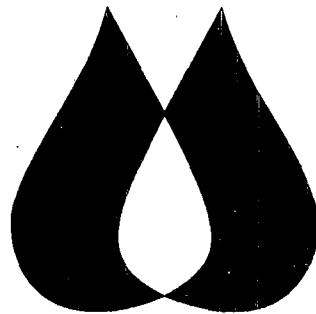


**SEVENTEENTH  
A N N U A L  
R E P O R T**

**2007-2008**



**Siel Financial Services Limited**

**BOARD OF  
DIRECTORS**

MR. A. K. MEHRA  
DR. ANIL ARORA  
MR. AMIT KHURANA

**BANKERS**

STATE BANK OF INDORE  
PUNJAB NATIONAL BANK  
ALLAHABAD BANK

**AUDITORS**

V. SAHAI & CO.  
G-68, CONNAUGHT CIRCUS  
NEW DELHI – 110001

**REGISTERED OFFICE**

4<sup>TH</sup> FLOOR  
SONI MANSION  
12-B, RATLAM KOTHI  
INDORE – 452001 (M.P.)

# Siel Financial Services Limited

Regd. Office : 4th Floor, Soni Mansion, 12-B, Ratlam Kothi, Indore - 452001 (M.P.)



## NOTICE

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of the Members of Siel Financial Services Limited will be held as scheduled below:

Day : Tuesday  
Date : 23.9.2008  
Time : 10.30 A.M.  
Place : 4th Floor, Soni Mansion,  
12- B, Ratlam Kothi,  
Indore - 452001 (M.P.)

to transact the following business :

### ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March, 2008 and the Profit and Loss Account of the Company for the year ended on that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amit Khurana, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

V. Sahai & Co., Chartered Accountants are the retiring Auditors.

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:  
"Resolved that Mr. A.K. Mehra who was co-opted as an Additional Director on the Board of the Company under Section 260 of the Companies Act, 1956 and Article 81 of the Articles of Association of the Company and who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing from a member, pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:  
"Resolved that Dr. Anil Arora who was co-opted as an Additional Director on the Board of the Company under Section 260 of the Companies Act, 1956 and Article 81 of the Articles of Association of the Company and who holds such office upto the date of this Annual General Meeting and in respect of whom the Company has received notice in writing from a member, pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

By Order of the Board  
For Siel Financial Services Limited

(AMIT KHURANA)  
DIRECTOR

Place : New Delhi  
Date : 01.07.2008

# Siel Financial Services Limited

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## NOTICE (Contd.)

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### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING.

#### ADMISSION SLIP AND PROXY FORM ARE ENCLOSED.

2. The information as required to be provided under the Listing Agreement entered into with Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed and the Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22.9.2008 to 23.9.2008 (both days inclusive).
4. In compliance of SEBI requirements, Mas Services Limited has been appointed the Share Transfer Agent of the Company, who handle share transfer work in Physical as well as in Electronic Form and other related activities at the following address:

Mas Services Ltd.  
AB-4, Safdarjung Enclave  
New Delhi – 110 029  
Phone No. : 011-26104142, 26104326  
Fax No. : 011-26181081  
E-mail : mas\_serv@yahoo.com

5. Members are requested to notify immediately any change in their address to Mas Services Ltd., quoting their folio numbers/DP ID/Client ID etc.
6. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
8. In terms of Section 109 (A) of the Companies Act, 1956 the Shareholder of the Company may nominate a person to whom the shares held by him/her shall vest in the event of death.

In case any member wishes to avail the nomination facility in respect of shares held by him/her, please write to the Company to obtain the nomination form.

9. The equity shares of the Company have been notified for compulsory trading in demat form by all Investors and are available for trading on Central Depository Services (India) Ltd. (CDSL). The Company's application for admission of its equity shares on National Securities Depository Limited (NSDL) is still pending.

Shareholders are requested to avail this facility and get their shareholding converted into dematerialised form by sending the Dematerialisation Request Form (DRF) along with the share certificates through their Depository Participant (DP) affiliated with Central Depository Services (India) Limited (CDSL) at the following address:

Mas Services Ltd.  
AB-4, Safdarjung Enclave  
New Delhi – 110 029  
Phone No. : 011-26104142, 26104326  
Fax No. : 011-26181081  
E-mail : mas\_serv@yahoo.com

### INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Directors who are proposed to be appointed/reappointed are given below:

1. **Name** : Mr. Amit Khurana  
**Age** : 35 years  
**Qualifications** : B. Com (Hons), M. Com., FCS  
**No. of shares held in the Company** : Nil  
**Expertise** : Mr. Amit Khurana is a fellow member of Institute of Company Secretaries of India. He has experience of over 10 years in Corporate Laws. Presently he is the Company Secretary of Mawana Sugars Limited.  
**Outside Directorships** :
  - SFSL Investments Ltd.
  - Transiel India Ltd.
  - Siel Edible Oils Ltd.
  - Siel Industrial Estate Ltd.



## NOTICE (Contd.)

### Chairmanship/ Membership of Board Committees:

SFSL Investments Ltd.	:	- Audit Sub-Committee	Member
Transiel India Ltd.	:	- Audit Sub-Committee	Member
Siel Industrial Estate Ltd.	:	- Audit Sub-Committee	Member
Siel Financial Services Ltd.	:	- Audit Sub-Committee - Shareholders Grievance/Share Transfer Committee	Member Chairman

2. Name : Mr. A.K. Mehra  
Age : 59 years  
Qualifications : M.Sc. (Chemical Engineering)  
No. of shares held in the Company : Nil  
Expertise : Mr. A.K. Mehra holds a Masters degree in Chemical Engineering from Illinois Institute of Technology, Chicago (USA). He has been associated with the Chemical business of Mawana Sugars Limited (formerly Siel Ltd.) and has made significant contributions in the growth of Chemical business. He is presently a Whole Time Director of Mawana Sugars Limited.  
Outside Directorships : - Mawana Sugars Limited  
- Siel Edible Oils Limited  
- Ceratizit India Pvt. Ltd.

### Chairmanship/Membership of Board Committees:

Mawana Sugars Limited	-	- Shareholders/ Investors Grievance/Share Transfer Committee - Legal Sub-Committee	Member Member
Siel Financial Services Ltd.	-	- Audit Sub-Committee - Shareholders Grievance/Share Transfer Committee	Member Member

3. Name : Dr. Anil Arora  
Age : 60 years  
Qualifications : B.Com (Hons), PGDMM, MBA, Ph.D  
No. of shares held in the Company : Nil  
Expertise : Dr. Anil Arora has vast experience in Financial, Accounting and Relationship Management.  
Outside Directorships : Nil  
Chairmanship /Membership of Board Committees:  
Siel Financial Services Ltd. - - Audit Sub-Committee  
- Shareholders Grievance/Share Transfer Committee  
Chairman  
Member

### Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

#### ITEM NO.4

Mr. A.K. Mehra was co-opted as an Additional Director on the Board of the Company w.e.f. 13.9.2007. He holds office upto the date of this Annual General Meeting. Notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Mr. A.K. Mehra for the office of Director of the Company.

Mr. A.K. Mehra holds a Masters degree in Chemical Engineering from Illinois Institute of Technology, Chicago (USA). He has been associated with the Chemical business of Mawana Sugars Limited (formerly Siel Ltd.) and has made significant contributions in the growth of Chemical business. He is presently a Whole Time Director of Mawana Sugars Limited.

The Board of Directors considers that the continuance of Mr. A.K. Mehra on the Board will be beneficial to the Company and recommends the resolution for your approval.

None of the Directors, except Mr. A.K. Mehra, is concerned or interested in the said resolution.

# **Siel Financial Services Limited**

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## **NOTICE (Contd.)**

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### **ITEM NO. 5**

Dr. Anil Arora was co-opted as an Additional Director on the Board of the Company w.e.f. 13.9.2007. He holds office upto the date of this Annual General Meeting. Notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Dr. Anil Arora for the office of Director of the Company.

Dr. Anil Arora has vast experience in Financial, Accounting and Relationship Management.

The Board of Directors considers that the continuance of Dr. Anil Arora on the Board will be beneficial to the Company and recommends the resolution for your approval.

None of the Directors, except Dr. Anil Arora, is concerned or interested in the said resolution.

By Order of the Board  
For **Siel Financial Services Limited**

**(AMIT KHURANA)**  
**DIRECTOR**

Place : New Delhi  
Date : 01.07.2008



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## DIRECTORS' REPORT

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To the Members.

