of Rs. 2,00,00,000
- 30) 10,00,000 Units of Birla Sun Life BSL Quarterly Interval Series 7 Dividend Payout Option at a cost of Rs. 10,000,000
- 31) 10,00,000 Units of HDFC FMP 90 D November 2008 Series X (1) Wholesale Plan Dividend Option at a cost of Rs. 10,000,000
- 32) 10,00,000 Units of Sundaram BNP Paribas FTP 90 Days Series 9 at a cost of Rs. 10,000,000
- 33) 10,00,000 Units of JM Interval Fund Quarterly Plan 5 Institutional Dividend Plan (303) at a cost of Rs. 10,000,000
- 34) 10,00,000 Units of Principal PNB Fixed Maturity Plan (FMP-56) 91 days Series XIX at a cost of Rs. 10,000,000
- 35) 19,99,560 Units of Principal PNB Cash Management Fund Liquid Option Institutional Premium Plan Daily Dividend Reinvest Option at a cost of Rs. 20,000,000
- 36) 19,81,119 Units of SBNPP Money Fund Institutional Daily Dividend Reinvest Option at a cost of Rs. 20,000,000
- 37) 49,98,900 Units of Principal Cash Management Fund Liquid Option Institutional Premium Plan Daily Dividend Reinvest Option at a cost of Rs. 50,000,000
- 38) 28,20,503 Units of HDFC Cash Management Fund Saving Daily Dividend Reinvest Option at a cost of Rs. 30,000,000
- 39) 29,71,679 Units of SBNPP Money Fund Institutional Daily Dividend Reinvest Option at a cost of Rs. 30,000,000

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

	As at 31st March, 2009 [Rs.]	As at 31st March, 2008 [Rs.]
6. INVENTORIES		
Food, Beverage, etc.	10,177,208	7,128,271
Stores and Spare Parts	3,355,117	2,559,572
	<u>13,532,325</u>	<u>9,687,843</u>
7. SUNDRY DEBTORS		
Over Six months old		
Good and Unsecured	4,109,450	3,981,573
Doubtful	514,684	275,409
Other Debts		
Good and Secured	158,448	85,617
Good and Unsecured	22,202,180	24,637,266
	<u>26,984,762</u>	<u>28,979,865</u>
Less: Provision for Doubtful Debts	514,684	275,409
Less: Deposits from normal Trade Debtors - Contra	158,448	85,617
	<u>26,311,630</u>	<u>28,618,839</u>
8. CASH AND BANK BALANCES		
With Scheduled Banks		
On Current Accounts	17,148,143	28,490,079
On Margin Money	5,953,200	2,764,118
On Deposit Accounts	90,000,000	44,198,456
Cash and Cheques on hand	6,656,527	7,867,514
	<u>121,759,870</u>	<u>83,320,167</u>
9. OTHER CURRENT ASSETS		
Good and Unsecured		
Deposits with Government, Public Bodies and Others	5,256,210	4,213,110
Interest accrued on Deposits / Investments	3,921,372	645,506
	<u>9,177,582</u>	<u>4,858,616</u>
10. LOANS AND ADVANCES		
Good and Unsecured		
Advances recoverable in cash or in kind or for value to be received *	9,092,309	12,786,895
Advances with Government and Public Bodies	1,364,579	269,400
Advance Fringe Benefit Tax (Net of Provision of Rs.6,746,417 (Previous Year - Rs.5,046,417))	576,328	90,355
Advance Income Tax (Net of Provision of Rs.319,640,872 (Previous Year - Rs.262,243,068))	27,869,544	20,586,954
	<u>38,902,760</u>	<u>33,733,604</u>
* Includes Capital Advances of Rs.1,778,802 (Previous Year - Rs.3,472,016).		
11. LIABILITIES		
Sundry Creditors		
Dues to Micro and Small Enterprises	-	-
Dues to Others	81,906,551	68,410,447
Advances from Customers	7,314,106	5,408,618
Other Liabilities	6,788,051	9,520,751
Sundry Deposits	6,693,901	6,000,502
Less: Deposits from Normal Trade Debtors - Contra	158,448	85,617
	<u>102,544,161 #</u>	<u>89,254,701 #</u>
# There is no outstanding amount to be credited to Investor Education & Protection Fund		
12. PROVISIONS		
Provision for Retirement Benefits	2,626,219	1,675,111
Proposed Dividend	48,000,000	48,000,000
Income Tax on Proposed Dividend	8,157,600	8,157,600
	<u>58,783,819</u>	<u>57,832,711</u>

