

16th

ANNUAL REPORT

2009-2010



CONTENTS

Corporate Information	1
Message from MD's Desk	2
Notice	3
Directors' Report	9
Corporate Governance Report	13
Management's Discussion & Analysis Report	25
Certifications by MD	29
Auditors' Certificate on Corporate Governance	31
Auditors' Report	32
Balance Sheet	37
Profit & Loss Account	38
Cash Flow Statement	39
Schedules to the financial statements	40
Abstract	60

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Sh. Raju Gupta	-	Managing Director & CEO
Sh. Dinesh Kumar Khatri	-	Whole-Time Director & CFO
Sh. Rajesh Mangla	-	Non-Executive Director
Sh. Mukesh Kumar	-	Independent Director
Sh. Praveen Sharma	-	Independent Director
Sh. Lalit Kumar	-	Independent Director

COMPANY SECRETARY

Ms. Rakhi Mehta

AUDITORS

M/s. Naresh Jai & Associates
Chartered Accountants

INTERNAL AUDITORS

Sachin S C Singhal & Associates

BANKERS

Union Bank of India

REGD. OFFICE

SRS Multiplex, Top Floor,
City Centre, Sector-12,
Faridabad - 121007
Haryana

MESSAGE FROM MD'S DESK

Dear Shareholders,

Welcome to the 16th Annual General Meeting of your Company. This time, it is an extraordinary pleasure to welcome you, as today, your Company stands tall with renewed focus that will drive it into a new era of growth.

Over the last year, your Company underwent a strategic business re-structuring. As a result of this, the Company has now very clearly articulated its business operations and brought in sharpened focus on the same. Simply stated, these include retail financing, corporate financing, project financing and loan syndication and related services. In pursuit of this focused alignment, it has exited from the non-core businesses of food & beverages and the operations of SRS Dazzle Resto Bars at Ludhiana and Faridabad have been hived off to another group Company. Further, your Company has also beefed up its professional team in keeping with its enhanced focus on business areas such as loan syndication and accompanying professional services.

Another recent and significant development has been that your Company has been recognized as a Non-Banking Financial Corporation (NBFC) by the Reserve Bank of India and received its Certificate of registration on 4th January 2010. This recognition will add to the Company's credibility and recognitions as a serious and focused player in the industry.

As we move forward, it is important to remember that your Company had suspended its operations in the recent past. So now, one of the top priorities is to revive its operations and generate the due momentum. Thanks to the strong promoter group's expertise and relationships in the industry, the result-oriented professional team and a favourable business environment, this should prove to be a task that your Company shall be able to achieve comfortably.

The future outlook for the Company is very encouraging indeed as the conducive macro-economic factors offer a very fertile environment to its operations. The corporate segment offers tremendous opportunities on the back of large projects, new expansions and an increasing demand for corporate financing. This has also made loan syndication a very promising sector, wherein your Company directly participates in project financing or alternatively, arranges for the loan syndication through other lenders and charges its client for this professional service. The fact that your Company's core operations are in the NCR is an area of immense strength.

The retail segment too looks attractive on account of factors such as a growing economy, greater disposable incomes, a consumption driven modern lifestyle, shorter product cycles and the desire of the people to provide a good environment to their families, especially the children. This is driving the demand for two & three wheelers, cars, white goods and other consumer durables, which is generating a healthy demand for financing services and personal loans.

Thus, on the back of significant internal changes that have strengthened your Company from deep inside and an opportunity-laden business environment, we can confidently look forward to a new chapter of our growth.

Before I close, allow me to share a brief financial snapshot of the FY 2009-10. During this period your Company reported combined revenue of Rs.75.72 Crore, an increase of 21% over FY 2008-09. Net Profit increased from Rs. 0.43 Crore in the previous year to touch Rs.1.07 Crore expressing the tremendous growth of 148%. EPS for the year stood at 0.058. The Company's track record in assessing the profile has been exceptionally good.

Finally, as we look forward to a new phase of renewed growth, I extend a very warm vote of thanks to you and all the customers, bankers, business associates, regulatory authorities and vendors, whose unstinted support has enabled the Company to reinvent itself for greater success.

Best wishes



Raju Gupta
Managing Director

NOTICE

Notice is hereby given that 16th Annual General Meeting of the members of **SRS Finance Limited** will be held as scheduled below:-

Day/ Date : Wednesday, 29th September, 2010
 Time : 11:30 A. M
 Venue : SRS Banquet,
 Near SRS Multiplex,
 City Centre, Sector-12,
 Faridabad,
 Haryana-121007

to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2010 and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Dinesh Kumar Khatri, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution with or without modification(s): -

“RESOLVED THAT M/s. Naresh Jai & Associates, Chartered Accountants, the retiring Auditors, be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company for auditing the Accounts of the Company for the year 2010 – 2011 and the Board of Directors be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS

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

“RESOLVED THAT Sh. Rajesh Mangla, who was appointed as an additional Director of the Company by the Board on 9th February, 2010 and whose tenure of office expires at the ensuing Annual General Meeting pursuant to Sec.260 of the Companies Act, 1956 and in respect of whom a notice from a member proposing his name for the Directorship of the Company has been received along with a deposit of Rs.500 for each notice under the provisions of Sec.257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT Sh. Mukesh Kumar, who was appointed as an additional Director of the Company by the Board on 9th February, 2010 and whose tenure of office expires at the ensuing Annual General Meeting pursuant to Sec.260 of the Companies Act, 1956 and in respect of whom a notice from a member proposing his name for the Directorship of the Company has been received along with a deposit of Rs.500 for each notice under the provisions of Sec.257 of the

Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT Sh. Praveen Sharma, who was appointed as an additional Director of the Company by the Board on 9th February, 2010 and whose tenure of office expires at the ensuing Annual General Meeting pursuant to Sec.260 of the Companies Act, 1956 and in respect of whom a notice from a member proposing his name for the Directorship of the Company has been received along with a deposit of Rs.500 for each notice under the provisions of Sec.257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT Sh. Lalit Kumar, who was appointed as an additional Director of the Company by the Board on 9th February, 2010 and whose tenure of office expires at the ensuing Annual General Meeting pursuant to Sec.260 of the Companies Act, 1956 and in respect of whom a notice from a member proposing his name for the Directorship of the Company has been received along with a deposit of Rs.500 for each notice under the provisions of Sec.257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

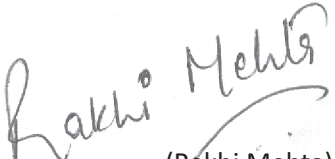
8. **REAPPOINTMENT OF SH. RAJU GUPTA AS MANAGING DIRECTOR& CEO**

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

“RESOLVED THAT in accordance with the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as “Act” including any modification(s) or re-enactment(s) thereof for the time being in force), and subject to the Shareholders approval of the Company, Sh. Raju Gupta be and is and is hereby re-appointed as Managing Director & CEO of the Company for a period of 5 (Five) years without remuneration with effect from 1st June, 2010.

RESOLVED FURTHER THAT Sh. Dinesh Kumar Khatri, Whole Time Director be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments and writings as, in its absolute discretion, may be considered necessary, expedient, desirable including power to sub delegate, in order to give effect to the foregoing resolution and to alter or vary the terms and conditions of the said appointment including the remuneration which shall not exceed Rs.1,50,000/- p.m”.

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


(Rakhi Mehta)
Company Secretary

Place: Faridabad
Date: 12th August, 2010

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. A Proxy to be effective must reach at the Registered Office not later than 48 hours before the schedule time of the Meeting.
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The relevant Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item Nos. 4 - 8 as set out above is appended herein below.
4. Information under Clause 49 of the Listing Agreement regarding appointment/reappointment of Directors in Item Nos. 2 and 4-8 of the Notice is also annexed hereto separately and forms part of the Notice.
5. Members holding shares in physical mode, in identical order of names in more than one folio are requested to write to the Company's RTA at the address mentioned below at No.6 enclosing their share certificates to consolidate their holdings in one folio.
6. Please send your requests for transfer/transmission/consolidation and demat of shares, change of address or any other matter to our Registrar & Transfer Agents at the following address: -
BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.
BEETAL HOUSE, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
New Delhi - 110062
7. The Register of Members and Share Transfer Books of the Company will be closed from 24th September, 2010 to 29th September, 2010 (both days inclusive).
8. The Members desirous of appointing their nominee for the shares held by them, may apply for the same by submitting the Nomination Form (Form 2-B) to the RTA's at the above mentioned address.
9. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on working days between 11.00 A. M. to 1.00 P. M. upto the date of ensuing Annual General Meeting.
10. Members desiring any information/clarification on the accounts are requested to write to the Company atleast 10 days in advance, so as to enable the management to keep the information ready at the Annual General Meeting.
11. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
12. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
13. As a measure of economy, copies of the Annual Report will not be distributed at the meeting. Members are requested to bring their copies along with them to the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 4**

Sh. Rajesh Mangla was appointed as an Additional Director of the Company by the Board on 9th February, 2010. His tenure of office expires at the ensuing Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. The Board feels that his continuous directorship in the Company will be in the interest of the Company. A notice from a member has been received by the Company along with the deposit of Rs.500/- proposing his name for the directorship of the Company.

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

None of the Directors is concerned or interested in the Proposed Resolution except Sh. Rajesh Mangla.

Item No.5

Sh. Mukesh Kumar was appointed as an Additional Director of the Company by the Board on 9th February, 2010. His tenure of office expires at the ensuing Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. The Board feels that his continuous directorship in the Company will be in the interest of the Company. A notice from a member has been received by the Company along with the deposit of Rs.500/- proposing his name for the directorship of the Company.

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

None of the Directors is concerned or interested in the Proposed Resolution except Sh. Mukesh Kumar

Item No.6

Sh. Praveen Sharma was appointed as an Additional Director of the Company by the Board on 9th February, 2010. His tenure of office expires at the ensuing Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. The Board feels that his continuous directorship in the Company will be in the interest of the Company. A notice from a member has been received by the Company along with the deposit of Rs.500/- proposing his name for the directorship of the Company.

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

None of the Directors is concerned or interested in the Proposed Resolution except Sh. Praveen Sharma

Item No.7

Sh. Lalit Kumar was appointed as an Additional Director of the Company by the Board on 9th February, 2010. His tenure of office expires at the ensuing Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. The Board feels that his continuous directorship in the Company will be in the interest of the Company. A notice from a member has been received by the Company along with the deposit of Rs.500/- proposing his name for the directorship of the Company.

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

None of the Directors is concerned or interested in the Proposed Resolution except Sh. Lalit Kumar.

Item No.8

Sh. Raju Gupta, was appointed as Managing Director of the Company on 1st June, 2008 for a period of two years i.e. upto 30th May, 2010. Sh. Raju Gupta is an experienced person and under his guidance and supervision, the Company is making good progress. Hence, the Board of Directors of your Company has decided to reappoint him as a Managing Director & CEO of the Company for a further period of 5 (Five) years without remuneration with effect from 1st June, 2010.

None of the Directors of the Company is interested either directly or indirectly, in the said proposal, except Sh. Raju Gupta.