Your Directors present the Seventeenth Annual Report along with Audited Accounts for the year ended March 31, 2008.

### FINANCIAL RESULTS

The Company incurred a net loss of Rs. 12.20 lacs during the year under review.

### DIVIDEND

In view of losses incurred during the year, your Directors express their inability to recommend any dividend.

### DIRECTORS

Mr. Rajendra Khanna and Mr. Rajesh Mittal resigned from the Directorship of the Company during the year under review.

Mr. A. K. Mehra and Dr. Anil Arora were co-opted as Additional Directors during the year under review.

### AUDITORS

M/s. V. Sahai & Co., Chartered Accountants, Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting of the Company and are recommended for reappointment. The Company has received a certificate from them to the effect that their appointment, if made, would be within the limits as prescribed under Section 224(1B) of the Companies Act, 1956.

### AUDITOR'S REPORT

The observations of Auditors in their report read with the relevant notes to accounts are self-explanatory and therefore do not require further explanation.

### CORPORATE GOVERNANCE

A separate report on Corporate Governance is included/attached as part of the Annual Report and annexed hereto as Annexure I along with the Auditor's Certificate on its compliance.

The Management Discussion and Analysis Report forms part of this report and is annexed hereto as Annexure II.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information required under Section 217(1)(e) of the Companies Act, 1956 on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo are not applicable and hence not furnished for the year under review.

### PARTICULARS OF EMPLOYEES

There is no employee in the Company whose particulars are required to be given under Section 217 (2A) of the Companies Act, 1956.

### DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your directors state:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that the accounting policies selected and applied are consistent and the judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that year.
- (iii) that proper and sufficient care has been 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;
- (iv) that the annual accounts have been prepared on a going concern basis.

### LISTING OF THE COMPANY'S SHARES

The Annual Listing Fees upto the year 2008-2009 has been paid to Bombay Stock Exchange Ltd. The Annual Listing fees upto the year 2000-2001 and for the year 2002-2003 has been paid to Madhya Pradesh Stock Exchange. The Annual Listing Fees upto the year 1998-1999 has been paid to Calcutta Stock Exchange.

### SHARE REGISTRY ACTIVITIES

In terms of SEBI Circular No. D&CC/FITC/CIR-15/2002 dated 27th December 2002, your Company has transferred the work related to share registry to Mas Services Ltd. a Registrar and Share Transfer Agent registered with SEBI.

### LISTING OF EQUITY SHARES OF THE COMPANY

The Equity Shares of the Company are listed at Bombay Stock Exchange.

The delisting of the Equity Shares of your Company is pending with Calcutta and Madhya Pradesh (Regional) Stock Exchange.

### DEPOSITORY SYSTEM

The equity shares of the Company have been notified for compulsorily trading in dematerialized form by all investors. The shares of the Company are available for trading on Central Depository Services (India) Ltd. (CDSL). The Company's application for admission of its equity shares on National Securities Depository Limited (NSDL) is still pending.

As on 31st March 2008, a total of 19095 equity shares of the Company, which form 0.17% of the equity share capital, stood dematerialized.

### FIXED DEPOSITS

There are no fixed deposits outstanding as on 31st March, 2008.

### ACKNOWLEDGMENTS

Your Directors wish to thank the Company's Bankers, Shareholders and Business Associates for their continued and unstinted support.

For and on behalf of the Board of Directors

(AMIT KHURANA)  
DIRECTOR

(ANIL ARORA)  
DIRECTOR

Place : New Delhi  
Date : 01.07.2008

# Siel Financial Services Limited

## ANNEXURE - I TO DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED MARCH 31, 2008

#### 1. Company's Philosophy on Code of Corporate Governance

Good Corporate Governance act as a catalyst for consistent growth of an organization. It is the adoption of best business practices which ensure that the Company operates not only within the regulatory framework, but is also guided by ethics. The adoption of such corporate practices ensures accountability of the persons in charge of the Company on one hand and brings benefits to investors, customers, creditors, employees and the society at large on the other. The Company firmly believes in practicing good Corporate Governance in true spirit and endeavour to improve on these aspects on ongoing basis.

#### 2. Board of Directors

##### (I) Composition

The Board meets the expected composition level with all the Directors being Non-Executive Directors. The Board comprises of one Non-Independent and two Independent Directors as on March 31, 2008.

The Independent Directors do not have any material pecuniary professional and/or business relationship or transactions with the Company, its promoters or management and its holding Company.

The composition of Board of Directors and their attendance at the Board Meetings held during the year ended March 31, 2008 and at the last Annual General Meeting and also the number of other directorship and membership/ chairmanship of committees are as follows:

Director	Category	No. of Board Meetings Attended (Total meetings held 5)	Attended last AGM	No. of outside Directorship held (excluding Private & Foreign Companies)	Committee Membership#	
					Member	Chairman
• Dr. Arora Anil*	Independent Non-Executive	3	N.A.	Nil	1	1
• Mr. Khanna Rajendra**	Independent Non-Executive	2	No	4	4	1
• Mr. Khurana Amit	Non-Independent Non-Executive	5	Yes	4	4	1
• Mr. Mehra A. K.*	Independent Non-Executive	3	N.A.	2	2	Nil
• Mr. Mittal Rajesh**	Independent Non-Executive	3	No	Nil	2	Nil

# Consists of Audit Committee and Shareholders Grievance/Share Transfer Committee

\* Co-opted as Additional Director w.e.f. 13.9.2007.

\*\* Resigned from the Directorship of the Company w.e.f. 13.9.2007.

##### (II) Attendance at Board of Directors Meetings

The Board of your Company met 5 times during the year ended March 31, 2008. The Company placed before the Board all statutory and other important items recommended by the SEBI committee on Corporate Governance.

Sl.No.	Date	Board Strength	No. of Directors Present
1.	31.05.2007	3	3
2.	31.07.2007	3	3
3.	13.09.2007	4	4
4.	30.10.2007	3	3
5.	24.01.2008	3	3

#### 3. Audit Committee

##### (I) Terms of Reference

The Company has an Audit Committee, which is dealing with the matters prescribed by the Board of Directors. The Committee deals with accounting matters, financial reporting and internal controls. The power, role, delegations, responsibilities and terms of reference





## ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

of the Audit Committee are as prescribed under Section 292A of the Companies Act, 1956 and also as provided in Clause 49 of the Listing Agreement.

### (ii) Composition

The composition of Audit Sub-Committee is as under:

- Independent Non-Executive Directors	2
- Non Independent Non-Executive Director	1
	3

All the Committee members have sound knowledge of finance and accounting.

The then Chairman of the Committee did not attend the last Annual General Meeting.

The statutory Auditors attend the meetings of the Committee on the invitation of the Company.

The composition of the Committee and their attendance at the Committee meetings held during the year ended March 31, 2008 are as under:

Member Director	Executive/ Non-Executive	Independent/ Non Independent	No. of Meetings Attended (Total meetings held 4)
• Dr. Arora Anil* (Chairman)	Non-Executive	Independent	2
• Mr. Khanna Rajendra** (Chairman)	Non-Executive	Independent	2
• Mr. Khurana Amit	Non-Executive	Non-Independent	4
• Mr. Mehra A. K.*	Non-Executive	Independent	2
• Mr. Mittal Rajesh**	Non-Executive	Independent	2

\* Appointed as members of the Committee w.e.f. 13.09.2007. Dr. Anil Arora was elected as the Chairman of the Committee in place of Mr. Rajendra Khanna.

\*\* Ceased to be the members of the Committee due to resignation from the Directorship of the Company w.e.f. 13.09.2007.

### (iii) Audit Committee Meetings (Attendance)

It meets at least 4 times in a year and reviews the quarterly, half-yearly and annual financial statements before they are submitted to the Board. During the financial year ended March 31, 2008, four meetings of the Audit Committee were held as under:

Sl.No.	Date	Committee Strength	No. of Members Present
1.	31.05.2007	3	3
2.	31.07.2007	3	3
3.	30.10.2007	3	3
4.	24.01.2008	3	3

### 4. Remuneration Committee

The Company does not have any Remuneration Committee.

The Company does not have any Executive Directors.

The Non-Executive Directors do not draw any remuneration from the Company.