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

	For the year ended 31st March, 2009 [Rs.] [Rs.]		For the year ended 31st March, 2008 [Rs.] [Rs.]	
13. INCOME FROM OPERATIONS (NET)				
Rooms *		336,598,147		406,122,841
Food and Beverage		216,163,478		215,688,579
Recreation and Services		26,113,314		30,841,590
		<u>578,874,939</u>		<u>652,653,010</u>
* The Income from rooms are stated gross, the amount of tax deducted thereon is Rs.3,292,090 (Previous Year - Rs. 3,509,470)				
14. OTHER INCOME				
Miscellaneous Income		5,201,294		3,259,013
Service Charges		7,430,270		6,691,170
Income from Current Investments - Others *		22,186,062		14,586,274
Interest on				
- Deposits with Banks		5,176,434		10,804,262
- Others		1,494,567		154,584
Profit on Sale of Current Investments - Net		612,267		46,453
Liability no longer required written back		1,703,389		2,587,637
		<u>43,804,283</u>		<u>38,129,393</u>
* The Income from Investments and Interest on Loans and Deposits etc. are stated gross, the amount of Income Tax deducted thereon is Rs.986,205 (Previous Year - Rs.2,348,591).				
15. FOOD, BEVERAGE, ETC. CONSUMED				
Opening Stock		7,128,271		6,275,396
Add: Purchases		70,769,979		68,567,256
		<u>77,898,250</u>		<u>74,842,652</u>
Less: Closing Stock		10,177,208		7,128,271
		<u>67,721,042</u>		<u>67,714,381</u>
16. OPERATING AND ADMINISTRATIVE EXPENSES				
Salaries, Wages and Bonus	46,603,872		40,021,402	
Contribution to Provident and Other Funds	3,612,422		2,801,114	
Workmen and Staff Welfare Expenses	10,120,846		12,403,331	
Reimbursement of contractual remuneration	27,338,465		26,026,006	
		<u>87,675,605</u>		<u>81,251,853</u>
Consumption of Stores and Supplies	34,317,359		40,235,357	
Power and Fuel	40,371,221		38,802,346	
Rent	4,286,196		4,256,548	
Rates and Taxes	10,476,789		6,326,051	
Insurance	2,267,683		3,530,149	
Repairs - Building	7,486,197		17,071,169	
- Machinery	8,471,731		17,410,303	
- Others	2,469,445		14,409,197	
Advertising / Sales Promotion	5,613,801		9,776,319	
Electronic Data Processing	701,716		795,154	
Travelling and Conveyance	13,579,204		11,200,679	
Training	659,996		998,832	
Legal Expenses	2,280,303		726,550	
Postage, Telephone, Telex etc.	4,920,224		6,343,945	
Commission paid to Travel Agents & Credit Cards	8,967,086		10,801,243	
Bank Charges	201,899		122,463	
Technical & Consultancy Fees	67,538,094		81,890,316	
Contract Services	11,584,731		9,981,582	
Provision for doubtful debts	514,684		275,409	
Miscellaneous Expenses	16,002,379		14,230,953	
Fixed Assets Discarded - Net	4,980,225		4,505,609	
		<u>335,366,568</u>		<u>374,942,027</u>
Miscellaneous Expenses include :				
Auditors' Remuneration and Expenses				
- Audit Fees		500,000		500,000
- Fee for Other Services		75,000		75,000
- Reimbursement of Expenses		5,430		1,500