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

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

The explanatory statement read with the proposed resolution may be treated as an abstract of terms u/s 302 (7) of the Companies Act, 1956.

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



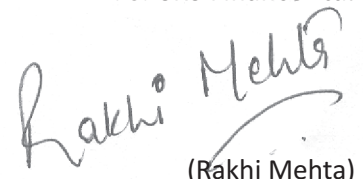
(Rakhi Mehta)
Company Secretary

Place: Faridabad
Date: 12th August, 2010

INFORMATION UNDER CLAUSE 49(IV) (G) (i) OF THE LISTING AGREEMENT REGARDING APPOINTMENT/REAPPOINTMENT OF DIRECTORS

Name of Director	Date of Birth	Qualification	Experience	Directorship in other Indian Public Ltd. Companies	Chairmanship/ Membership of Committees of the Board of Public Ltd. Companies
Sh. Dinesh Kumar Khatri	26-09-1969	B.Com, L.Lb	8 Years	1. SRS Professional Services Ltd. 2.SRS Seven Dayz Restaurants Ltd.	NIL
Sh. Rajesh Mangla	25-12-1967	Higher Secondary	11 Years	1. SRS Mines & Minerals Ltd. 2. SRS Jewells Ltd. 3. SRS Portfolio Ltd.	NIL
Sh. Mukesh Kumar	19-05-1977	Senior Secondary	10 Years	NIL	NIL
Sh. Praveen Sharma	13-10-1978	B.Com	10 Years	1. SRS Real Infrastructure Ltd. 2. SRS Real Estate Ltd.	As Chairman-1 As Member - 1
Sh. Lalit Kumar	10-06-1980	B.Com, M.A. L.Lb., MBA	5 Years	1. SRS Limited 2. SRS Jewells Ltd.	As Chairman-1
Sh. Raju Gupta	12-04-1969	B.Com (Pass)	7 Years	NIL	NIL

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


(Rakhi Mehta)
Company Secretary

Place: Faridabad
Date: 12th August, 2010

DIRECTORS' REPORT

INTRODUCTION

Your Directors feel pleasure in presenting the 16th Annual Report of your Company along with the Audited Accounts of the Company for the period ended 31st March, 2010.

FINANCIAL RESULTS

During the year under review, your Company registered a Net Profit after tax of **Rs.51.77 Lacs**. The Summary of the operating results is as under: -

Particulars	(Amount in Lacs)	
	31.03.2010	31.03.2009
Gross Sales/Operational Revenues and Other Income	7571.87	6249.02
Profit/(Loss) before Financial Expenses, Depreciation and Tax	319.77	177.15
Interest and Financial Expenses	161.79	81.48
Profit/(Loss) before Depreciation & Tax	157.98	95.66
Depreciation	50.43	52.38
Profit/(Loss) before Tax	107.55	43.28
Provision for Tax		
- Current	41.75	26.11
- Fringe Benefit Tax	-	1.82
- Deferred Tax	12.21	(14.73)
- Earlier Years	1.82	4.38
Profit after Tax	51.77	25.70
Amount transferred to Special Reserve u/s 45-IC of RBI Act, 1934	10.35	-
Profit/(Loss) brought forward from previous year	28.92	3.22
Amount transferred to General Reserves	70.34	28.92
Earning Per Share (Rs.)		
- Basic	0.058	0.04
- Diluted	0.058	0.04

OVERVIEW

For the year under review, the revenues of your Company stood at Rs.7571.87 Lacs as against the previous years' revenues of Rs.6249.02 Lacs exhibiting a great performance with an increase of 21.17%. Profits after Tax for the year under review came to Rs.51.77 Lacs as against the Profit of Rs.25.70 Lacs in the previous year registering the growth of more than 100%.

DIVIDEND

Yours Directors have considered it financially prudent in the long term interest of the Company to reinvest the profits to build a strong reserve base and grow the business of the Company. No dividend has, therefore, been recommended for the year ended 31st March, 2010.

INVESTMENT IN SRS MODERN SALES LIMITED

During the year under review, your Company had invested in the shares of SRS Modern Sales Ltd. and due

to this M/s SRS Modern Sales Ltd. had become wholly owned subsidiary of the Company on 17th March, 2010.

Since the acquisition was on temporary basis; the Company divested its shareholding and M/s SRS Modern Sales Ltd. ceases to be the subsidiary of the Company w.e.f 1st May, 2010.

BOARD OF DIRECTORS

Sh. Praveen Kumar Kapoor was appointed as Additional Director on 1st November, 2009. But due to his other preoccupations, he has resigned from the Directorship of the Company on 9th February, 2010. The Board places its sincere appreciation for the services rendered by Sh. Praveen Kumar Kapoor during his tenure of directorship.

Sh. Rajesh Mangla has resigned from the Directorship of the Company on 1st November, 2009. He was again appointed as an additional Director of the Company on 9th February, 2010. His tenure of office expires at the forthcoming Annual General Meeting and he is eligible for re-appointment. Notice under Section 257 of the Companies Act, 1956 has been received from a member intending to propose his appointment as Director of the Company at the ensuing Annual General Meeting.

Sh. Manohar Lal was appointed as Additional Director on 1st November, 2009. But due to his other preoccupations, he has resigned from the Directorship of the Company on 19th November, 2009. The Board places its sincere appreciation for the services rendered by Sh. Manohar Lal during his tenure of directorship.

Sh. Raju Bansal was appointed as Whole-Time Director on 1st November, 2009 but due to his other preoccupations; he has resigned from the Directorship of the Company on 9th February, 2010. The Board places its sincere appreciation for the services rendered by Sh. Raju Bansal during his tenure of directorship.

Sh. Sushil Kumar, Sh. Vijay Pal Bhati and Sh. Tej Singh have resigned from the Directorship of the Company on 1st November, 2009. The Board places its sincere appreciation for the services rendered by them during their tenure of directorship.

Sh. Karamveer Singh has resigned from the Directorship of the Company on 19th November, 2009. The Board places its sincere appreciation for the services rendered by Sh. Karamveer Singh during his tenure of directorship.

Sh. Ashok Kumar Jindal and Sh. Suresh Chand Mangla were appointed as Additional Directors on 19th November, 2009. But due to their other preoccupations, they have resigned from the Directorship of the Company on 9th February, 2010. The Board places its sincere appreciation for the services rendered by them during their tenure of directorship.

Sh. Mukesh Kumar, Sh. Praveen Sharma and Sh. Lalit Kumar have been appointed as additional Directors on 9th February, 2010. Their tenure of office expires at the forthcoming Annual General Meeting and they are eligible for re-appointment. Notices under Section 257 of the Companies Act, 1956 have been received from members intending to propose their appointment as Directors of the Company at the ensuing Annual General Meeting.

Sh. Devendra Singh and Sh. Kailash Mohan Mehta have resigned from the Directorship of the Company on 9th February, 2010. The Board places its sincere appreciation for the services rendered by them during their tenure of directorship.

Sh. Dinesh Kumar Khatri ceases to be the Whole-Time Director w. e. f 1st November, 2009 and was again reappointed as Whole-Time Director & CFO of the Company on 20th February, 2010 to take care of the day to day activities of the Company.

Sh. Raju Gupta has completed his term as Managing Director & CEO on 31st May, 2010. The Board placed on record its deep appreciation for his outstanding leadership during his tenure as Managing Director. He has been reappointed as Managing Director & CEO of the Company for a further period of 5 (Five) years with effect from 1st June, 2010

In accordance with the Articles of Association of the Company and in view of the provisions of Section 255 of the Companies Act, 1956, Sh. Dinesh Kumar Khatri, retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer himself for reappointment.

A brief profile of Directors, containing details of Directors proposed to be appointed/reappointed as stipulated under Clause 49 of the Listing Agreement is appended to the Notice of the ensuing Annual General Meeting.

FIXED DEPOSITS

Your company has not accepted any deposits from the Public and as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet for the year ended 31st March, 2010.

AUDITORS

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

AUDITORS' REPORT

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

RESERVE BANK OF INDIA (RBI) GUIDELINES

During the year under review, your Company has got the status of Non Banking Financial Company (NBFC) on 31st December, 2009 vide Certificate of Registration No. N-14.03202 and has complied with all the applicable regulations of the Reserve Bank of India.

CORPORATE GOVERNANCE REPORT

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

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

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

PERSONNEL

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

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

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

Foreign Exchange earning & outgo : NIL

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

ACKNOWLEDGEMENT

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

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



(Raju Gupta)
Managing Director & CEO
DIN – 00006972



(Dinesh Kumar Khatri)
Whole-Time Director & CFO
DIN - 00006162

Place: Faridabad
Date: 12th August, 2010

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is the system by which Companies are directed and managed. Good corporate governance structures encourage companies to create value (through entrepreneurship, innovation, development and exploration) and provide accountability and control systems commensurate with the risks involved.

SRS believes in ensuring true Corporate Governance practices to enhance long term shareholders value through corporate performance, transparency, integrity and accountability.

The Corporate Governance philosophy of the Company is based on the following principles:-

- Satisfaction of the spirit of the law through ethical business conduct;
- Transparency and a high degree of disclosure levels;
- Truthful communication about how the Company runs internally;
- A simple and transparent corporate structure driven solely by the business needs;
- Strict Compliance with Clause 49 of the Listing Agreement as amended from time to time;
- Management is the trustee of the shareholders capital and not the owner.

Since the shareholders are residual claimants, the value creation and sustainability of all the other stakeholders' viz. customers, creditors, employees, vendors, community and the Government are of paramount significance to the Company and its shareholders. Through Corporate Governance mechanism in the Company, the Board along with its Committees endeavors' to strike the right balance with its various stakeholders.

2. BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and guidance to the Company's Management and directs, supervise and controls the performance of the Company.

Independence of the Board is critical for ensuring that the Board fulfils its oversight role objectively and holds the management accountable to the shareholders. SRS believes in appropriate mix of executive and independent directors on the Board to maintain independence on the Board and separate management functions from it.

The Board comprises of Six (6) Directors – Two (2) Executive Directors and Four (4) Non- Executive Directors. Out of Four (4) Non- Executive Directors, Three (3) are independent.

None of the Directors on the Company's Board is a member of more than 10 Committees and Chairman of more than 5 Committees (Committees being, Audit Committee and Investor's Grievance Committee) across all the Companies in which he is a Director. None of the Directors of the Company are related to each other. The appointment of the Managing/Whole-Time Director, including the tenure and terms of remuneration is also approved by the members.

Meetings of the Board of Directors

During the year under review, Twenty Eight (28) Board Meetings were held on 8th April, 2009; 5th May, 2009; 8th May, 2009; 22nd May, 2009; 8th June, 2009; 30th June, 2009; 18th July, 2009; 20th July, 2009; 30th July, 2009; 1st August, 2009; 18th August, 2009; 31st August, 2009; 15th October, 2009; 24th October, 2009; 30th October, 2009; 1st November, 2009; 9th November, 2009; 10th November, 2009; 19th November, 2009; 4th December, 2009; 22nd December, 2009; 1st January, 2010; 8th

January, 2010; 18th January, 2010; 29th January, 2010; 9th February, 2010; 20th February, 2010 and 19th March, 2010.