### 5. Shareholders Grievance/Share Transfers Committee

#### (i) Terms of Reference

The Company has a Board Committee namely 'Shareholders Grievance/Share Transfers Committee', which looks into various issues relating to shareholders including the redressal of shareholders complaints, share transfers/transmission/issue of duplicate shares etc.

The meeting of this Committee is held frequently to ensure completion of share transfer work within the stipulated period.

Mr. Amit Khurana, Director of the Company is the Compliance Officer appointed under the relevant SEBI directions.

#### (ii) Composition

The Chairman of this Committee is a Non-Executive Director. The Composition of the Committee and their attendance at the Committee meetings held during the year ended March 31, 2008 are as under:

# Siel Financial Services Limited

## ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

Member Director	Executive/ Non-Executive	Independent/ Non Independent	No. of Meetings Attended (Total meetings held 24)
• Dr. Arora Anil*	Non-Executive	Independent	13
• Mr. Khanna Rajendra**	Non-Executive	Independent	11
• Mr. Khurana Amit (Chairman)	Non-Executive	Non-Independent	24
• Mr. Mehra A. K.*	Non-Executive	Independent	13
• Mr. Mittal Rajesh**	Non-Executive	Independent	11

\* Appointed as members of the Committee w.e.f. 13.9.2007.

\*\* Ceased to be the members of the Committee due to resignation from the Directorship of the Company w.e.f. 13.9.2007.

### (III) Attendance at Shareholders Grievance/Share Transfers Committee Meetings

Sl.No.	Date	Committee Strength	No. of Members Present
1.	10.04.2007	3	3
2.	25.04.2007	3	3
3.	10.05.2007	3	3
4.	25.05.2007	3	3
5.	08.06.2007	3	3
6.	22.06.2007	3	3
7.	06.07.2007	3	3
8.	20.07.2007	3	3
9.	04.08.2007	3	3
10.	20.08.2007	3	3
11.	06.09.2007	3	3
12.	21.09.2007	3	3
13.	05.10.2007	3	3
14.	22.10.2007	3	3
15.	06.11.2007	3	3
16.	21.11.2007	3	3
17.	06.12.2007	3	3
18.	21.12.2007	3	3
19.	04.01.2008	3	3
20.	21.01.2008	3	3
21.	05.02.2008	3	3
22.	20.02.2008	3	3
23.	07.03.2008	3	3
24.	24.03.2008	3	3

The minutes of meetings of the above Committee are placed at the Board meeting held after the committee meetings.

During the year ended March 31, 2008, 13 complaints were received from the shareholders. All complaints were replied/resolved to the satisfaction of the Shareholders.

As on March 31, 2008, no request for registration of transfer of shares was pending.



## ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

### 6. General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year	Location	Date	Time	Special Resolution passed
2006-2007	4 <sup>th</sup> Floor, Soni Mansion 12-B, Ratlam Kothi, Indore-452 001 (M.P.)	12.9.2007	10.00 A.M.	No Special Resolution
2005-2006	4 <sup>th</sup> Floor, Soni Mansion, 12-B, Ratlam Kothi, Indore-452 001 (M.P.)	14.7.2006	10.00 A.M.	No Special Resolution
2004-2005	4 <sup>th</sup> Floor, Soni Mansion, 12-B, Ratlam Kothi, Indore - 452 001 (M.P.)	15.7.2005	10.00 A.M.	No Special Resolution

No special resolution was put through the postal ballot in the previous year.

There is no item in the Notice for the forthcoming Annual General Meeting proposed to be passed through Postal Ballot.

### 7. Disclosures

#### (i) Related Party Transactions

In terms of the Accounting Standard (AS) 18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the Company has identified the related parties covered therein and details of transactions with such related parties have been disclosed in the Note No.3 to Schedule 11 – Notes to Accounts of the Annual Report for the year ended March 31, 2008.

During the year, there were no transactions of material nature of the Company with the promoters, directors, management or their relatives, holding Company and other related parties covered under AS 18 that had potential conflict with the interest of the Company.

(ii) There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to the capital markets, during the last three years.

#### (iii) Disclosure of Accounting Treatment

The financial statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 1956 and are based on the historical cost convention.

#### (iv) Insider Trading

The Company has adopted the Code of Internal Procedures and Conduct framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, to inter alia, prevent insider trading in the shares of the Company.

#### (v) Code of Conduct

The Company has adopted a Code of Conduct (Code) for the members of Board of Directors and Senior Management Personnel of the Company. The essence of the Code is to conduct the business of the Company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes considerations of personal advantage.

#### (vi) Subsidiary Companies

The Company does not have a subsidiary company as at 31<sup>st</sup> March, 2008.

#### (vii) Risk Management

Since the Company at present has not been carrying any business activity, the requirement of laying down a Risk Management Policy to inform Board Members about the risk assessment and minimization procedures is not applicable.

#### (viii) Shareholding of the Non-Executive Directors

The shareholding of the Non-Executive Directors of the Company as on 31.3.2008 are as under:

Sl. No.	Name of the Director	No. of Equity Shares
1.	Mr. A. K. Mehra	Nil
2.	Dr. Anil Arora	Nil
3.	Mr. Amit Khurana	Nil

# Siel Financial Services Limited

## ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

### 8. Means of Communication

- (I) Half-yearly reports of the Company are not sent to the individual shareholders of the Company.
- (II) Quarterly and annual results are published in prominent daily newspapers viz. Free Press Journal and Swadesh. The results are sent to the stock exchanges on which the Company is listed in the prescribed format so as to enable the respective stock exchanges to put the same on their own Web-site. The Notice of AGM along with the Annual Report is sent to the shareholders well in advance of the AGM. The stock exchanges are notified of any important developments that may materially effect the working of the Company. Disclosures with regard to shareholding pattern, change in major shareholdings etc. are also periodically sent to the stock exchanges as required under SEBI Takeover Regulations and SEBI Prohibition of (Insider Trading) Regulations.
- (III) The Company, at present, does not have any Website.
- (IV) During the year no presentations were made to any institutional investors or analysts.
- (V) A Management Discussion and Analysis report, which forms a part of the Annual Report, is given by means of a separate Annexure and is attached to the Directors' Report.

### 9. General Shareholders' Information

- (I) Annual General Meeting is proposed to be held on 23.9.2008 at 10.30 A.M. at 4<sup>th</sup> Floor, Soni Mansion, 12- B, Rattlam Kothi, Indore -452001 (M.P.).

#### (II) Financial Calendar for the year 2008-2009

Accounting year	April 1, 2008 to March 31, 2009
First Quarter results	July 2008
Second Quarter results	October 2008
Third Quarter results	January 2009
Fourth Quarter results	April 2009
Annual results	May/June 2009
Mailing of Annual Reports	July/August 2009
Annual General Meeting	August/September 2009

- (III) **Date of Book Closure:** 22.9.2008 to 23.9.2008 (Both days inclusive)

#### (IV) Listing on Stock Exchanges:

1. Bombay Stock Exchange Ltd., Mumbai
2. The Calcutta Stock Exchange Association Ltd.
3. The Madhya Pradesh Stock Exchange

Stock Code at - Bombay Stock Exchange Ltd.: 532217

No stock code has been allotted to the Company by the Stock Exchanges indicated in serial numbers 2 & 3 above.

Listing fee for the year 2008-2009 has been paid to Bombay Stock Exchange Ltd.

#### (V) Stock Market Data for the year ended March 31, 2008

Monthly High & Low quotation and volume of Company's Share on BSE and BSE Sensex are as under:

Month & Year	High (Rs.)	Low (Rs.)	Volume (Nos.)	BSE Sensex	
				High	Low
April 2007	-	-	-	14,383.72	12,425.52
May 2007	-	-	-	14,576.37	13,554.34
June 2007	-	-	-	14,683.36	13,946.99
July 2007	-	-	-	15,868.85	14,638.88
August 2007	-	-	-	15,542.40	13,779.88
September 2007	-	-	-	17,361.47	15,323.05
October 2007	-	-	-	20,238.16	17,144.58
November 2007	-	-	-	20,204.21	18,182.83



## ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

December 2007	-	-	-	20,498.11	18,886.40
January 2008	0.88	0.88	5000	21,206.77	15,332.42
February 2008	0.92	0.92	100	18,895.34	16,457.74
March 2008	-	-	-	17,227.56	14,677.24
<b>TOTAL</b>			<b>5100</b>		

(VI) **Registrar and Share Transfer Agent**

Mas Services Ltd. has appointed as the Registrar and Share Transfer Agent of the Company, to handle share transfer work in Physical as well as in Electronic Form and other related activities at the following address:

Mas Services Ltd.  
AB-4, Safdarjung Enclave  
New Delhi - 110 029  
Phone No. : 011-26104142, 26104326  
Fax No. : 011-26181081  
E-mail : [mas\\_serv@yahoo.com](mailto:mas_serv@yahoo.com)

(VII) **Share Transfer System**

- All the valid share transfers are registered and duly transferred share certificates are dispatched within a period of 30 days from the date of receipt.