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

	For the year ended 31st March, 2009 [Rs.]	For the year ended 31st March, 2008 [Rs.]
17. PROVISION FOR TAXATION		
Income Tax :		
Current Year	57,397,804	70,000,000
Deferred Tax	<u>(396,395)</u>	<u>(27,501)</u>
	<u>57,001,409</u>	<u>69,972,499</u>
18. EARNINGS PER SHARE		
Profit after Taxation	126,615,228	144,079,757
Weighted average number of equity shares outstanding	24,000,000	24,000,000
Basic and diluted earnings per share in rupees (face value - Rs.10/- per share)	5.28	6.00

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

	2009 [Rs.]		2008 [Rs.]
19. NOTES TO THE ACCOUNTS			
i) The Estimated Amount of Contracts remaining to be executed on Capital Account and not provided for	<u>5,827,596</u>		<u>10,248,783</u>
ii) Contingent Liability			
a) Bank Guarantees towards Imports	1,021,182		1,021,182
b) Claims against the Company not acknowledged as debts :			
I) Tax demand raised by the department, on income earned on deposits made with financial institutions, companies, banks etc. and interest thereon during the construction period. Pursuant to the appeal filed by the Company with Income Tax Appellate Tribunal (ITAT), the ITAT has issued order directing the Assessing Officer, to re-assess the demand. During the year a favourable order received.	-		4,711,300
II) Additional Tax assessed by the department consequent to disallowance of certain expenses pertaining to AY 2006-07.	2,055,854		-
III) Sales tax demand raised by the Commercial Tax Officer for the financial years 1997-98 and 1998-99 towards disallowance of tax exemption on purchases from unregistered dealers. The Company filed an appeal against the demand and deposited Rs.200,000/- under protest. The matter is pending before the Sales Tax Appellate Tribunal, Andhra Pradesh.	-		922,407
IV) The Commercial Tax Officer has raised a Value Added Tax demand alongwith interest and penalty under the APVAT Act, 2005 for the period from April 1, 2005 to January 31, 2008 towards exclusion of service tax in the computation of VAT liability. The Company filed an appeal with the Hon'ble High Court of Andhra Pradesh against the demand,	1,985,698		-
iii) Managing Director's Remuneration			
Salary	1,755,305		1,865,205
Other Perquisites	446,951		418,914
Contribution to Provident Fund & Other Funds	246,085		303,450
	<u>2,448,341</u> #		<u>2,587,569</u>
# Mr. Virender Razdan has been appointed as Managing Director with effect from 1st September, 2008. His appointment and remuneration paid to him for the period upto 31st March, 2009 is subject to approval of the members in the Annual General Meeting.			
iv) Earnings in Foreign Exchange	247,703,566		316,363,238
* Includes Rs.240,761,051 (Previous Year - Rs. 306,528,056) being Earnings during the year through International Credit Cards & Travel Agencies etc. as certified by Bankers.			
v) Expenditure in Foreign Currency during the year (On payment basis)			
Travel	-		77,314
Hotel Reservation / Marketing Expenses / Others	8,798,961		6,006,592
Technical & Consultancy Fees	15,371,311		14,393,203
	<u>24,170,272</u>		<u>20,477,109</u>
vi) Value of Imports during the year (CIF Basis)			
Capital Goods	17,309,436		15,706,951
Other Goods	2,221,677		2,790,740
	<u>19,531,113</u>		<u>18,497,691</u>
vii) Value of Consumption of Raw Materials, Stores & Supplies			
a) Raw Materials	2009		2008
Indigenous	[Rs.]	%	[Rs.]
Imported	59,969,168	88.55	60,936,100
	7,751,874	11.45	6,778,281
	<u>67,721,042</u>	<u>100.00</u>	<u>67,714,381</u>
b) Stores & Supplies			
Indigenous	32,095,682	93.53	37,444,617
Imported	2,221,677	6.47	2,790,740
	<u>34,317,359</u>	<u>100.00</u>	<u>40,235,357</u>
viii) The Company has been exempted from disclosure of quantitative details as per Order No.46/136/2008-CL-III dated 27th May, 2008 issued by Ministry of Corporate Affairs, Government of India, upto 31.03.2010.			
ix) The Company operates in one operating segment i.e., Hoteliering and within one geographical segment i.e. India.			
x) The Company's significant lease arrangements are in respect of operating leases for residential premises. These leasing arrangements, which are not non-cancellable, are for a period of 11 months or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as Rent under Schedule 16.			