Constitution of Board and their Attendance

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

Name/Designation of Director	Category	Attendance of meeting during 2009-2010		No. of positions held in other companies		
		Board Meeting	Last AGM held on 8th August, 2009	Other Directorships**	Committee Chairmanships of other companies***	Committee Memberships of other companies***
Sh. Raju Gupta - Managing Director & CEO	Executive	28	Yes	-	-	-
Sh. Dinesh Kumar Khatri Whole-Time Director & CFO	Executive	27	Yes	2	-	-
Sh. Rajesh Mangla*	Non – Executive	16	Yes	3	-	-
Sh. Karamveer Singh\$	Non – Executive	14	Yes	-	-	-
Sh. Bimlesh Kumar Somani \$\$	Non – Executive	3	N.A	-	-	-
Sh. Devendra Singh#	Non – Executive & Independent	17	Yes	-	-	-
Sh. Kailash Mohan Mehta#	Non – Executive & Independent	14	Yes	-	-	-
Sh. Sushil Singla##	Non-Executive & Independent	10	Yes	-	-	-
Sh. Vijay Pal Bhati##	Non-Executive & Independent	8	Yes	-	-	-
Sh. Tej Singh##	Non-Executive & Independent	8	Yes.	-	-	-
Sh. Manohar Lal###	Non-Executive & Independent	2	N.A	-	-	-
Sh. Praveen Kumar Kapoor^	Non-Executive & Independent	7	N.A	-	-	-
Sh. Raju Bansal@	Executive	10	N.A	-	-	-
Sh. Ashok Kumar Jindal\$\$\$	Non-Executive & Independent	5	N.A	-	-	-
Sh. Suresh Chand Mangla\$\$\$	Non-Executive & Independent	3	N.A	-	-	-
Sh. Mukesh Kumar!	Non-Executive & Independent	3	N.A	-	-	-
Sh. Praveen Sharma!	Non-Executive & Independent	3	N.A	2	1	1
Sh. Lalit Kumar!	Non-Executive & Independent	3	N.A	2	1	-

- * Ceased to be Director on 1st November, 2009 and was reappointed w. e. f. 9th February, 2010.
- \$ Ceased to be Director on 19th November, 2009.
- \$\$ Ceased to be Director on 22nd June, 2009.
- # Ceased to be Director on 9th February, 2010.
- ## Ceased to be Director on 1st November, 2009
- ### Appointed as Additional Director on 1st November, 2009 and ceased to be Director on 19th November, 2009.
- ^ Appointed as Additional Director on 1st November, 2009 and ceased to be Director on 9th February, 2010.
- @ Appointed as Whole-Time Director w. e. f. 1st November, 2009 and ceased to be Director on 9th February, 2010.
- \$\$\$ Appointed as Additional Director on 19th November, 2009 and ceased to be Director on 9th February, 2010.
- ! Appointed as Additional Directors w. e. f. 9th February, 2010
- ** The Directorships held by Directors as mentioned above, do not include alternate directorships and directorships of Foreign Companies, Section 25 Companies and Pvt. Ltd. Companies.
- *** Includes only Audit Committee and Shareholders / Investors Grievance Committee.

Directors' Remuneration

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

The details of remuneration paid/provided to the Executive Directors during the financial year 2009-10 are as under: -

Sh. Raju Bansal*	Whole Time Director	Rs.1, 80,000/-
Sh. Dinesh Kumar Khatri**	Whole-Time Director & CFO	Rs.60, 600/-

* Appointed as Whole-Time Director w. e. f. 1st November, 2009 and ceased to be Director w. e. f. 9th February, 2010.

** Appointed as Whole-Time Director & CFO w. e. f. 20th February, 2010.

No compensation/remuneration is payable to the Directors on severance of their directorship with the Company.

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

Number of Shares held by Non-Executive Director as on 31st March, 2010

Sh. Rajesh Mangla	117600	0.119%
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3. COMMITTEES OF DIRECTORS

Audit Committee

During the year 2009-10, Audit Committee of the Company has been reconstituted twice in the Board meetings held on 1st November, 2009 and 9th February, 2010. The present Audit Committee comprises of the following Three (3) Non-Executive/Independent Directors who have the requisite financial & accounting acumen & knowledge.

Sh. Lalit Kumar (Chairman)
 Sh. Mukesh Kumar
 Sh. Praveen Sharma

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

Meetings and Attendance

During the year under review, Five (5) meetings of the Audit Committee were held on 30th June, 2009; 30th July, 2009; 30th October, 2009; 29th January, 2010 and 15th February, 2010.

Name of Director	Designation	Category	Meetings Attended
Sh. Devendra Singh*	Chairman	Independent	4
Sh. Kailash Mohan Mehta *	Member	Independent	4
Sh. Dinesh Kumar Khatri#	Member	Executive	4
Sh. Sushil Singla\$	Member	Independent	3
Sh. Lalit Kumar**	Chairman	Independent	1
Sh. Mukesh Kumar***	Member	Independent	1
Sh. Praveen Sharma***	Member	Independent	1

* Ceased to be Director w. e. f. 9th February, 2010

Ceased to be Member w. e. f. 9th February, 2010

\$ Ceased to be Director w. e. f. 1st November, 2009.

** Appointed as Chairman w. e. f. 9th February, 2010

*** Appointed as Member w. e. f. 9th February, 2010?

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

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

- i. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial information is correct, sufficient and credible.
- ii. Recommending the appointment, reappointment and replacement/removal of the statutory auditors and fixation of audit fee.
- iii. Approving payment for any other services to statutory auditors.
- iv. Reviewing with management the monthly, quarterly & annual financial statements before submission to the Board focusing primarily on;
 - a) Matters required to be included in the Directors Responsibility Statement (which is included in the report of the Board of Directors).
 - b) Statement of significant related party transactions;
 - c) Any change in the accounting policies and practices.
 - d) Qualifications in draft audit report.
 - e) Significant adjustments arising out of audit.
 - f) Compliance with listing and other legal requirements.

- g) Internal audit reports relating to internal control weaknesses;
 - h) The appointment, removal and remuneration of Chief Internal Auditor.
 - i) The financial statements, in particular, the investments made by subsidiary companies.
 - j) Management letters / letters of internal control weakness issued by the Statutory Auditors
- v. Discussions with Statutory Auditors before the audit commences, about the nature, scope and time frame of the audit, as well as post-audit discussions to ascertain any areas of concern, presentation of annual accounts etc.
 - vi. Reviewing ongoing relationship of business partners/associates.
 - vii. Such other functions as may be considered appropriate by it or referred to it by the Board from time to time.

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

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

Investors' Grievance & Share Transfer Committee

During the year under review, Investors' Grievance & Share Transfer Committee has been reconstituted twice on 1st November, 2009 and 9th February, 2010. Presently, the Committee comprises of Sh. Rajesh Mangla, Chairman; Sh. Raju Gupta and Sh. Dinesh Kumar Khatri.

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

During the year, Nineteen (19) meetings of the Investors' Grievance & Share Transfer Committee were held on 20th April, 2009; 30th April, 2009; 1st August, 2009; 29th August, 2009; 30th September, 2009; 10th October, 2009; 26th October, 2009; 10th November, 2009; 20th November, 2009; 30th November, 2009; 10th December, 2009; 21st December, 2009; 31st December, 2009; 11th January, 2010; 30th January, 2010; 10th February, 2010; 27th February, 2010; 17th March, 2010 and 31st March, 2010.

Name of Director	Designation	Category	Meetings Attended
Sh. Rajesh Mangla*	Chairman	Non-Executive	11
Sh. Dinesh Kumar Khatri	Member	Executive	11
	Chairman		8
Sh. Karamveer Singh**	Member	Non-Executive	7
Sh. Raju Gupta\$	Member	Executive	12
Sh. Raju Bansal\$\$	Chairman	Executive	8

* Ceased to be Director on 1st November, 2009 and was reappointed w. e. f. 9th February, 2010.

** Ceased to be Member on 1st November, 2009.

\$ Appointed as Member on 1st November, 2009.

\$\$ Appointed as Member on 1st November, 2009 and ceased on 9th February, 2010.

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

During the year 2009-10, no complaint was received from shareholders/investors and no complaint was pending at the beginning or end of the year.

Remuneration Committee

During the year 2009-10, Remuneration Committee has been constituted in the Board Meeting held on 9th February, 2010 comprising of the following Directors:-

Sh. Mukesh Kumar (Chairman)
Sh. Praveen Sharma
Sh. Lalit Kumar

During the year under review, the Committee meeting was held on 20th February, 2010 and was attended by all the members.

4. GENERAL BODY MEETINGS

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

- 15th Annual General Meeting - Saturday, 8th August, 2009
1:30 P.M.
Deputy Speaker Hall,
'Bharatiyam',
Constitution Club,
Vithalbhai Patel House,
Rafi Marg, Behind Reserve Bank of
India, New Delhi- 110001
- 14th Annual General Meeting Monday, 14th July, 2008
9.30 A. M.
'The Crystal',
K-4, Pragati Maidan,
New Delhi – 110001
- 13th Annual General Meeting Saturday, 9th June, 2007
2:30 P.M.
C-4/1, 100 Ft. Road,
North Chhajjupur,
Shahdara, Delhi- 110094.

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

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

AGM held on	Whether Special Resolution passed	Summary of Special Resolution
15th Annual General Meeting held on 8 th August, 2009	Yes	Reversal of resolution passed pertaining to listing of securities at BSE & NSE Reversal of resolution passed pertaining to de-listing of securities from JSE & ASE
14th Annual General Meeting held on 14 th July, 2008	Yes	Listing of Securities at National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) Delisting of Securities from Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE)
13th Annual General Meeting held on 9 th June, 2007	Yes	Special resolution u/s 372A for Investments/Inter Corporate Loan and u/s 293 (1) (d) for borrowing powers

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

Year	Venue	Date	Time
2009-10	202, 27 New Delhi House Barakhamba Road, Connaught Place, New Delhi-110001	Saturday/20.03.2010	11.30 A.M
2009-10	202, 27 New Delhi House Barakhamba Road, Connaught Place, New Delhi-110001	Saturday/28.11.2009	1.30 P.M
2009-10	202, 27 New Delhi House Barakhamba Road, Connaught Place, New Delhi-110001	Wednesday/30.09.2009	11.30 A.M
2008-09	202, 27 New Delhi House Barakhamba Road, Connaught Place, New Delhi-110001	Saturday/15.11.2008	2.30 P.M
2008-09	The Crystal' K-4, Pragati Maidan, New Delhi – 110001	Wednesday/03.09.2008	9.30 A.M.

Resolutions passed through Postal Ballot

During the year, the following Special/Ordinary Resolutions contained in the Postal Ballot Notice dated 10th November, 2009 and 4th December, 2009 were passed through Postal Ballot. The Postal Ballot Notices

were sent to all the Shareholders, Stock Exchanges where the shares of the Company are listed & to all other persons entitled thereto under registered post.