(VIII) **Investors' Service**

The Company has a system of attending and redressing all investors' grievances/ correspondence within a period of 7-10 days from the date of receipt of the same.

No complaints/grievances are pending as on date.

(IX) **Distribution of shareholding as on March 31, 2008**

No. of Equity Shares held	Folios		Shares	
	Numbers	%	Numbers	%
Up to 500	20082	99.83	625972	5.52
501-1000	16	0.08	12575	0.11
1001-2000	4	0.02	5600	0.05
2001-3000	7	0.04	18375	0.16
3001-4000	1	0.00	3625	0.03
4001-5000	2	0.01	9125	0.08
5001-10000	1	0.00	5800	0.05
10001 and above	4	0.02	10662680	94.00
<b>TOTAL</b>	<b>20117</b>	<b>100.00</b>	<b>11343752</b>	<b>100.00</b>

# Siel Financial Services Limited

## ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

(X) Categories of shareholders as on March 31, 2008

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in de-materialized form	Total share holding as a percentage of total number of shares	
					As a percentage of (A+B)	As a Percentage of (A+B+C)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>					
<b>(1)</b>	<b>Indian</b>					
(a)	Individuals/ Hindu Undivided Family					
(b)	Central Government/ State Government(s)					
(c)	Bodies Corporate	6	10613382	0	93.56	93.56
(d)	Financial Institutions/ Banks					
(e)	Any Other (specify)					
	<b>Sub-Total (A)(1)</b>	<b>6</b>	<b>10613382</b>	<b>0</b>	<b>93.56</b>	<b>93.56</b>
<b>(2)</b>	<b>Foreign</b>					
(a)	Individuals (Non-Resident Individuals/Foreign individuals)					
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Other (specify)					
	<b>Sub-Total (A)(2)</b>					
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>6</b>	<b>10613382</b>	<b>0</b>	<b>93.56</b>	<b>93.56</b>
<b>(B)</b>	<b>Public shareholding</b>					
<b>(1)</b>	<b>Institutions</b>					
(a)	Mutual Funds/ UTI					
(b)	Financial Institutions/ Banks	1	50	0	0.00	0.00
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					
(e)	Insurance Companies					
(f)	Foreign Institutional Investors					
(g)	Foreign Venture Capital Investors					
(h)	Any Other (specify)					
	<b>Sub-Total (B)(1)</b>	<b>1</b>	<b>50</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2)</b>	<b>Non-institutions</b>					
(a)	Bodies Corporate	60	53200	325	0.47	0.47
(b)	Individuals -					
	i. Individual shareholders holding nominal share capital up to Rs.1 Lakh.	18193	624945	18620	5.51	5.51
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.					
(c)	Any Others (NRIs)	1857	52175	150	0.46	0.46
	<b>Sub-Total (B)(2)</b>	<b>20110</b>	<b>730320</b>	<b>19095</b>	<b>6.44</b>	<b>6.44</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>20111</b>	<b>730370</b>	<b>19095</b>	<b>6.44</b>	<b>6.44</b>



## ANNEXURE - I TO DIRECTORS' REPORT (Contd.)

	TOTAL (A)+(B)	20117	11343752	19095	100.00	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued					
	GRAND TOTAL (A)+(B)+(C)	20117	11343752	19095	100.00	100.00

(XI) **Dematerialisation of shares and liquidity**

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on Central Depository Services (India) Ltd. (CDSL). The Company's application for admission of its shares on National Securities Depository Limited (NSDL) is still pending.

As on 31<sup>st</sup> March, 2008, a total of 19095 equity shares of the Company, which form 0.17% of the Equity Share Capital, stand dematerialised.

Under the depository system, the ISIN allotted to the Company's equity shares by CDSL is INE027F01014.

(XII) **Outstanding GDRs and convertible Preference Shares**

The Company has not issued any GDRs or Convertible Preference Shares.

(XIII) **Plant Locations**

The Company is a financial Company.

The address of Delhi Office is as under:

5<sup>th</sup> Floor, Kirti Mahal  
19, Rajendra Place  
New Delhi - 110125  
Phone: 011-25739103  
Fax : 011-25743659

(XIV) **Investors' correspondence may be addressed to:**

Mr. Amit Khurana  
Compliance Officer  
C/o Mawana Sugars Limited  
5<sup>th</sup> Floor, Kirti Mahal  
19, Rajendra Place  
New Delhi -110125  
Ph. 011-25739103  
Fax. 011-25743659

10. **Non-mandatory requirements**

The Company has not adopted any of the non-mandatory requirements specified in Annexure – I D of clause 49 of the Listing Agreement.

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 01.07.2008

(AMIT KHURANA)  
DIRECTOR

(ANIL ARORA)  
DIRECTOR

### DECLARATION

I, A. K. Mehra, the designated Chief Executive Officer (CEO) hereby declare that the Code of Conduct adopted by SIEL Financial Services Limited for its Board Members has been duly complied by all Board Members.

(A. K. Mehra)  
Chief Executive Officer

# Siel Financial Services Limited

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## AUDITORS' CERTIFICATE ON THE COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

### To the Members of Siel Financial Services Limited

We have examined the compliance of conditions of Corporate Governance by Siel Financial Services Limited, for the year ended March 31, 2008, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the 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, except that:

- (i) The Company is of the view that since its board composition comprises of non-executive directors only as at March 31, 2008, the requirement of optimal combination of executive and non-executive directors specified in clause 49 of the Listing agreement is not attracted.
- (ii) The Chairman of the Audit Committee had not attended the last AGM to answer the queries of the shareholders and hence the requirement of clause 49 of the Listing Agreement of attending the AGM by the Chairman of the Audit Committee has not been complied with.
- (iii) A Company Secretary has not been appointed by the Company and hence requirement of acting as Secretary of the Audit Committee has not been complied with for all the meetings held during the year.

We state that during the year ended March 31, 2008, no investor grievances were pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For **V. Sahai & Co.**  
Chartered Accountants

**Sanjay Vohra**  
Partner  
Membership No.95930

Place : New Delhi  
Date : 01.07.2008

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## **ANNEXURE - II TO DIRECTORS' REPORT**

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### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Siel Financial Services Limited is a Non-Banking Financial Company mainly engaged in the business of leasing, advancing loan/ICDs, making investments, bill discounting and other financial activities. During the course of its business operations, the company had entered into such financial transactions with various parties. However, due to continuous deterioration of general economic and business conditions, these parties have defaulted and have not been able to fulfill their commitment. This has resulted into the Company's substantial funds and assets blocked in these Non performing Assets.

Further, the Company's financial assets are substantially blocked in leasing transactions with various parties who have defaulted in the payment of lease rentals. As a result, the Company had to severely curtail its operations due to paucity of funds and adverse market conditions.

However, the Company is negotiating vigorously with these parties for realizing its money and is quite hopeful of generating funds for the business of the Company. The Company is also hopeful of reviving its business with the help of these funds, which it expects to receive from these parties.

The internal control systems and procedures are adequate, commensurate to the size of the Company.

The financial performance of the Company is covered in the Directors' Report. The Company being engaged only in financing operations viz, intercorporate deposits and investments, segment wise reporting of revenue, results and capital employed is not required to be given.

As there is no employee on the rolls of the Company, there is nothing to report on the development of human resources.