SCHEDULES TO THE ACCOUNTS

(Figures for the previous year have been rearranged to conform with the revised presentation)

xi) Employee Benefits :

As per Actuarial Valuations as on March 31, 2009 and recognised in the financial statements in respect of Employee Benefit Schemes :

		2009		2008	
		Gratuity Funded	Leave Encashment Unfunded	Gratuity Funded	Leave Encashment Unfunded
		[Rs.]	[Rs.]	[Rs.]	[Rs.]
I	Components of Employer Expense				
	1 Current Service Cost	394,193	107,264	318,507	96,915
	2 Interest Cost	198,458	55,667	193,834	70,566
	3 Expected Return on Plan Assets	(157,864)	-	(169,218)	-
	4 Curtailment Cost/(Credit)	-	-	-	-
	5 Settlement Cost/(Credit)	-	-	-	-
	6 Past Service Cost	-	-	-	-
	7 Actuarial Losses / (Gains)	667,772	-	(88,724)	(82,651)
	8 Total expense recognised in the statement of Profit & Loss Account	1,102,559	162,931	254,399	84,830
	The Gratuity Expense has been recognised in "Contribution to Provident and Other Funds" and Leave Encashment in "Salaries/Wages and Bonus" under Schedule 16.				
II	Actual Returns	201,564	-	196,173	-
III	Net Asset / (Liability) recognised in Balance Sheet				
	1 Present Value of Obligation	4,001,868	843,011	2,972,434	994,412
	2 Fair Value on Plan Assets	2,218,660	-	2,291,735	-
	3 Status [Surplus/(Deficit)]	(1,783,208)	(843,011)	(680,699)	(994,412)
	4 Unrecognised Past Service Cost	-	-	-	-
	5 Net Asset / (Liability) recognised in Balance Sheet	(1,783,208)	(843,011)	(680,699)	(994,412)
IV	Change in Defined Benefit Obligations (DBO)				
	1 Present Value of DBO at the Beginning of Period	2,972,434	994,412	2,647,057	972,185
	2 Current Service Cost	394,193	107,264	318,507	96,915
	3 Interest Cost	198,458	55,667	193,834	70,566
	4 Curtailment Cost / (Credit)	-	-	-	-
	5 Settlement Cost / (Credit)	-	-	-	-
	6 Plan Amendments	-	-	-	-
	7 Acquisitions	-	-	-	-
	8 Actuarial (Gains) / Losses	711,422	84,001	(61,769)	(82,651)
	9 Benefits Paid	(274,639)	(398,333)	(125,195)	(62,603)
	10 Present Value of DBO at the End of Period	4,001,868	843,011	2,972,434	994,412
V	Change in Fair Value of Assets				
	1 Plan Assets at the Beginning of Period	2,291,735	-	2,220,757	-
	2 Acquisition Adjustment	-	-	-	-
	3 Expected Return on Plan Assets	157,864	-	169,218	-
	4 Actuarial (Gains) / Losses	43,700	-	26,955	-
	5 Actual Company Contribution	-	398,333	-	62,603
	6 Benefits Paid	(274,639)	(398,333)	(125,195)	(62,603)
	7 Plan assets at the End of Period	2,218,660	-	2,291,735	-
VI	Actuarial Assumptions				
	1 Discount Rate (%)	7.00	7.00	7.50	7.50
	2 Expected Return on Plan Assets (%)	7.00	-	7.50	-
VII	Major Categories of Plan Assets as a % of the Total Plan Assets				
	1 Insurance Companies	100%	-	100%	-
VIII	Basis used to determine the Expected Rate of Return on Plan Assets				
	The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimised returns within acceptable risk parameters, the plan assets are well diversified.				