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

Details of voting patterns were as under: -

Description of Resolution	Date of announcement of Postal Ballot result	Votes cast in favor of the Resolution	Votes cast against the Resolution
Ordinary Resolution under Section 94 of the Companies Act, 1956 for Increase in Authorised Capital of the Company	16.12.2009	33655139	43800
Special Resolution for shifting of Registered Office From 'National Capital Territory of Delhi' to the 'State of Haryana'	06.01.2010	74932681(76.36%)	Nil

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

5. SECRETARIAL AUDIT

Secretarial Audit is being carried out by Company Secretary in Practice on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited(NSDL) and Central Depository Services(India) Limited and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the total number in physical form and the total number of dematerialized shares held with NSDL and CDSL.

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

6. CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct applicable to all Board Members and Senior Management Personnel and they have affirmed their Compliances with the said code during the year under review. The Code has been drafted considering the three interlinked fundamental principles i.e. good corporate governance, good corporate citizenship and exemplary personal conduct. As required, the declaration by the Managing Director under Clause 49 affirming compliance with the code of conduct by all members of the Board and Senior Management Personnel for the year ended 31st March, 2010 is annexed to this Corporate Governance Report.

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

Code of Conduct for Prevention of Insider Trading & Corporate Disclosure Practice

Your Company has adopted the Code of Conduct for Prevention of Insider Trading & Corporate Disclosure Practices in its Board meeting held on 20th February, 2010. This Code prohibits the purchase/sale of shares of the Company by employees in possession of unpublished price sensitive information pertaining to the Company.

This Code is applicable to all the Directors, Senior Management Personnel, Business Heads and such other employees of the Company who are expected to have access to unpublished price sensitive information.

7. MATERIAL DISCLOSURES

- **Related Party Transactions**

Related parties and transactions with them as required under Accounting Standard- 18 are given under Note No. 13 of Schedule 21 of the Notes to the Accounts attached with financial statements for the year ended 31st March, 2010. None of the transactions with any of the related parties were in conflict with the interest of the Company.

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

- **Legal Compliances**

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

- **Risk Assessment And Minimization Procedures**

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

- **Conflict of interest**

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

- **CEO and CFO Certification**

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

- **Compliances**

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

8. MEANS OF COMMUNICATION

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

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

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

9. GENERAL SHAREHOLDER INFORMATION

- | | | |
|----|--|--|
| a) | 16 th Annual General Meeting
- Day & Date
- Time
- Venue | Wednesday, 29 th September, 2010
11.30 A.M
"SRS Banquet"
Near SRS Multiplex, Top Floor,
City Centre, Sector-12,
Faridabad,
Haryana-121007 |
| | No Special Resolution is proposed to be conducted by postal ballot. | |
| b) | Financial Year | 1 st April to 31 st March |
| c) | Book Closure | 24 th September, 2010 to 29 th September, 2010
(Both days inclusive) |
| d) | Listing at Stock Exchanges | Delhi Stock Exchange Ltd.
DSE House, 3/1 Asaf Ali Road,
New Delhi – 110002
Ph. No.-011-23292417-418
Fax No.-011-23292181 |

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

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

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

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

f) **Key financial reporting details for the financial year (F.Y) 2009-10**

Un-Audited results for the First quarter ended : 4th week of July, 2009
 30th June, 2009

Unaudited results for the Second quarter/Half year : 4th week of October, 2009
 Ended 30th September, 2009

Unaudited results for the Third quarter : 4th week of January, 2010
 Ended 31st December, 2009

Unaudited results for the Fourth quarter : 2nd week of April, 2010
 Ended 31st March, 2010

Audited results for the Financial Year ended : August 2010
 31st March, 2010

g) **Dematerialization of Shares**

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

As on 31st March, 2010, 94307733 equity shares equivalent to 96.11% of total equity are held in dematerialized form with NSDL and CDSL

h) **Distribution of shareholding**

Shareholding Of Nominal Value	No. of Shareholders	%	No. of Shares	Amount (in Rs.)	%
Upto 5000	486	70.74	25,548	2,55,480.00	0.0260
5001 to 10000	11	1.60	9,510	95,100.00	0.0097
10001 to 20000	10	1.46	14,100	1,41,000.00	0.0144
20001 to 30000	1	0.15	2,700	27,000.00	0.0028
30001 to 40000	1	0.15	3,200	32,000.00	0.0033
40001 to 50000	2	0.29	10,000	1,00,000.00	0.0102
50001 to 100000	29	4.22	2,17,978	21,79,780.00	0.2222
100001 and above	147	21.40	9,78,38,557	97,83,85,570.00	99.7115
Total	687	100.00	9,81,21,593	98,12,15,930.00	100.0000

- i) All requests and other communications/correspondence should be sent at the Company's Corporate Office at: -
 Ms. Rakhi Mehta
 Company Secretary
 SRS Finance Ltd.
 SRS Multiplex, Top Floor
 City Centre, Sector-12
 Faridabad – 121007
 Ph.0129-4282845
 Fax : 0129-4036560
 Email : rakhimehta@srsparivar.com

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

9. COMPLIANCE CERTIFICATE FROM THE AUDITORS

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

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



(Raju Gupta)
 Managing Director & CEO
 DIN – 00006972



(Dinesh Kumar Khatri)
 Whole-Time Director & CFO
 DIN - 00006162

Place: Faridabad
 Date: 12th August, 2010

MANAGEMENT'S DISCUSSION & ANALYSIS

The Indian Economy: The Power Inside

The Indian economy has proven itself to be one of the most resilient economies today. Ample proof of this lies in the fact that it went largely untouched by the global recession of 2008, and its amazing bounce-back into a high growth rate numbers. A key reason behind this is our strong domestic demand fuelled by a rising middle class that is on its way up the prosperity index. These two factors not only acted as a cushion during the recent global meltdown, but are the driving force for the growth we are witnessing today. They are also the reasons why the Indian economy is comparatively insulated and not solely at the mercy of the global markets as is the case with several other nations. Several international studies have clearly stated that emerging market economies such as ours seem to be significantly ahead on the recovery path.

This is not merely optimism, and is evident in the numbers as well. The Indian economy was estimated to have grown by 7.4 per cent in 2009-10, and as per the latest Central Statistical Organization (CSO) data, financial services, banking, insurance and real estate sectors rose by 9.7 per cent in 2009-10. The Gross National Income was estimated to rise by 7.3 per cent in 2009-10 as compared to 6.8 per cent in 2008-09. The per capita income grew at 5.6 per cent in 2009-10 as estimated.

The story these numbers tell point towards a sustained growth and substantial wealth creation in our economy. These macro-economic numbers in turn are resulting in the generation of increased consumer confidence, which is acting like a catalyst for fresh demand.

Changing Consumer Dynamics: the new Demand Multiplier

The Indian economy is now on an all together new growth trajectory. Strong domestic demand, rising education level, a swelling middle class, a modern and westernized lifestyle and a passion for self-indulgence are some of the factors that are accelerating the demand for new products and services. This is on account of several factors:

- Today there are several households with more than one earning member, thereby significantly increasing the monthly household income. This gives such households more purchasing power and a mindset to indulge in discretionary spending.
- There is a growing emphasis on self-indulgence. People are keen to spend money and buy things to pamper themselves and make life more convenient. This is in sharp contrast to the earlier generation where the essence was on self-denial and saving for the future.
- The average age of asset acquisition is coming down, thanks to the aspiration of the younger generation who is cash-rich and wants to have everything earlier in life. So people now tend to buy cars, bikes, scooters, houses, durables and much more much earlier in life than before.
- Increased consumer confidence in the overall economic growth means that people today are far more assured about their health, basic needs, job security and the like, and feel that things shall continue to improve in the days to come. Thanks to the certainty about the future prospects, people are very much at ease to borrow now to fund their products of desire today, instead of saving and purchasing.
- The desire among families to have a good environment, especially for the sake of children, is another factor which is motivating people to invest in modern amenities and conveniences.

Urbanization is also accelerating, and this has a direct effect on enhancing the volumes of consumer financing requirements. Urban expansion in India will happen at an unprecedented speed: as per industry reports, while India took nearly four decades from the 70s to 2008 for her population to rise by approximately 230 million; it will take only half that time to add the next 250 million. This is an enormous opportunity as far as the consumer financing segment is concerned. Sample this: For instance, while the total outstanding Retail loans in Taiwan is around 41% of GDP, the figure in India stands at less than 5%. So

one is essentially touching just the tip of the iceberg at present, and a huge potential for growth is lying in the waiting.

Consumer durables and vehicles are two main areas of retail financial, and both these sectors are in an upbeat mode, and rapidly driving consumption.

White goods, such as refrigerators, washing machines and air conditioners or brown goods such as blenders, cooking ranges and microwaves or consumer electronics such as televisions, audio systems, laptops, digicams etc. have now become a pre-requisite for any household today. Small wonder that the consumer durables industry is clocking notable growth despite intense competition and a downward price spiral. Going forward, consumers are expected to gain momentum in their discretionary spending on such products, especially for new age products such as LCD TV, mobile phones, portable music devices etc. Simultaneously, the penetration of the basic level appliances such as ovens, washing machines and refrigerators is also increasing. Shorter product cycles, new and exciting launches from manufacturers, enhanced advertising and availability of convenient financing has brought about a sea-change in the consumer behavior pattern.

Similarly, vehicle financing is also a mega business segment in itself. This is reflected in the number of vehicles sold and the growth rate that the Indian market is witnessing. According to data released by Society of Indian Automobile Manufacturers (SIAM), the total number of vehicles including passenger cars, commercial vehicles, two wheelers and three wheelers produced in 2009-10 was 14,049,830, as compared to 11,172,275 produced in 2008-09. A huge proportion of these were financed. Auto majors across the two, three and four wheeler segments have got hold of the consumer nerve on this, and are rapidly launching new variants across myriad price points. Apart from the premium segments, the economy segment is also witnessing hot action. Consumers have responded with a voracious appetite on this, and as a result, vehicle financing is seeing a surge.

Thanks to the cumulative effect of the above, the future of the retail financing business is very promising indeed.

SRS Finance Limited: A Re-Vitalized Focus

Your Company has traditionally been in the leasing, financing and investment business. Its investments are held in group companies as well as in other external corporates.

The Company has been watching the new market developments very closely and has finely crafted its strategies to garner a high share in its markets. Another significant development has been the conferral of the Non-Banking Financial Corporation (NBFC) status by the RBI – the Company had applied for the same in the year 2009-10 and received the same on 4th January 2010. With this the Company is all set to enter the retail and corporate financing business in an aggressive manner.

This new vigor is reflected in several developments. Firstly, your Company changed its name to SRS Finance Limited in 2008 to give a clear reflection of its key business area. Secondly, it sharpened its definition of core businesses. As a result of this, the Company exited from its food & beverages operations which included two resto bars by the name of SRS Dazzle Resto Bar at Ludhiana and Faridabad.

Thirdly, it redefined its thrust areas. Today, the Company is strongly and exclusively focused on the financing business. This includes retail and commercial financing. Under retail financing, the Company is focusing on financing automobiles (two, three and four wheelers as well as commercial vehicles), consumer durables as well as extending hassle-free personal loans. In the commercial segment, the Company offers corporate financing, project finance, and corporate loan syndication. To provide impetus to its loan syndication services, the Company has put in place a team of seasoned professionals who will syndicate loans for projects in which the Company may or may not be a part. In the event the Company is outside the syndication, it shall earn by way of professional charges for loan syndication. Your Company sees tremendous potential in this

area, and aims to increasingly focus on loan syndication and professional services. The team for this is being expanded and over a period of time, this business segment will expand significantly in terms of its geographical area as well as quantum of business.