## AUDITORS' REPORT

1. We have audited the attached balance sheet of SIEL Financial Services Limited as at March 31, 2008 and also the profit & loss account and cash flow statement of the Company 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Attention is invited to Note 7 indicating that the accounts of the Company have been prepared on the basis that the Company is a going concern although the ability of the Company to continue its operation in the foreseeable future is dependent on the improvement of the related market conditions and financial position of the Company.
5. 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 purpose of our audit.
  - (b) Subject to our remarks in paragraph (f) below, 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 the books.
  - (c) The Company's balance sheet and profit & loss account dealt with by this report are in agreement with the books of accounts.
  - (d) In our opinion the balance sheet, profit & loss account and cash flow statement of the Company dealt with by this report comply with mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - (e) Based on the representations made by all the Directors of the Company and the information and explanations duly certified given to us by the Company none of the Directors of the Company has prima facie any disqualification as referred to in clause (g) of sub-section (1) to section 274 of the Companies Act, 1956.
  - (f) Attention is invited to Note 8 indicating that no provision has been made for interest amounting to Rs. 153.73 lacs (including Rs. 134.89 lacs upto March 31, 2007) payable on an inter corporate deposit for the reasons stated in that note. Had such provision been made, the loss for the year would have been higher by Rs. 18.84 lacs (loss for the year ended March 31, 2007 would have been higher by Rs. 134.89 lacs) and the debit balance carried forward in the profit and loss account would have been higher by Rs. 153.73 lacs (Rs. 134.89 lacs upto March 31, 2007).

**The matters referred to in paragraphs 4 and 5 (f) above, to the extent covered here above.**

Subject to above, in our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with 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, 2008; and
- ii) In the case of the profit & loss account, of the loss of the Company for the year ended on that date.
- iii) In the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.

### ANNEXURE TO THE AUDITORS' REPORT (Referred to in paragraph (3) of our report of even date)

- (i)
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) We are informed that a major portion of fixed assets, other than assets given on lease has been verified by the management in accordance with phased programme of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of its fixed assets.
  - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii)
  - (a) During the year, the inventories comprising of shares, debentures and other securities have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.

# Siel Financial Services Limited

## AUDITORS' REPORT (Contd.)

- (c) On the basis of our examination of the records of inventories, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to/from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly paragraphs 4(iii) (a) to (d) of the Companies (Auditors' Report) Order, 2003 (hereinafter referred to as the Order) are not applicable.
- (e) According to the information and explanations given to us, the Company has taken unsecured loans/ from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956  
 Unsecured loan from Holding Company :- Rs. 365.88 Lacs  
 Unsecured loan from fellow subsidiary Company:- Rs. 157 Lacs
- (f) The rate of interest and other terms and conditions of loan taken by the Company are prima- facie not prejudicial to the interest of the Company.
- (g) Company is not regular in payment of interest and principal amount to the holding company and fellow subsidiary company.
- (iv) 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 nature of its business with regard to purchases and sales of stocks of shares and purchase of fixed assets. There is no sale of services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
- (v) According to the information and explanations given to us there are no contracts or arrangements during the year that need to be entered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, paragraph 4(v)(b) of the Order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 to the extent applicable with regard to the deposits accepted from the public. As per the information and explanations given to us, no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India, any other court or any other tribunal with regard to fixed deposits.
- (vii) **The Company did not have an internal audit system during the year.**
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) As explained to us, the statutory dues payable by the Company comprise of provident fund, investor education and protection fund and income-tax. According to the records of the Company and information and explanations given to us, the Company is regular in deposit of the aforesaid undisputed statutory dues with the appropriate authorities except investor education and protection fund and income-tax. There are no undisputed statutory dues as referred to above as at March 31, 2008 outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, following are the particulars of disputed dues on account of income tax and excise duty matters as at March 31, 2008 that have not been deposited by the Company:-

Name of the statute	Nature of the dues	Amount (Rs.)	Financial year to which the amount relates	Forum where dispute is pending
Income tax Laws	Income tax	3,61,47,142	1994 and 1996	ITAT
	Income tax	2,55,458	1997	CIT(Appeals)
	Interest	5,41,461	1996	CIT(Appeals)

We have been informed that there were no dues in respect of customs duty, excise duty, sales tax, wealth tax, service tax and cess which have not been deposited on account of any dispute.

The following matters which have been excluded from the table above have been decided in favour of the Company but the concerned authorities have preferred appeals at higher levels:

Name of the statute	Nature of the dues	Amount (Rs.)	Financial year to which the amount relates	Forum where department has preferred appeal
Income tax Laws	Income tax	64,87,400	1998	ITAT
Central Excise Laws	Excise duty	4,66,755	1992	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)



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## AUDITORS' REPORT (Contd.)

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- (x) According to the records of the Company, the Company's accumulated losses at the end of the financial year would be in excess of fifty percent of the net worth of the Company. The Company has incurred cash losses during the financial year ended March 31, 2008 as well as in the preceding financial year ended March 31, 2007.
- (xi) Since the Company has not defaulted in repayments of dues to any financial institution or bank or debenture holder, paragraph 4(xi) of the Order is not applicable.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute as specified under paragraph 4(xiii) of the Order are not applicable to the Company.
- (xiv) The Company has maintained proper records of its dealing in shares, debentures and other investments and timely entries are being made therein. The investments have been held by Company in its own name.
- (xv) 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.
- (xvi) According to the information and explanations given to us, the Company has not obtained any term loan during the year.
- (xvii) According to the information and explanations given to us, the Company has not raised any funds on short term basis during the year.
- (xviii) 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 during the year.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended March 31, 2008

For V. Sahai & Co.  
Chartered Accountants

Place : New Delhi  
Dated : June 10, 2008

(Sanjay Vohra)  
Partner  
Membership No. 95930

# Siel Financial Services Limited

## BALANCE SHEET AS AT MARCH 31, 2008

	Schedule	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' funds</b>			
Share Capital	1	186,229,895	186,229,895
Reserve and Surplus	2	5,053,989	5,053,989
		<u>191,283,884</u>	<u>191,283,884</u>
<b>Loan funds</b>			
Unsecured	3	52,287,613	52,287,613
		<u>52,287,613</u>	<u>52,287,613</u>
<b>Total</b>		<u>243,571,497</u>	<u>243,571,497</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross block	4	100,602,097	100,602,097
Less : Depreciation		73,242,157	66,855,953
Net block		27,359,940	33,746,144
Less :Lease adjustment		13,576,040	19,334,547
		<u>13,783,900</u>	<u>14,411,597</u>
<b>Investments</b>			
<b>Current assets, loans and advances</b>	5	23,543	23,543
Inventories	6		
Stock in trade-shares		4,205	4,205
Sundry debtors		6,478,999	5,901,506
Cash and bank balances		264,265	604,331
Other current assets		-	-
Loans and advances		40,506,642	40,557,446
		<u>47,254,111</u>	<u>47,067,488</u>
<b>Less : Current liabilities and provisions</b>	7		
Current liabilities		23,038,314	22,259,266
<b>Net current assets</b>		24,215,797	24,808,222
Profit & loss account		205,548,257	204,328,135
<b>Total</b>		<u>243,571,497</u>	<u>243,571,497</u>
<b>NOTES TO THE ACCOUNTS</b>	11		

Per our report attached to the balance sheet  
For **V.Sahai & Co.**  
Chartered Accountants

For and on behalf of Board of Directors

**Sanjay Vohra**  
Partner  
Membership No. 95930

Place : New Delhi  
Date : June 10, 2008

A. K. Mehra  
Anil Arora  
Amit Khurana  
**DIRECTORS**



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

	Schedule	Year Ended March 31, 2008 Rs.	Year Ended March 31, 2007 Rs.
<b>INCOME</b>			
Other income	8	6,338,121	7,158,756
		<u>6,338,121</u>	<u>7,158,756</u>
<b>EXPENDITURE</b>			
Operating & Administration expenses	9	1,172,039	1,144,616
Loss from capital market operations	10	-	1,620
Depreciation	4	6,386,204	6,396,022
		<u>7,558,243</u>	<u>7,542,258</u>
<b>Profit / (Loss) before taxation</b>		<u>(1,220,122)</u>	<u>(383,502)</u>
Provision for taxation			
Current Tax		-	-
Fringe Benefit Tax		-	2,007
<b>Profit / (loss) after taxation</b>		<u>(1,220,122)</u>	<u>(385,509)</u>
<b>APPROPRIATIONS</b>			
Transfer to Reserve Fund		-	-
		<u>(1,220,122)</u>	<u>(385,509)</u>
Loss brought forward from previous year		<u>(204,328,135)</u>	<u>(203,942,626)</u>
<b>Balance carried to balance sheet</b>		<u>(205,548,257)</u>	<u>(204,328,135)</u>
Basic & diluted earning per share (Rs.) (face Value-Rs. 10 per share)		<u>(0.48)</u>	<u>(0.40)</u>
<b>NOTES TO THE ACCOUNTS</b>	11		