SCHEDULES TO THE ACCOUNTS

xii) Related party disclosures under Accounting Standard 18

i) Holding Company : ITC Limited

ii) Other related parties with whom transactions have taken place during the year:

Fellow Subsidiary Companies : Fortune Park Hotels Limited
ITC Infotech India Limited

iii) Key Management Personnel :

Board of DirectorsG.Sivakumar Reddy - Chairman
Nakul Anand - Vice Chairman & Director
S.C.Sekhar - Director
N.R.Pradeep Reddy - Director
M.Riaz Ahmed - Director
B.N.Suresh Reddy - Director
Kuldeep Bhartee - Managing Director (upto 31.08.2008)
Virender Razdan - Managing Director (from 01.09.2008)

iv) Summary of transactions during the year :

(Rupees)

		Holding Company		Fellow Subsidiaries		Key - Management Personnel		Relatives of Key Management Personnel (*)	
		2009	2008	2009	2008	2009	2008	2009	2008
1	Sales of Goods	115,772	557,260	-	-	-	-	-	-
2	Sales of Services	6,086,411	8,438,800	19,175	280,694	-	-	-	-
3	Purchase of Goods	4,662,739	867,445	-	-	-	-	-	-
4	Purchase of Services								
	- Hotel Services	3,864,193	3,320,942	40,675	-	-	-	-	-
	- Service Fee	51,189,464	66,067,004	-	-	-	-	-	-
	- Rent towards Godown	-	-	-	-	-	-	630,000	600,000
5	Reimbursement of Contractual Remuneration	27,338,465	26,026,006	-	-	-	-	-	-
6	Expenses recovered	11,495,615	1,782,376	56,778	32,492	-	-	-	-
7	Expenses reimbursed	15,485,123	21,682,655	-	-	-	-	-	-
8	Dividend Payments	32,640,954	32,640,954	-	-	2,608,460	2,608,460	11,831,620	11,831,620
9	Sale of Fixed Assets	-	384,555	-	-	-	-	-	-
10	Balance outstanding at the year end :								
	i) Debtors/Receivables	1,086,060	911,586	981	32,492	-	-	-	-
	ii) Creditors/Payables	12,460,980	6,505,111	-	-	-	-	-	-

Note : - Details of remuneration to the Managing Director is given in the note (iii) of the Notes to Accounts and for other members the remuneration for the year is Rs.Nil.
 - * M/s. G.Sulochanamma M/o.G.Sivakumar Reddy, G.Samyuktha Reddy W/o G.Sivakumar Reddy, G.Pranav Reddy S/o.G.Sivakumar Reddy, G.Rachita Reddy D/o.G.Sivakumar Reddy, N.Shailaja Reddy W/o.N.R.Pradeep Reddy, G.Bharati Reddy W/o.B.N.Suresh Reddy.

xiii) Previous Year's figures have been regrouped / rearranged wherever necessary.

SCHEDULES TO THE ACCOUNTS

20] SIGNIFICANT ACCOUNTING POLICIES

I) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

To prepare financial statements in accordance with the historical cost convention, generally accepted accounting principles in India and relevant presentational requirements of the Companies Act, 1956.

II) FIXED ASSETS

To state fixed assets at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of the assets capitalised.

III) DEPRECIATION

To calculate depreciation on fixed assets in a manner that amortises the cost of assets after commissioning, over their estimated useful lives or lives based on the rates specified in Schedule XIV to the Companies Act, 1956, whichever is lower, by equal annual instalments.

IV) INVESTMENTS

To state Current Investments at lower of cost and fair value; and long term investments at cost. Where applicable, provision is made where there is a permanent fall in valuation of Long Term investments.

V) INVENTORIES

To value all inventories at cost or below. Cost includes freight and other related incidental expenses and is computed on weighted average method.

VI) TURNOVER

To state gross income from operations, which represents invoiced value of goods sold and services rendered, net of sales tax but inclusive of all applicable taxes.