Most of the Company's business is focused in the NCR at present. This region is in the midst of an intensive infrastructural drive with several projects in the pipeline and in planning. This is throwing up lucrative opportunities to the Company to strengthen its stronghold in the corporate financing sector. Apart from this, the population demographics make it an attractive destination for consumer finance, on account of the presence of a large section of society which has a high disposable income as well as has a yearning for a comfortable, westernized lifestyle. However, your Company is planning to expand its footprint to several other promising cities.

Company Environment Overview

Strengths: One key area of strength for the Company is its promoter group which has a rich experience of over 20 years in the financing business. Apart from creating a rich experience in the intricacies of the financing business, this has enabled them to develop a strong set of relationship and trust in the corporate sector, which is now yielding rich results by way of new business in loan syndication and related professional services. The fact that the Company is active in the NCR is another point of strength as the SRS Group is a strong brand and enjoys a high level of esteem and awareness – this enables your Company to encash upon this equity and generate a higher level of business.

Weaknesses: Your Company had discontinued its business in the recent history, and had carried out no NBFC related work during this duration. This can be considered a weakness as the Company needs to revive its contacts and regain the business momentum.

Opportunities: Major opportunities include heightened level of infrastructural activities and business expansions spurred by the country's economic growth. This will result into financing requirements right from large projects in the manufacturing and services sectors to small entrepreneurships by way of new offices, commercial equipments and vehicles and the like. The fact that the Company is active in the NCR is particularly promising as it offers tremendous opportunities in the financing and leasing business. In addition to this, the favourable demographics of the country by way of a youthful population, westernized consumption driven lifestyles, high disposable incomes and optimistic future outlook will create a groundswell in retail financing, which the Company is well poised to exploit in the coming times.

Threats: The presence of a large number of banks with deep pockets and wide distribution network may act as a threat for the Company by acting as a barrier in its path. More serious could be the high default rate being seen in the consumer financing space that has wobbled even giants of the business.

Performance Overview

The year 2009-10 has been a year of consolidation for the Company wherein it sharpened its business focus, enhanced its preparedness for a higher level of business and put in place a very strong team for various aspects of retail and corporate financing. It generated combined revenue of Rs.75.72 Crores with net profit marking an increase of 148% to touch Rs.1.07 Crores. Total advances as on 31st March, 2010 stand at Rs.91.00 Crores and an EPS for the year stood at 0.058. The Company's track record in assessing the profile has been exceptionally good.

With its new NBFC status and sharp business focus in place, your Company is confident to enter a new era of remarkable growth. We would like to thank all stakeholders, investors, advisors, team members and customers for their continued patronage, support and trust in the Company – we assure you that this has laid the foundation of the strong growth that we all shall see in the near future.

Internal Control Systems and their adequacy

The Company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations. An extensive system of internal controls is practiced by the Company to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorised recorded and reported correctly. The Audit Committee of the Board reports and the adequacy and effectiveness of internal controls. Considering the present volume and nature of the business, the Company has adequate internal audit and control systems and procedures.

Human Resource

Your Company continues to lay great stress on its most valuable resource- people. The focus of Human Resources function has been on driving a competency based model in Company's HR processes and capability building of the employees for meeting future needs of the organization. Your Company will continue to recruit the right people for the right job through continuous training and development plans. Your Company is well equipped in terms of its processes to continue to meet the upcoming requirements of its growth and expansion.

Cautionary Statements

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

On behalf of the Board
For SRS Finance Ltd.



(Raju Gupta)
Managing Director & CEO
DIN – 00006972



(Dinesh Kumar Khatri)
Whole-Time Director & CFO
DIN - 00006162

Place: Faridabad
Date: 12th August, 2010

Certifications by MD & CFO of the Company

We, Raju Gupta, Managing Director & CEO and Dinesh Kumar Khatri, CFO, of 'SRS Finance Limited', to the best of our Knowledge and belief, certify that:

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



(Raju Gupta)
Managing Director & CEO



(Dinesh Kumar Khatri)
Chief Financial Officer

Place: Faridabad
Date: 12th August, 2010

Declaration regarding compliance with the code of conduct of the Company by Board members and senior management personnel

This is to confirm that the company has adopted Code of Conduct for the Board of Directors and senior management personnel of the company.

I declare that the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct of the Company.



Raju Gupta
Managing Director & CEO

Place: Faridabad
Date: 12th August, 2010

Auditors Certificate regarding Compliance of conditions of Corporate Governance

To the Members of
SRS Finance Ltd.
Faridabad

We have examined the Compliance of Corporate Governance by SRS Finance Ltd.(the Company) for the year ended 31st March, 2010 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance note on Corporate Governance (as stipulated in clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor expression of opinion on the financial statements of the Company.

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

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

For **Naresh Jai & Associates**
(Chartered Accountants)
Firm Regn. No. : 019082N



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

Place: Faridabad
Date: 12th August, 2010

CA Naresh Goyal
Partner
Membership No. : 501487

AUDITORS' REPORT

To,
The Members of
SRS FINANCE LIMITED,
Faridabad.

1. We have audited the attached Balance Sheet of **SRS FINANCE LIMITED** ('the Company') as at 31st March 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 [as amended by the Companies (Auditor's Report) (Amendment) Order, 2004] [hereinafter referred to as 'Order'] issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;

- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Naresh Jai & Associates**
Chartered Accountants
Firm Regn. No. 019082N



CA Naresh Goyal
(Partner)
Membership No. 501487

Place: Faridabad
Date: 12.08.2010

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, major fixed assets have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification as compared to book records.
 - (c) Fixed assets disposed off during the year were not substantial and therefore, do not affect the going concern assumption.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.
- iii. (a) As per the information and explanations provided to us, the Company has granted loan to 2 companies covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 244.86 lacs and the year-end balance of loans given from such parties was Rs. Nil.
 - (b) In our opinion, the rate of interest wherever stipulated, and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
 - (c) The loan was fully recovered during the year by the company. Hence the provisions of clause 4 (iii) (c) & (d) of the order are not applicable to the company.
 - (e) The Company had taken loan from 3 companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2321.72 lacs and the year-end balance of loans taken from such parties was Rs. 990.35 lacs.
 - (f) In our opinion, the rate of interest wherever stipulated, and other terms and conditions for such loans taken from companies listed in the register maintained under section 301 of the Companies Act 1956 are not, prima facie prejudicial to the interest of the company.
 - (g) The repayment of the principal amount of loan taken and interest has been regular.
- iv. In our opinion and according to the information and explanation given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system of the Company.

- v. (a) According to information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder are not applicable to the Company.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business and activities.
- viii. According to information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of business carried out by the Company. Therefore, provisions of Clause 4(viii) of the Order are not applicable to the Company.
- ix. (a) The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues applicable to it, though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, *except advance tax dues of Rs. 6.31 lacs*, no other undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess were in arrear as at 31st March 2010 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, *except Income tax demand of Rs. 11.78 lacs for the financial year 1996-97*, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- x. The company has no accumulated losses as at 31st March 2010 and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its Bankers. The Company did not have any outstanding debentures or any outstanding loans from any financial institution during the year.
- xii. In our opinion and according to the information & explanation given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

- xiii. In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. According to the information and explanations given to us, the Company has maintained proper records of transactions for dealing in or trading in shares, securities and other investments and shares and other securities have been held by the company in its own name.
- xv. As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. To the best of our information and knowledge and as per records verified by us, the Company has not availed any term loan during the year. Therefore, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us, the Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the price, at which shares have been issued, is not prejudicial to the interest of the Company.
- xix. According to the information and explanations given to us, the Company has not issued any debentures. Therefore, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by means of public issue during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **Naresh Jai & Associates**
Chartered Accountants
Firm Regn. No. 019082N



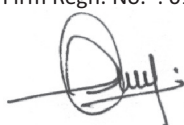



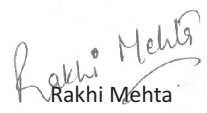

CA Naresh Goyal
(Partner)
Membership No. 501487

Place: Faridabad
Date: 12.08.2010

BALANCE SHEET

AS AT 31.03.2010

(Amount in Rs.)

PARTICULARS	SCH.	AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	98,12,15,930.00	81,62,15,930.00
Reserve & Surplus	2	17,40,51,756.33	38,74,625.32
		1,15,52,67,686.33	82,00,90,555.32
Loan Funds			
Secured Loans	3	11,97,86,381.76	1,59,76,583.90
Unsecured Loans	4	10,46,21,999.00	2,76,96,421.59
		22,44,08,380.76	4,36,73,005.49
Deferred Tax Liability (Net) (Refer note B (12) of Schedule 21)		7,13,034.13	(5,08,052.00)
		1,38,03,89,101.22	86,32,55,508.81
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	3,19,15,526.70	3,49,83,699.79
Less: Depreciation & Amortisation		94,36,304.20	46,60,256.66
Net Block			
Capital Work in Progress		2,24,79,222.50	3,03,23,443.13
Investments	6	24,19,14,300.00	64,05,88,475.43
Current Assets, Loans & Advances			
Inventories	7	24,99,41,310.70	9,36,24,386.43
Sundry Debtors	8	6,48,668.00	8,49,46,054.00
Cash and Bank Balances	9	91,72,988.73	13,81,874.33
Loans & Advances towards financing activities	10	90,97,25,051.76	-
Other Loans & Advances	11	74,46,332.92	14,45,34,856.68
		1,17,69,34,352.11	32,44,87,171.44
Less : Current Liabilities & Provisions			
Current Liabilities	12	5,91,48,276.93	13,04,98,671.31
Provisions	13	17,90,496.46	16,44,909.88
		6,09,38,773.39	13,21,43,581.19
Net Current Assets		1,11,59,95,578.72	19,23,43,590.25
Significant Accounting Policies & Notes to Accounts	21	1,38,03,89,101.22	86,32,55,508.81
The Schedules referred to above form an integral part of Financial Statements			
As per our Report of even date annexed For Naresh Jai & Associates (Chartered Accountants) Firm Regn. No. : 019082N		For and on behalf of the Board	
 			
CA Naresh Goyal (Partner) Membership No. 501487		Raju Gupta (Managing Director & CEO) DIN : 00006972	
Place : Faridabad Date : 12.8.2010			
		Dinesh Kumar Khatri (Whole-Time Director & CFO) DIN : 00006162	
			
		Rakhi Mehta (Company Secretary) M.No. : 19978	

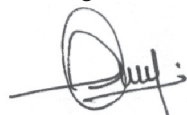
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

(Amount in Rs.)