Per our report attached to the balance sheet  
For V.Sahai & Co.  
Chartered Accountants

For and on behalf of Board of Directors

Sanjay Vohra  
Partner  
Membership No. 95930

A. K. Mehra  
Anil Arora  
Amit Khurana  
**DIRECTORS**

Place : New Delhi  
Date : June 10, 2008

# Siel Financial Services Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2008

PARTICULARS	Year ended 31.03.2008 Rs.	Year ended 31.03.2007 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit / (loss) before tax	(1,220,122)	(383,502)
Adjustment for :-		
Depreciation	6,386,204	6,396,022
Provision no longer required written back	(6,336,000)	(7,110,029)
(Profit) on sale of non trade long term investments	-	-
Loss on sale of non trade long term investments	-	-
(Profit) on sale of fixed assets	-	-
Excess liabilities written back	-	-
Interest/Dividend income on non trade long term investments	(2,121)	(3,098)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(1,172,039)</b>	<b>(1,100,607)</b>
Adjustment for :-		
Decrease in trade and other receivables	53,308	767,775
Decrease/(Increase) in stock in trade	-	1,620
Increase / (Decrease) in trade / other payables	779,048	(326,482)
<b>Cash generated from operations</b>	<b>(339,683)</b>	<b>(657,694)</b>
Direct taxes paid	(2,504)	(2,007)
<b>NET CASH INFLOW/OUTFLOW FROM OPERATIONS</b>	<b>(342,187)</b>	<b>(659,701)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase) of other fixed assets	-	-
Sale of other fixed assets	-	-
Sale of non trade long term investments	-	-
Dividend on long term investments received	-	740
Interest received on non trade long term investments	2,121	2,358
<b>NET CASH INFLOW FROM INVESTING ACTIVITIES</b>	<b>2,121</b>	<b>3,098</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term borrowings	-	-
<b>NET CASH OUTFLOW FROM FIANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(340,066)</b>	<b>(656,602)</b>
<b>CASH AND CASH EQUIVALENTS AS AT OPENING</b>	<b>604,331</b>	<b>1,260,934</b>
<b>CASH AND CASH EQUIVALENTS AS AT CLOSING</b>	<b>264,265</b>	<b>604,331</b>

Per our report attached  
For **V.Sahai & Co.**  
Chartered Accountants

For and on behalf of Board of Directors

**Sanjay Vohra**  
Partner  
Membership No. 95930

Place : New Delhi  
Date : June 10, 2008

**A. K. Mehra**  
**Anil Arora**  
**Amit Khurana**  
**DIRECTORS**



## SCHEDULES 1 - 11 ANNEXED TO AND FORMING PART OF THE ACCOUNTS

### Schedule-1 : Share capital

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
<b>Authorised</b>		
Equity - 2,00,00,000 shares of Rs. 10 each	200,000,000	200,000,000
Preference - 10,00,000 5% Redeemable Cumulative Preference shares of Rs. 100 each	100,000,000	100,000,000
	<b>300,000,000</b>	<b>300,000,000</b>
<b>Issued, subscribed and paid up</b>		
Equity - 11,343,752 (previous year 11,343,752 ) shares of Rs. 10 each.	113,437,520	113,437,520
Less - Calls in arrears	207,625	207,625
	<b>113,229,895</b>	<b>113,229,895</b>
Preference - 730,000 (previous year 730,000) 5% Redeemable Cumulative preference shares of Rs. 100 each	73,000,000	73,000,000
	<b>186,229,895</b>	<b>186,229,895</b>

#### Notes :

1. Of the issued, subscribed and paid-up capital 10,000,000 (previous year 10,000,000) equity shares of Rs. 10 each have been allotted to the members of the erstwhile Siel Financial Services Limited in the ratio of 1:1, pursuant to the Scheme of Amalgamation [ refer note 2 of schedule 11], without payment being received in cash.
2. 9,011,982 (previous year 9,011,982) equity shares are held by Mawana Sugars Limited (Formerly Known as Siel Limited), the holding company.
3. 730,000 (previous year 730,000 ) preference shares are held by Mawana Sugars Limited (Formerly Known as Siel Limited), the holding company.
4. The preference shares of Rs. 100 each, allotted on January 13, 1998 are redeemable at par at the option of the Company at any time not later than the ninth year from the date of the issue. So, these shares are overdue for repayment.

### Schedule-2 : Reserves and surplus

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Reserve fund	5,053,989	5,053,989
	<b>5,053,989</b>	<b>5,053,989</b>
Maintained pursuant to Section 45-IC of the Reserve Bank of India (Amendment) Act, 1997.		

### Schedule-3 : Loan Funds

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
<b>Unsecured</b>		
Due to Holding company (includes intercorporate deposit of Rs 12,000,000) (Previous year Rs. 12,000,000)	36,587,613	36,587,613
Short - term loans and advances - Others	15,700,000	15,700,000
	<b>52,287,613</b>	<b>52,287,613</b>

# Siel Financial Services Limited

## SCHEDULES 1 - 11 (Contd.)

### Schedule -4 : Fixed assets

	Gross block			Depreciation			Net block			Lease adjustment		Net block after lease adjustment		
	As at March,31 2007 Rs.	Addi- tions Rs.	Deduc- tions Rs.	As at March,31 2008 Rs.	As at March,31 2007 Rs.	For the year Rs.	On deduc- tions Rs.	As at March,31 2008 Rs.	As at March,31 2008 Rs.	As at March,31 2007 Rs.	As at March,31 2008 Rs.	As at March,31 2007 Rs.	As at March,31 2008 Rs.	
<b>Assets given on lease :</b>														
Plant and machinery	98756485	-	-	98756485	65323391	6336000	-	71659391	27097094	33433094	13576040	19334547	13521054	14098547
	98756485	-	-	98756485	65323391	6336000	-	71659391	27097094	33433094	13576040	19334547	13521054	14098547
<b>Other fixed assets :</b>														
Plant and machinery	698643	-	-	698643	544456	21447	-	565903	132740	154187	-	-	132740	154187
Furniture and fixtures	1146969	-	-	1146969	988106	28756	-	1016862	130107	158863	-	-	130107	158863
	1845612	-	-	1845612	1532562	50204	-	1582765	262847	313050	-	-	262847	313050
<b>This year</b>	100602097	-	-	100602097	66855953	6386204	-	73242157	27359941	-	13576040	-	13783901	-
<b>Previous year</b>	100602097	-	-	100602097	60459931	6396022	-	66855953	33746144	-	19334547	-	14411597	-

### Schedule-5 : Investments

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
<b>Long term investments - Non-trade at cost unless otherwise stated</b>		
<b>Quoted</b>		
<b>Government Securities</b>		
200, 7.40% - GOI 2012 Bonds	23,542	23,542
<b>Others*</b>		
MSD Industrial Enterprises Limited 2,95,700 equity shares of Rs. 10 each fully paid-up	\$ 10,822,620	10,822,620
<b>Unquoted*</b>		
Deluxe Fabrics Limited 1,00,000 equity shares of Rs. 10 each fully paid-up	\$ 1,000,000	1,000,000
SFSL Investments Limited 54 equity shares of Rs 10 each fully paid-up (being a company under the same management)	\$ 540	540
	11,846,702	11,846,702
Less : Provision for diminution in value of investments	11,823,159	11,823,159
	23,543	23,543
<b>\$ - Provided fully</b>		
<b>Aggregate value of investments</b>		
Quoted (market value - Rs. 23542 previous year Rs. 23542) **	23,542	23,542
Unquoted	1	1
	23,543	23,543

\* All investments acquired from erstwhile Siel Financial Services Limited in terms of the Scheme of Amalgamation [refer note 2 of schedule 11]

\*\* Represents Rs. 23,542 being the cost of investments at face value as market quotations are not available.