VII) INVESTMENT INCOME

To account for Income from Investments on an accrual basis, inclusive of related tax deducted at source.

VIII) PROPOSED DIVIDEND

To provide for Dividend as proposed by the Directors in the Books of Account, pending approval at the Annual General Meeting.

IX) EMPLOYEE BENEFITS

To make regular monthly contributions to Provident Fund which are in the nature of defined contribution scheme and such paid/payable amounts are charged against revenue. The contributions in respect of Provident Fund and Family Pension are statutorily deposited with the Government of India.

To determine the liabilities towards gratuity and leave encashment by an independent actuarial valuation as per the Accounting Standard – 15 (revised 2005) on “Employee benefits”. The contributions in respect of gratuity fund are made to Life Insurance Corporation.

SCHEDULES TO THE ACCOUNTS

X) TAXES ON INCOME

To provide and determine Current tax as the amount of tax payable in respect of taxable income for the period.

To provide and recognise Deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

Not to recognise Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

XI) FOREIGN CURRENCY TRANSLATIONS

To record transactions in foreign currencies at the exchange rates prevailing on the date of the transaction. Gains / Losses arising out of fluctuations in the exchange rates are recognised in the Profit and Loss in the period in which they arise. Liability / Receivables on account of foreign currency are converted at the exchange rates prevailing as at the end of the year.

XII) BORROWING COSTS

To capitalise the borrowing costs that are directly attributable to the acquisition or construction as cost of that capital asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

XIII) FINANCIAL AND MANAGEMENT INFORMATION SYSTEMS

The books of account and other records have been designed to ensure compliance of the relevant provisions of the Companies Act, 1956 on one hand, and meet the internal requirements of information and systems for Planning, Review and Internal Control (designed and based on "Uniform System of Accounts for Hotels"), on the other.

On behalf of the Board

Place : Gurgaon
Date : April 30, 2009

G.SIVAKUMAR REDDY
Chairman

VIRENDER RAZDAN
Managing Director

S.SANKAR
Company Secretary &
Financial Controller

LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(As per Schedule VI, Part IV of the Companies Act, 1956)

I. Registration Details

Registration No.
Balance Sheet Date

5	1	9	2							
3	1	-	0	3	-	2	0	0	9	
Date				Month			Year			

State Code

0	1
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II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue										Rights Issue									
				N	.	A	.							N	.	A	.		
Bonus Issue										Private Placement									
				N	.	A	.							N	.	A	.		

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities										Total Assets									
		1	1	0	4	2	6	0			1	1	0	4	2	6	0		
Sources of Funds										Reserves and Surplus									
Paid up Capital										Reserves and Surplus									
				2	4	0	0	0	0					6	2	4	2	4	8
Secured Loans										Unsecured Loans									
				N	.	A	.							N	.	A	.		
Deferred Tax Liability - Net																			
				7	8	6	8	4											

Application of Funds

Net Fixed Assets										Investments									
				5	6	7	9	3	8					3	2	6	6	3	8
Net Current Assets										Misc. Expenditure									
				4	8	3	5	6					N	.	A	.			
										Accumulated Losses									
														N	.	A	.		

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

Turnover**										Total Expenditure											
				6	2	2	6	7	9					4	3	7	3	6	2		
** Includes Other Income																					
+ - Profit/Loss Before Tax + - Profit/Loss After Tax																					
				1	8	5	3	1	7					1	2	6	6	1	5		
(Please tick appropriate box + for profit, - for loss)																					
Earnings per Share in Rs.										Dividend Rate %											
								5	.	2	8									2	0

V. Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No.

***	N	.	A	.					
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Product Description

H	O	T	E	L	S				
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*** No item code has been assigned to 'Hotels' under the Indian Trade Classification.

Audit Committee :- Chairman : Mr.S.C.Sekhar, Members: M/s.N.R.Pradeep Reddy, M.Riaz Ahmed
Permanent Invitees : Representative of Statutory Auditors, **Secretary** : Mr.S.Sankar