PARTICULARS	SCH.	Year Ended 31.03.2010	Year Ended 31.03.2009
INCOME			
Operational Revenues	14	75,53,27,596.38	56,41,47,438.33
Other Incomes	15	18,59,545.76	6,07,54,717.06
Increase/(Decrease) in Inventories		15,63,16,924.27	8,76,51,657.43
		91,35,04,066.41	71,25,53,812.82
EXPENDITURE			
Operating Expenses	16	86,52,64,892.93	66,92,91,721.13
Personnel Expenses	17	62,65,869.60	1,06,58,133.00
Office & Administration Expenses	18	98,21,423.80	1,45,69,784.79
Financial Expenses	19	1,61,79,215.92	81,48,392.56
Marketing & Selling Expenses	20	1,74,375.51	3,19,403.58
Depreciation	5	50,43,191.93	52,38,287.98
		90,27,48,969.69	70,82,25,723.04
Profit before Tax		1,07,55,096.72	43,28,089.78
Less: Provision for Tax			
Current		41,75,166.46	26,11,005.88
Deferred		12,21,086.14	(14,73,740.80)
Earlier Years		1,81,713.12	4,38,394.00
FBT		-	1,82,393.00
Profit after Tax		51,77,131.00	25,70,037.70
Transferred to Reserve U/s 45-IC of RBI Act, 1934		10,35,426.20	-
Brought Forward Balance of Profit & Loss A/c		28,92,311.52	3,22,273.82
Amount Carried to Balance Sheet		70,34,016.32	28,92,311.52
Earning per Share (Face Value Rs. 10)			
(Basic & Diluted)		0.0580	0.0423

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

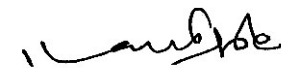
As per our Report of even date annexed
For Naresh Jai & Associates
(Chartered Accountants)
Firm Regn. No. : 019082N



CA Naresh Goyal
(Partner)
Membership No. 501487



For and on behalf of the Board



Raju Gupta
(Managing Director & CEO)
DIN : 00006972



Dinesh Kumar Khatri
(Whole-Time Director & CFO)
DIN : 00006162



Rakhi Mehta
(Company Secretary)
M.No. : 19978

Place : Faridabad
Date : 12.8.2010

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2010

(Amount in Rs.)

Sr. No.	PARTICULARS		Year Ended 31.03.2010	Year Ended 31.03.2009
A	Cash Flow From Operating Activities			
	Net Profit/(Loss) Before Tax (as per Profit & Loss Account)		1,07,55,096.72	43,28,089.78
	Adjustment For:			
	Depreciation		50,43,191.95	52,38,287.98
	Interest Paid		1,61,79,215.92	81,48,392.56
	Balances Written Off		-	7,35,283.00
	Provision for diminution in value of Investment		9,340.00	-
	Profit on sale of Fixed Assets		-	(49,33,320.08)
	Loss on sale of Fixed Asset		8,256.67	5,57,758.00
	Loss/(Profit) on sale of Current Investment		4,506.62	(5,17,97,500.00)
	Dividend Income		(2,70,249.00)	(7,05,002.30)
	Interest Received		(1,31,33,805.00)	(1,03,06,790.67)
	Operating Profit Before Working Capital Change		1,85,95,553.86	(4,87,34,801.73)
	Adjustment For:			
	Trade and Other Receivable		(68,83,39,142.00)	19,35,33,382.76
	Inventories		(15,63,16,924.24)	7,26,81,280.36
	Trade Payable and Other Liabilities		(7,14,10,666.38)	9,83,88,590.99
	Cash Generated From Operations		(89,74,71,178.76)	31,58,68,452.38
	Direct Taxes Paid		(41,51,021.00)	(35,24,267.37)
	Net Cash From Operating Activities	(A)	(90,16,22,199.76)	31,23,44,185.01
B	Cash Flow From Investing Activities			
	Purchases of Fixed Assets		(70,699.00)	(2,06,77,695.09)
	Proceeds from Sale of Fixed Assets		28,63,471.00	4,90,29,238.29
	Purchases of Investments		(57,04,03,050.00)	(14,22,43,315.50)
	Sales of Investments		96,90,63,378.81	34,32,05,000.00
	Dividend Income		2,70,249.00	7,05,002.30
	Interest Received		1,31,33,805.00	1,03,06,790.67
	Net Cash Used In Investing Activities	(B)	41,48,57,154.81	24,03,25,020.67
C	Cash Flow From Financing Activities			
	Proceeds From Long Term Borrowings		-	2,50,000.00
	Repayments of Long Term Borrowings		(16,23,358.48)	(19,03,996.51)
	Proceed From Short Term Borrowing (Net)		18,23,58,733.75	(55,42,31,745.99)
	Proceeds From Issue of Shares		33,00,00,000.00	-
	Interest Paid		(1,61,79,215.92)	(81,48,392.56)
	Net Cash Used In Financing Activities	(C)	49,45,56,159.35	(56,40,34,135.06)
	Net Increase In Cash And Cash Equivalent	(A+B+C)	77,91,114.40	(1,13,64,929.38)
	Cash & Cash Equivalent at the Beginning of the Year	I	13,81,874.33	29,47,997.34
	Received from Merged Entities	II	-	97,98,806.37
	Cash & Cash Equivalent at the End of the Year	III	91,72,988.73	13,81,874.33
	Net Increase In Cash And Cash Equivalents	(III-II-I)	77,91,114.40	1,13,64,929.38

As per our Report of even date annexed

For Naresh Jai & Associates

(Chartered Accountants)

Firm Regn. No. : 019082N

CA Naresh Goyal

(Partner)

Membership No. 501487



For and on behalf of the Board

Raju Gupta

(Managing Director & CEO)

DIN : 00006972

Dinesh Kumar Khatri

(Whole-Time Director & CFO)

DIN : 00006162

Rakhi Mehta
(Company Secretary)
M.No. : 19978

Place : Faridabad

Date : 12.8.2010

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 1		
SHARE CAPITAL		
Authorised Capital		
12,50,00,000 (P.Y. 10,00,00,000) Equity shares of Rs. 10/- each	1,25,00,00,000.00	1,00,00,00,000.00
	<u>1,25,00,00,000.00</u>	<u>1,00,00,00,000.00</u>
Issued, Subscribed & Paid Up Capital		
9,81,21,593 (P.Y. 31,48,900) Equity Shares of Rs.10/- Each Fully Paid	98,12,15,930.00	3,14,89,000.00
Share Capital Suspense		
Pursuant to the scheme of amalgamation:		
- Nil (P.Y. 4,99,88,851) Equity shares of Rs. 10/- each fully paid up allotted after balance sheet date for consideration other than cash to the shareholders of BTL Investment Ltd.	-	49,98,88,510.00
- Nil (P.Y. 2,84,83,842) Equity shares of Rs. 10/- each fully paid up allotted after balance sheet date for consideration other than cash to the shareholders of S.B.S. Finance Ltd.	-	28,48,38,420.00
	<u>98,12,15,930.00</u>	<u>81,62,15,930.00</u>
SCHEDULE - 2		
RESERVES & SURPLUS		
Securities Premium Account		
As per last Balance Sheet	-	-
Add:- Received during the year	16,50,00,000.00	-
	<u>16,50,00,000.00</u>	<u>-</u>
Reserve U/s 45-IC of RBI Act, 1934		
As per last Balance Sheet	9,82,313.80	-
Add:- Transferred from Profit and Loss Account	10,35,426.20	-
Transferred on Amalgamation of BTL Investment Ltd. & S.B.S Finance Ltd. with the company.	-	9,82,313.80
	<u>20,17,740.00</u>	<u>9,82,313.80</u>
Profit and Loss Account		
	<u>70,34,016.33</u>	<u>28,92,311.52</u>
	<u>17,40,51,756.33</u>	<u>38,74,625.32</u>
SCHEDULE - 3		
SECURED LOANS		
From Banks:		
Cash Credit**	-	1,43,53,225.42
Vehicle Loans	-	16,23,358.48
(Includes Rs.Nil (P.Y. Rs.13.23 lacs) falling due for payment with in one year)		
** During the financial year Company has surrendered the Cash Credit facility taken from Bank of India and the charge registered with ROC for mortgage of property given to bank as security is also being satisfied.		
From Others:		
Loan against Securities Facility	11,97,86,381.76	-
	<u>11,97,86,381.76</u>	<u>1,59,76,583.90</u>
a.) Cash Credit Facility from Bank of India amounting Rs. Nil (Previous Year Rs. 1,43,53,225.42) was secured against Hypothecation of stock and book debts.The facility was further secured by Equitable Mortgage of certain properties of Directors and their relatives and Personal Guarantees of the Directors and their relatives.		
b.) Vehicle loans are secured by hypothecation of respective vehicles.		
c.) Loan against Securities Facility is secured against stock of securities.		
SCHEDULE - 4		
UNSECURED LOANS		
Short Term Loans & Advances		
Inter- Corporate Deposits	10,46,21,999.00	2,76,96,421.59
	<u>10,46,21,999.00</u>	<u>2,76,96,421.59</u>

**SCHEDULE - 5
FIXED ASSETS**

(Amount in Rs.)

NAME OF ASSETS	GROSS BLOCK						DEPRECIATION				NET BLOCK	
	RATE OF DEP S.L.M.	AS AT 01.04.2009	ADDITION DURING THE YEAR	SALE/TRF. DURING THE YEAR	AS AT 31.03.2010	UP TO 31.03.2010	FOR THE YEAR	ADJUSTMENT ON SALE/TRANSFER	UP TO 31.03.2010	AS AT 31.03.2010	AS AT 31.03.2009	
PLANT & MACHINERY	4.75%	32,51,115.40	21,108.00	12,52,862.00	20,19,361.40	103,723.69	1,29,201.24	1,04,708.06	1,28,216.88	18,91,144.51	31,47,391.71	
SMALL MISC. ASSETS	100%	1,708.00	3,151.00	-	4,859.00	566.21	3,861.15	-	4,427.36	431.64	1,141.79	
VEHICLES	9.50%	80,22,743.64	40,356.00	-	80,63,099.64	565,822.73	7,65,626.84	-	13,31,449.57	67,31,650.07	74,56,920.91	
LAND	0.00%	69,95,000.00	-	-	69,95,000.00	-	-	-	-	69,95,000.00	69,95,000.00	
FURNITURE & FIXTURES	9.50%	47,26,486.35	-	18,86,010.09	28,40,476.26	2,21,505.09	3,03,775.37	1,62,436.37	3,62,844.09	24,77,632.17	45,04,981.26	
LEASEHOLD	11.11%	6,02,405.40	-	-	6,02,405.40	7,209.72	66,927.24	-	74,136.96	5,28,268.44	5,95,195.68	
COMPUTERS	16.21%	1,27,237.00	6,084.00	-	1,33,321.00	9,094.56	21,465.43	-	30,559.99	1,02,761.01	1,18,142.44	
GOODWILL		1,12,57,004.00	-	-	1,12,57,004.00	37,52,334.69	37,52,334.67	-	75,04,669.34	37,52,334.66	75,04,669.33	
CURRENT YEAR		3,49,83,699.79	70,699.00	31,38,872.09	3,19,15,526.70	46,60,256.67	50,43,191.93	2,67,144.42	94,36,304.18	2,24,79,222.50	3,03,23,443.13	
PREVIOUS YEAR		82,82,100.62	7,20,81,426.74	4,53,79,827.60	3,49,83,699.79	1,48,120.14	52,38,287.98	7,26,151.46	46,60,256.66	3,03,23,443.13		