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**SCHEDULES 1 - 11 (Contd.)**

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**Schedule-6 : Current assets, loan and advances**

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	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
<b>Inventories</b>		
Stock in trade (refer schedule 6A)	4,205	4,205
<b>Sundry debtors - Unsecured</b>		
Over six months - good	6,478,999	5,901,506
- doubtful	3,303,948	3,881,441
	<u>9,782,947</u>	<u>9,782,947</u>
Less : Provision for doubtful debts	3,303,948	3,881,441
	<u>6,478,999</u>	<u>5,901,506</u>
<b>Cash and bank balances</b>		
Cash in hand	-	-
With scheduled banks		
on current accounts	264,265	376,113
on fixed deposit accounts	-	228,218
	<u>264,265</u>	<u>604,331</u>
<b>Other current assets</b>		
Intercorporate deposits - good	-	-
- doubtful	10,250,150	10,250,150
	<u>10,250,150</u>	<u>10,250,150</u>
Less : Provision for doubtful intercorporate deposits	10,250,150	10,250,150
	<u>-</u>	<u>-</u>
<b>Loans and advances</b>		
(Unsecured and considered good unless otherwise stated)		
Interest accrued on investments	-	-
Interest accrued on fixed deposit	-	33,308
Advances recoverable in cash or kind or for value to be received		
- good	142,934	162,934
- doubtful	804,907	804,907
	<u>947,841</u>	<u>1,001,149</u>
Less : Provision for doubtful advances	804,907	804,907
	<u>142,934</u>	<u>196,242</u>
Income-tax payments less provisions	40,363,708	40,361,204
	<u>40,506,642</u>	<u>40,557,446</u>
	<u>47,254,111</u>	<u>47,067,488</u>

# Siel Financial Services Limited

## SCHEDULES 1 - 11 (Contd.)

### Schedule-6A : Stock-in-trade : Shares, Debentures and Other Securities (At lower of Cost and Market price/break-up value)

	As at March 31,2008 No.	As at March 31,2007 No.	As at March 31,2008 Rs	As at March 31,2007 Rs
<b>Equity Shares of Rs. 10 each fully paid-up*</b>				
<b>Quoted :</b>				
Nagarjuna Fertilisers and Chemicals Limited	100	100	1,355	1,355
Spice Net Limited ( Formerly Modi Olivetti Limited )	300	300	2,850	2,850
Asian Hotels Limited	80	80	-	-
Vijayata Audio World Limited	13,400	13,400	-	-
	<b>13,880</b>	<b>13,880</b>	<b>4,205</b>	<b>4,205</b>

Aggregate value of shares held as stock-in-trade

Quoted (market value - Rs. 68,605 previous year Rs. 54,385)

\* All stock-in-trade acquired from erstwhile Siel Financial Services Limited in terms of the Scheme of Amalgamation  
[refer note 2 of schedule 11]

### Schedule-7: Current liabilities and provisions

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
<b>Current Liabilities</b>		
Sundry creditors		
Total outstanding dues of creditors other than small scale industrial undertakings	3,038,314	2,259,266
Amounts unclaimed and unpaid to be credited to investor education and protection fund :		
Matured fixed deposits	-	-
Other liabilities	20,000,000	20,000,000
	<b>23,038,314</b>	<b>22,259,266</b>

### Schedule- 8 : Other Income

	Year ended March 31, 2008 Rs.	Year ended March 31, 2007 Rs.
Interest - bank (gross) (tax deducted at source Rs. Nil, previous year Rs. NIL)	-	19,658
Income from non-trade long term investments (gross) (tax deducted at source Rs. Nil; previous year Rs. Nil)		
Interest	-	740
Dividend	2,121	2,358
Provisions no longer required written back *	6,336,000	7,110,029
Miscellaneous	-	25,971
	<b>6,338,121</b>	<b>7,158,756</b>

\* Including provisions for non performing assets.



## SCHEDULES 1 - 11 (Contd.)

### Schedule-9 : Operating and administration expenses

	Year ended March 31, 2008 Rs.	Year ended March 31, 2007 Rs.
Salaries, wages, etc.	54,000	370,340
Contribution to Provident and other funds	-	6,450
Rates and taxes	4,178	2,640
Auditors' remuneration (including service tax)		
- as auditors	28,090	28,060
- verification of statements and other reports	16,854	16,836
Rent	24,000	24,000
Advertisement and publicity expenses	89,584	74,826
Professional and legal expenses	616,306	183,278
Printing and stationery	107,502	97,403
Telephone expenses	-	6,671
Postage expenses	197,609	197,729
Listing Fee	30,000	30,000
Miscellaneous	3,916	106,383
	<u>1,172,039</u>	<u>1,144,616</u>

### Schedule-10 : Income from capital market operations

	Year ended March 31, 2008 Rs.	Year ended March 31, 2007 Rs.
Sale of shares, debentures and other securities	-	-
Add : Closing stock (see schedule 6A)	4,205	4,205
	<u>4,205</u>	<u>4,205</u>
Less : Opening Stock (see schedule 6A)	4,205	5,825
	<u>-</u>	<u>(1,620)</u>

### Schedule 11 : Notes to the accounts

#### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 1956 and are based on the historical cost convention. The significant accounting policies followed are stated below:

#### A. FIXED ASSETS

Fixed assets are stated at cost of acquisition/construction less accumulated depreciation. The cost includes all pre-operative expenses and the financing cost of borrowed funds relating to the construction period.

#### B. DEPRECIATION

##### i) Leased fixed assets

- a) Leased assets are "depreciated" by a method derived from the guidance note on 'Accounting for Leases', issued by the Institute of Chartered Accountants of India under which 100% of the cost of the asset is depreciated over the primary lease period. As per this method, the interest rate implicit in the lease is calculated for each of the leases to arrive at the amount of principal recovery during the primary lease period. The depreciation in excess of the minimum depreciation prescribed in Schedule XIV to the Companies Act, 1956 on the straight line method is shown as lease equalisation charge.

# Siel Financial Services Limited

## SCHEDULES 1 - 11 (Contd.)

### Schedule 11 : Notes to the accounts (Contd.)

- b) Leased fixed assets wherein the lease rentals are classified as non-performing assets, depreciation is being charged on the straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 with effect from the date on which the lease rentals have been classified as non performing assets and not over the primary lease period as indicated in B(i)(a) above.
- ii) **Other fixed assets**
- a) The Company follows written down value method of depreciation on its fixed assets.
- b) The rates of depreciation charged on these fixed assets are those specified in Schedule XIV to the Companies Act, 1956.
- c) In respect of additions made during the year, depreciation is computed from the beginning of the month of acquisition and in respect of assets sold/discarded during the year, no depreciation is charged upto the date of sale/discard.
- C. INVESTMENTS**
- Long term investments are stated at cost less provision for permanent diminution in the value of investments.
- D. INVENTORIES**
- Stock in trade- shares, debentures and other securities are valued at lower of cost and market price/break-up value determined for each category of stock-in-trade. The cost is ascertained on the basis of annual weighted average purchase price.
- E. REVENUE RECOGNITION**
- i) Lease income
- Lease rentals income is accrued as per the terms and conditions of the agreements entered into with the lessees.
- ii) In respect of other heads of income, the Company follows the practice of accounting for such income on accrual basis.
- iii) Income from non-performing assets is recognised in accordance with the Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998, issued by the Reserve Bank of India on January 31, 1998 and as amended from time to time.
- Further, provision for non-performing assets viz. investments, fixed assets, current assets and loans and advances is made in accordance with the said guidelines and are reduced against such assets.
- F. RETIREMENT BENEFITS**
- The Company's contribution to the provident and superannuation fund is charged to revenue every year.
- G. PROVISION FOR INCOME TAX**
- Income tax is ascertained in accordance with the provisions of the Income - tax Act, 1961.
- H. MERGER ACCOUNTING**
- The accounting entries relating to amalgamation referred to in note 2 below have been done on a "pooling of interest" basis.
2. Pursuant to the Scheme of Amalgamation of erstwhile Siel Financial Services Limited (erstwhile SFSL), a Non banking financial company with the Company i.e. Shriram Agro-Tech Industries Limited (since renamed as Siel Financial Services Limited) under section 391 and 394 of the Companies Act, 1956 as approved by the High Court of Madhya Pradesh and Delhi vide its Order dated November 11, 1997 respectively which became effective on January 8, 1998 on filing of the certified copy of the Order of the High Court of Delhi with the Registrar of Companies, Delhi and Haryana, all the properties, assets movable or immovable, rights and power together with all present and future liabilities, including contingent liabilities, obligations and reserves of the erstwhile SFSL were transferred to and vested in the Company with effect from the effective date i.e. April 1, 1996 being the transfer date.
3. Related Party Disclosures under Accounting Standard AS-18
- A) Name of the related party and the nature of related party relationships.
- Holding Company : Mawana Sugars Limited (Formerly known as Siel Limited)
- Fellow subsidiary : SFSL Investments Limited

(Rs.)