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 6		
INVESTMENTS		
Long Term, Unquoted, Non-Trade - At Cost		
1). SRS Ltd. 1,66,96,654 equity shares of Rs. 10/- each (Previous year 36,59,36,950 equity shares of Re.1/-) each	16,70,43,790.00	55,23,65,759.93
2).SRS Admark Ltd. Nil (Previous year 20000) equity shares of Rs.10/- each	-	40,00,000.00
3). SRS Aviations Pvt. Ltd. Nil (Previous year 55752) equity shares of Rs.10/- each	-	1,11,50,581.00
4). SRS Cinemas Ltd. Nil (Previous year 17500) equity shares of Rs.10/- each	-	35,00,000.00
5). SRS Communications Pvt. Ltd. Nil (Previous year 17638) equity shares of Rs.10/- each	-	35,27,600.00
6). SRS Computech Ltd. Nil (Previous year 25000) equity shares of Rs.10/- each	-	50,00,000.00
7). SRS Infracon Ltd. Nil (Previous year 9600) equity shares of Rs.10/- each	-	19,20,000.00
8). SRS Buildcon Pvt. Ltd. Nil (Previous year 19437) equity shares of Rs.10/- each	-	38,87,404.50
9). SRS IT Solutions P.Ltd. Nil (Previous year 58125) equity shares of Rs.10/- each	-	1,61,25,000.00
10).SRS Movies Pvt. Ltd. Nil (Previous year 33394) equity shares of Rs.10/- each	-	66,78,857.50
11). Unichem Impex Pvt. Ltd. Nil (Previous year 104000) equity shares of Rs.10/- each	-	52,00,000.00
12). Vijay Finlease Ltd. Nil (Previous year 2260000) equity shares of Rs.10/- each	-	2,26,00,000.00
13). Horizon Rubber Products Ltd. Nil (Previous year 95387) equity shares of Rs.10/- each	-	9,53,872.50
		-
Long-Term, Quoted, Non-Trade- At Cost		
Mutual Funds		
1). DSP Blackrock World Energy Fund 48,899.75 (Previous year Nil) Units of Rs. 10 Each	5,00,000.00	-
2). Principal Mutual Fund Nil (Previous year 6000) Units of Rs. 10 Each	-	60,000.00
Current, Unquoted, Non-Trade - At Cost		
SRS Modern Sales Ltd. 10,18,850 (Previous year 2100) equity shares of Rs.10/- each	71,180,450.00	4,20,000.00
Investment in Immovable Property	31,99,400.00	31,99,400.00
	24,19,23,640.00	64,05,88,475.43
Less: Provision for diminution in the Value of Investment	9,340.00	-
	24,19,14,300.00	64,05,88,475.43
Note:- All the investments in shares & mutual funds are fully paid up.		
Aggregate Value of Quoted Investments	5,00,000.00	60,000.00
Market Value of Quoted Investments	4,90,660.00	60,000.00
Aggregate Value of Unquoted Investments	16,70,43,790.00	63,69,09,075.43

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE - 7		
INVENTORIES		
(As taken, valued & certified by the Management)		
- Building Material	-	56,20,714.00
- Shares	24,95,39,619.70	8,78,26,087.43
- Others	4,01,691.00	1,77,585.00
	<u>24,99,41,310.70</u>	<u>9,36,24,386.43</u>
SCHEDULE - 8		
SUNDRY DEBTORS		
(Unsecured, considered Good)		
- Outstanding for a period exceeding six months	10,641.00	72,62,000.00
- Others	6,38,027.00	7,76,84,054.00
	<u>6,48,668.00</u>	<u>8,49,46,054.00</u>
SCHEDULE - 9		
CASH & BANK BALANCES		
Cash on Hand	20,34,313.83	5,56,766.61
Balance with Scheduled Banks		
- in Current Accounts	70,38,674.90	7,25,107.72
- in FDR Accounts*	1,00,000.00	1,00,000.00
*(Pledged with the bank for bank guarantee)	<u>91,72,988.73</u>	<u>13,81,874.33</u>
SCHEDULE - 10		
LOANS & ADVANCES TOWARDS FINANCING ACTIVITIES		
(Considered good unless otherwise stated)		
Secured	-	-
Unsecured	90,97,25,051.76	-
	<u>90,97,25,051.76</u>	<u>-</u>
SCHEDULE - 11		
OTHER LOANS & ADVANCES		
Security Deposit	4,51,269.00	4,44,269.00
Income Tax paid under protest	12,00,000.00	12,00,000.00
Advance for Investment	23,30,000.00	4,10,50,000.00
Loans & Advances	-	9,49,84,710.26
Advance to Suppliers	1,36,780.92	58,908.10
Advance Recoverable in Cash or Kind value to be recovered	33,28,283.00	67,96,969.32
	<u>74,46,332.92</u>	<u>14,45,34,856.68</u>
SCHEDULE - 12		
CURRENT LIABILITIES		
Advance from Customers		
Sundry Creditors	5,32,95,000.00	9,64,83,443.00
Due to Small Enterprises & Micro Enterprises	-	-
Other Creditors	27,37,605.16	3,17,94,692.51
Bank Overdrawn	9,728.54	-
Security Deposit	4,86,000.00	4,91,666.00
Other Liabilities	26,23,943.23	17,28,869.80
	<u>5,91,48,276.93</u>	<u>13,04,98,671.31</u>
SCHEDULE - 13		
PROVISIONS		
Provision for Income Tax (Net of Advance tax and TDS of Rs.27,01,834 (P.Y. Rs.15,55,546)	14,73,332.46	10,55,459.88
Provision for FBT(Net of Advance tax and TDS of Rs. Nil (P.Y. Rs. Nil)	-	2,12,014.00
Provision for Bonus	40,580.00	-
Provision for Gratuity	2,14,304.00	3,43,427.00
Provision for Leave Encashment	62,280.00	34,009.00
	<u>17,90,496.46</u>	<u>16,44,909.88</u>

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	Year Ended 31.03.2010	Year Ended 31.03.2009
SCHEDULE - 14		
OPERATIONAL REVENUES		
Sale of Shares	37,05,32,833.73	23,58,15,982.44
Sale of Building Material	34,00,25,830.30	27,43,70,970.00
Interest on Loans & advances under Financing activities	1,31,33,805.00	1,03,06,790.67
Sale at Restaurant	1,36,32,325.96	1,33,96,493.29
Income from Syndication services	1,65,00,000.00	
Sale of Foreign Currency	-	2,94,14,704.00
Other Operational Revenues	15,02,801.39	8,42,497.93
	75,53,27,596.38	56,41,47,438.33
SCHEDULE - 15		
OTHER INCOMES		
Commission Received	1,65,000.00	25,28,495.00
Misc. Income	16,94,545.76	14,95,401.98
Profit on Sale of Investments	-	5,17,97,500.00
Profit on Sale of Fixed Asset	-	49,33,320.08
	18,59,545.76	6,07,54,717.06
SCHEDULE - 16		
OPERATING EXPENSES		
Purchases		
(a) Purchase of Shares	52,46,33,850.35	36,28,00,403.42
(b) Purchase of Building Material	32,96,57,656.80	26,80,40,329.37
© Purchase of Foreign Currency	-	2,87,21,973.04
(d) Purchases at Restaurant	49,47,070.98	43,00,605.37
Total (a+b+c+d)	85,92,38,578.13	66,38,63,311.20
Other Operational Expenses	60,26,314.80	54,28,409.93
	86,52,64,892.93	66,92,91,721.13
SCHEDULE - 17		
PERSONNEL EXPENSES		
Salaries, Wages, Stipend & Other allowances	56,40,591.00	90,08,936.00
Director's Remuneration	2,40,600.00	4,33,380.00
Contribution to Provident Fund & Other Funds	2,13,151.00	5,06,842.00
Staff Welfare	1,02,868.00	1,24,954.00
Provision for Employee's Benefits	28,271.00	2,69,211.00
Incentive	40,388.60	3,14,810.00
	62,65,869.60	1,06,58,133.00

SCHEDULES TO THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	Year Ended 31.03.2010	Year Ended 31.03.2009
SCHEDULE - 18		
OFFICE & ADMINISTRATION EXPENSES		
AGM Expenses	25,563.00	28,962.00
Audit Fees	1,00,000.00	50,000.00
Freight & Cartage	1,41,430.00	2,99,208.00
Repair & Maintenance	7,10,463.65	13,39,617.00
Donation	1,23,700.00	96,000.00
Electricity & Water Charges	18,66,702.00	15,03,163.00
Legal & Professional Charges	5,45,350.00	13,18,824.00
Listing Expenses	2,71,469.00	42,585.00
Postage & Stamp	54,372.00	37,199.00
Balances Written off	-	7,35,283.00
Loss on Sale of Fixed Asset	8,256.67	5,57,758.00
Provision for diminution in value of Investment	9,340.00	-
Insurance	67,697.00	1,34,200.86
Printing & Stationery	36,914.50	2,06,706.00
Rent	24,76,485.00	35,02,056.00
CAM Charges	12,26,930.69	-
Rates & Taxes	17,17,894.78	34,99,046.00
Security Charges	-	89,949.00
Telephone Expenses	2,76,498.00	5,59,466.00
Misc. Expenses	1,62,357.51	5,69,761.93
	98,21,423.80	1,45,69,784.79
SCHEDULE - 19		
FINANCIAL EXPENSES		
Interest on Cash Credit/Overdraft	85,65,439.99	19,78,672.00
Interest on Unsecured Loans	59,66,872.00	56,80,722.00
Interest on Vehicle Loan	85,836.76	1,86,216.49
Bank & Other Financial Charges	15,61,067.17	3,02,782.07
	1,61,79,215.92	81,48,392.56
SCHEDULE - 20		
MARKETING & SELLING EXPENSES		
Advertisement Expenses	1,62,825.51	3,15,890.58
Business Promotion Expenses	11,550.00	2,254.00
Discounts	-	1,259.00
	1,74,375.51	3,19,403.58

SCHEDULE- 21**Significant Accounting Policies and Notes to Accounts****A. Significant Accounting Policies****1. Accounting Conventions**

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

2. Use of Estimates

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

3. Revenue Recognition

- 3.1 Revenue from interest on short-term and long-term loans is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- 3.2 Revenue from sale of trading goods is recognized when the significant risk and rewards in respect of ownership of the goods are transferred to customer.
- 3.3 Revenue of restaurant business is recognized on the accrual basis at the time of sale at counter.
- 3.4 Income from service is recognized as per the terms of contract on accrual basis.
- 3.5 Other revenues are recognized on accrual basis.
- 3.6 Company complies with the guidelines issued by the RBI in respect of prudential norms for income recognition and provisioning for non-performing assets.

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

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

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

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

5. **Investments**

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market value/realizable value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

6. **Inventories**

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

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

7. **Taxation**

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

Current Tax:

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

Deferred Tax:

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

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

8. **Retirement and other employee benefits**

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

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

9. **Cash Flow Statement**

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

10. Earning Per Share

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

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

11. Provisions, Contingent Liabilities and Contingent Assets

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

12. Depreciation on Fixed Assets and Amortization

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

Depreciation on fixed assets costing upto Rs.5,000/- is provided @100% over a period of one year.