Nature of transactions	Holding Company	Fellow Subsidiary
Repayment of loan	-	-
Balance outstanding as at the year end - Unsecured loan	3,65,87,613	1,57,00,000



## SCHEDULES 1 - 11 (Contd.)

### Schedule 11 : Notes to the accounts (Contd.)

4. As the Company's business activity falls within a single primary business segment "Financing Operations viz., inter corporate deposits and investments", the disclosure requirements of Accounting Standard (AS 17) "Segment Reporting" issued by Institute of Chartered Accountants of India are not applicable.

5. Earning Per Share

	This year (Rs.)	Previous year (Rs.)
Profit/(loss) after taxation as per profit and loss account.	(1,220,122)	(385,509)
Less: Preference dividend and dividend tax thereon.	42,70,318	41,61,913
Profit/(loss) attributable to equity shareholders	(5,490,440)	(45,47,422)
Weighted average number of equity shares outstanding	1,13,43,752	1,13,43,752
Basic and diluted earnings per share in Rupees (face value - Rs. 10 per share)	(0.48)	(0.40)

6. As the Company has substantial unabsorbed depreciation and carry forward losses under the Income Tax Act, 1961 and is unlikely to have taxable income in the foreseeable future, in accordance with Accounting Standard (AS) 22 issued by the Institute of Chartered Accountants of India, the net deferred tax assets has not been recognised in these accounts.
7. The Company has severely curtailed its operations due to paucity of funds and adverse market conditions. The management is negotiating with certain parties for realising some of the assets and is hopeful of generating funds for this business. In view of the above, the accounts of the Company have been prepared on a going concern basis.
8. The Company is negotiating with SFSL Investments Limited for waiver of interest amounting to Rs. 153.73 lacs (including Rs. 134.89 lacs upto March 31, 2007) on inter corporate deposit. Accordingly, no provision for the same has been made in these accounts.
9. With regard to clause 3(ii) of Part II of Schedule VI to the Companies Act, 1956, the Company is of the view that in respect of its activities relating to sale and purchase of securities held as stock in trade, the Company does not fall under the category of clause 3(ii)(a) "manufacturing company" or clause 3(ii)(b) "trading company" or clause 3(ii)(c) "company rendering or supplying services" but falls under the category of "other companies" as given in clause 3(ii)(e). As such quantitative data for opening and closing stock, purchases and sales have not been given.
10. Contingent liabilities

	As at March 31, 2008 Rs.	As at March 31, 2007 Rs.
Unpaid preference dividend	3,72,70,000	3,36,20,000
Disputed Income tax demands	4,28,90,000	4,28,90,000
Disputed Interest tax demand	5,41,461	5,41,461

11. The details of disputed dues relating to income-tax and excise duty that have not been deposited by the Company, pending with various authorities are indicated below :-

Nature of the statute	Nature of the dues	Amount (Rs.)	Financial year to which the amount relate	Forum where dispute is pending
Income Tax Laws	Income Tax	3,61,47,142	1994 and 1996	Income Tax Appellate Tribunal
	Income Tax	2,55,458	1997	Commissioner of Income Tax (Appeals)
	Interest	5,41,461	1996	Commissioner of Income Tax (Appeals)

The following matters which have been excluded from the table above, have been decided in favour of the Company but the concerned authorities have preferred appeals at higher levels:

Nature of the statute	Nature of the dues	Amount (Rs.)	Financial year to which the amount relate	Forum where dispute is pending
1. Income Tax Laws	Income Tax	64,87,400	1998	Income Tax Appellate Tribunal
2. Central Excise Laws	Excise duty	4,66,755	1992	Customs, Excise and Service Tax Appellate Tribunal

12. Previous year's figures have been re-grouped, wherever necessary.

# Siel Financial Services Limited

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956

**1. REGISTRATION DETAILS**

Registration No. 

0	7	6	7	4
---	---	---	---	---

 State Code 

1	0
---	---

  
 Balance Sheet Date 

3	1	-	0	3	-	2	0	0	8
---	---	---	---	---	---	---	---	---	---

**2. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)**

Public 

-	N	I	L	-
---	---	---	---	---

 Right Issue 

-	N	I	L	-
---	---	---	---	---

  
 Bonus Issue 

-	N	I	L	-
---	---	---	---	---

 Private Placement 

-	N	I	L	-
---	---	---	---	---

**3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)**

Total Liabilities 

2	4	3	5	7	1
---	---	---	---	---	---

 Total Assets 

2	4	3	5	7	1
---	---	---	---	---	---

**SOURCES OF FUNDS**

Paid up Capital 

1	8	6	2	3	0
---	---	---	---	---	---

  
 Reserves and Surplus 

		5	0	5	4
--	--	---	---	---	---

  
 Secured Loans 

		N	I	L
--	--	---	---	---

  
 Unsecured Loans 

5	2	2	8	8
---	---	---	---	---

**APPLICATION OF FUNDS**

Net Fixed Assets 

	1	3	7	8	4
--	---	---	---	---	---

  
 Investments 

			2	4
--	--	--	---	---

  
 Net Current Assets 

	2	3	0	3	8
--	---	---	---	---	---

  
 Misc. Expenditure 

		N	I	L
--	--	---	---	---

  
 Accumulated Losses 

2	0	5	5	4	2
---	---	---	---	---	---

**4. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousands)**

Turnover 

	6	3	3	7
--	---	---	---	---

 Total Expenditure 

	7	5	5	2
--	---	---	---	---

  
 Profit/(Loss) before tax 

	(1)	2	1	5
--	-----	---	---	---

 Profit after tax 

	(1)	2	1	5
--	-----	---	---	---

  
 Earning per share 

	(0)	4	8
--	-----	---	---

 Dividend Rate % 

	N	I	L
--	---	---	---

**5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY**

(As per monetary terms)

Item Code No. (ITC Code) : N.A  
 Product Description : Corporate Finance  
 Lease and Hire purchase  
 Investment Banking

For and on behalf of Board of Directors

Place : New Delhi  
 Date : June 10, 2008

A. K. Mehra  
 Anil Arora  
 Amit Khurana  
**DIRECTORS**



# Siel Financial Services Limited

Regd. Office : 4th Floor, Soni Mansion, 12-B, Ratlam Kothi, Indore-452 001 (M.P.)

17th ANNUAL GENERAL MEETING - SEPTEMBER 23, 2008

## ADMISSION SLIP

Member or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company

L. F. No. \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

DP. Id\* \_\_\_\_\_

Client Id\* \_\_\_\_\_

Name(s) in full

Father's/Husband's Name

Address as Regd. with the Company

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I/WE HEREBY RECORD MY/OUR PRESENCE AT THE 17th ANNUAL GENERAL MEETING OF Siel FINANCIAL SERVICES LIMITED ON TUESDAY, THE 23rd SEPTEMBER, 2008, AT 10.30 A.M. AT 4th FLOOR, SONI MANSION, 12-B, RATLAM KOTHI, INDORE-452001 (M.P.)

Please ✓ in the box

MEMBER

PROXY

Member's Signature

Name of the Proxy in BLOCK LETTERS

Proxy's Signature

\* Applicable for investors holding shares in electronic form.

Notes: 1. Shareholders having any questions on accounts are requested to send them ten days in advance to enable the Company to collect the relevant information.

2. Shareholders who come to attend the meeting are requested to bring their copies of the Balance Sheet with them.

3. Shareholders are requested to advise their change in address as well as request for consolidation of accounts, if any, to the Registered Office of the Company.

Please tear here \_\_\_\_\_



# Siel Financial Services Limited

Regd. Office : 4th Floor, Soni Mansion, 12-B, Ratlam Kothi, Indore-452 001 (M.P.)

17th ANNUAL GENERAL MEETING - SEPTEMBER 23, 2008

## PROXY FORM

L. F. No. \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

DP. Id\* \_\_\_\_\_

Client Id\* \_\_\_\_\_

Name(s) in full

Father's/Husband's Name

Address as Regd. with the Company

1. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

being a member/members of Siel Financial Services Limited hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_, or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, the 23rd September, 2008 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2008



Signature \_\_\_\_\_

\* Applicable for investors holding shares in electronic form.

Notes : (i) The form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the time of the meeting.

(ii) Please mark the envelope "SFSL - PROXY"

**BOOK - POST  
U.P.C.**

*If undelivered, please return to :*

**Siel Financial Services Limited**

**Regd. Office : 4th Floor, Soni Mansion, 12-B, Ratlam Kothi, Indore-452 001 (M.P.)**