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

Depreciation on leasehold improvements is charged over the period of lease.

13. Foreign Exchange Transaction

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

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

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

Non-monetary items are carried at cost.

14. Borrowing Cost

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

15. Leases

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

16. Impairment of Assets

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

B. NOTES TO ACCOUNTS**1. Contingent Liabilities**

As per the assessment of the management, bank guarantee of Rs.1,00,000 is the only outstanding contingent liabilities for the year ending 31st March, 2010.

2. Unadmitted Claims

There has been a demand of Rs. 23,77,572/- raised by the Income Tax Department for the Financial year 1996-97. The company is contesting the same at Income Tax Appellate Tribunal, New Delhi and the management understands that there exists a very strong case in its favour and, therefore, no provision had been made against it. In the meanwhile the company has paid Rs.12,00,000/- under protest to the department and for balance amount a stay has been obtained from the department.

3. Management considers that all the Current Assets, Loans & Advances are fully recoverable at the value at least equal to value disclosed in the books and there is no other than temporary diminution in the value of long term Investments.

4. a) Amount due to Micro Enterprises and Small Enterprises by the Company, comprises of the following :

Particulars	(Amount in Rs.)	
	As at 31.03.2010	As at 31.03.2009
Principal amount unpaid	-	-
Interest due on above	-	-

b) No interest payments have been made during the year.

c) The above information and that given in "Current Liabilities" in Schedule No.12 regarding dues to Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

5. The management is of the considered opinion that none of the assets of the company has suffered from impairment during the period.

6. Company has not incurred any expenses in foreign currency during the year.

7. Director's Remuneration

Particulars	2009-10	2008-09
Director's Remuneration	2,40,600	4,33,380

8. Employee's Benefits

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

The following tables summarize the components of net benefit expense recognized in the profit and loss account and amounts recognized in the balance sheet for the respective plans (as per Actuarial Valuation as on March 31, 2010).

Net employee benefits expense (recognized in the Statement of Profit & Loss for the year ended March 31, 2010):

(Amount in Rs.)

Particulars	Gratuity		Earned Leave	
	2009-10	2008-09	2009-10	2008-09
Current Service Cost	48,814	94,303	19,902	19,963
Interest Cost	25,757	4,556	2,551	3,020
Expected return on plan assets	-	-	-	-
Past Service Cost	-	-	-	-
Actuarial (gain)/loss recognized in the year	(2,03,694)	1,79,479	5,818	(32,110)
Net benefit expense	(1,29,123)	2,78,338	28,271	(9,127)

Net Asset / (Liability) recognized in the Balance Sheet as on March 31, 2010:

(Amount in Rs.)

Particulars	Gratuity		Earned Leave	
	2009-10	2008-09	2009-10	2008-09
Present Value of Defined Benefit Obligation at the end of the year	2,14,304	3,43,427	62,280	34,009
Fair Value of Plan Assets	-	-	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(2,14,304)	(3,43,427)	(62,280)	(34,009)

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

(Amount in Rs.)

Particulars	Gratuity		Earned Leave	
	2009-10	2008-09	2009-10	2008-09
Present Value of Defined Benefit Obligation at the beginning of the year	3,43,427	65,089	34,009	43,136
Interest Cost	25,757	4,556	2,551	3,020
Current Service Cost	48,814	94,303	19,902	19,963
Benefits Paid	-	-	-	-
Actuarial (gain) / loss on obligation	(2,03,694)	1,79,479	5,818	(32,110)
Present Value of Defined Benefit Obligation at the closing of the year	2,14,304	3,43,427	62,280	34,009

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

Particulars	Gratuity		Earned Leave	
	2009-10	2008-09	2009-10	2008-09
Discount Rate (based on the market yields available on Government bonds at the accounting date with term that matches that of the liabilities)	7.50%	7.00%	7.50%	7.00%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.00%	4.50%	5.00%	4.50%
Rate of Return on Plan Assets	NA	NA	NA	NA
Average Outstanding Service of Employees upto Retirement (years)	25.55 Years	29.26 Years	25.55 Years	24.62 Years

Contribution to Defined Contribution Plans:

(Amount in Rs.)

Particulars	2009-10	2008-09
Provident fund	1,56,928	4,60,474

9. **Detail of Investment purchased and sold during the year**

Investment in Shares (Unquoted, Non-Trade)

Name of the Company	Number of Shares	Purchase Value (Rs.)	Sale Value (Rs.)
SRS Ltd.	1,16,60,820 (11,09,43,750)	47,83,25,000 (22,18,87,500)	47,83,25,000 (22,18,87,500)
SRS Aviations Pvt. Ltd.	818 (10,000)	1,63,600 (20,00,000)	1,63,633 (20,00,000)
SRS Modern Sales Ltd.	1,93,400 (Nil)	19,34,000 (Nil)	19,34,000 (Nil)
Swami Enterprises Ltd.	50,000 (Nil)	5,00,000 (Nil)	5,00,000 (Nil)
Committed Associates Pvt. Ltd.	1,00,000 (Nil)	10,00,000 (Nil)	10,00,000 (Nil)
Delhi Ventures Pvt. Ltd.	1,73,000 (Nil)	17,30,000 (Nil)	17,30,000 (Nil)
Haryana Coating Pvt. Ltd.	35,000 (Nil)	3,50,000 (Nil)	3,50,000 (Nil)
Hayaatt Garments Pvt. Ltd.	1,000 (Nil)	6,50,000 (Nil)	6,50,000 (Nil)
Prakhar Buildcon Pvt. Ltd.	5,000 (Nil)	5,00,000 (Nil)	5,00,000 (Nil)
Prayas Steel Pvt. Ltd.	1,00,000 (Nil)	10,00,000 (Nil)	10,00,000 (Nil)
Unique Rubber Udyog Pvt. Ltd.	6,16,000 (Nil)	61,60,000 (Nil)	61,60,000 (Nil)
SRS Real Infrastructure Ltd.	(Nil) (9,64,200)	(Nil) (5,56,20,000)	(Nil) (10,74,71,500)

10. Segment Reporting

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

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

(Amount in Lacs)						
S. No.	Particulars	Restaurant	Finance and Investment	Trading	Unallocable	Total
1.	Segment Revenue	139.19 (133.96)	4016.69 (2986.25)	3400.26 (3039.23)	15.73 (89.57)	7,571.87 (6,249.01)
2.	Segment Expenses	135.98 (130.55)	3711.26 (2879.09)	3368.24 (2976.89)	87.05 (137.72)	7,302.53 (6,124.25)
3.	Segment Profit	3.21 (3.42)	305.43 (107.16)	32.02 (62.33)	(-)71.32 (-)(48.15)	269.34 (124.76)
	Less : Financial Expenses					161.79 (81.48)
	Profit Before Tax					107.55 (43.28)
	Less : Provision For Taxation					55.78 (17.58)
	Profit after Tax					51.77 (25.70)
4.	Carrying amount of Segment Assets (including CWIP)	43.14 (85.56)	14043.96 (9,042.74)	0.41 (662.78)	325.77 (168.00)	14,413.28 (9,959.08)
5.	Carrying amount of Segment Liabilities (Including CWIP)	21.44 (20.66)	2,777.03 (1,270.88)	- (427.97)	62.13 (38.65)	2,860.60 (1,758.16)

11. Auditor's Remuneration

Particulars	(Amount in Rs.)	
	2009-10	2008-09
Statutory Audit Fees	70,000/-	35,000/-
Tax Audit Fees	25,000/-	10,000/-
Out of Pocket Expenses	5,000/-	5,000/-

12. Deferred Tax Assets and Liabilities

In view of the Accounting Standard-AS-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the deferred tax assets/liabilities as at 31st March 2010 comprise of the following major components:

Particulars	As at 31.3.2010 (Rs.)	As at 31.03.2009 (Rs.)
Fixed Assets	8,04,908.42	7,01,220.20
Deferred Tax Liability (A)	8,04,908.42	7,01,220.20
Disallowance of Expenses u/s 40 (a) (ia) of Income Tax Act, 1961	Nil	10,92,644.50
Provision for Gratuity & Leave Encashment	91,874.29	1,16,627.70
Deferred Tax Asset (B)	91,874.29	12,09,272.20
Net Deferred Tax Liability/(Assets) (A-B)	7,13,034.13	(5,08,052.00)

13. Related Party Transactions

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

a. List of related parties and relationships, where control exists:

- i. SRS Modern Sales Ltd.

b. Related parties and relationships with whom transactions have taken place during the year:

- i. Associate Company: SRS Limited
- ii. Investing Company: NIL
- iii. Key Management Personnel (KMP)

Mr. Dinesh Kumar Khatri - Whole-Time Director & CFO

Mr. Raju Bansal - Whole-Time Director (From 01.11.2009 to 09.02.2010)

iv. Enterprises owned or significantly influenced by KMP and/or their Relatives : NIL

c. Transactions with related Parties:

			Amount in (Rs.)	
S.No.	Name of the Party	Nature of Transaction	2009-10	2008-09
1	SRS Modern Sales Ltd.	Loans & Advance given	57,80,640	-
2	SRS Ltd.	Advance for Investment	-	3,11,40,000
		Advance for Investment received back	3,11,40,000	-
		Investment in Equity Shares	6,23,40,000	-
		ICD Given & Received		38,00,47,788
		Rent received	9,72,000	7,29,000
		Advance given		14,95,000
		Fixed Assets (including CWIP) sold	-	3,96,14,410
		Fixed Assets purchased	-	50,29,166
		Electricity Charges Paid	6,17,826	-
		Sale of Material	-	4,00,012
		Purchase of Material	10,36,650	5,26,864
		Transfer of Party Account	1,02,236	-
		Reimbursement of Expenses	12,78,884	3,45,945
		Closing Balance:		
		Sundry Creditors	6,89,322	9,38,157
		Sundry Debtors	4,63,067	-
		Security Payable	4,86,000	4,86,000
3.	Mr. Raju Gupta	Director's Remuneration	-	2,61,120
4.	Mr. Raju Bansal	Director's Remuneration	1,80,000	-
5.	Mr. Dinesh Kumar Khatri	Director's Remuneration	60,600	1,72,260

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

			(Amount in Rs.)	
Particulars	2009-10	2008-09		
a) Numerator				
Net profit after taxation as per profit and loss A/c	51,17,131.00	25,70,038		
b) Denominator:				
Weighted average no. of equity shares outstanding for:				
-Basic & Diluted	8,92,16,114	6,07,67,206		
c) Earning per share (EPS) (Face value of Rs. 10 each):				
-Basic & Diluted	0.0580	0.0423		

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

a. Details of Goods Purchased for Resale:

(Amount in Lacs)

Class of Goods	Units	Opening Stock		Purchases		Sales		Closing Stock	
		Qty.	Amt.	Qty.	Amt.	Qty.	Amt.	Qty.	Amt.
Iron & Steel	Ton	168.29	56.21	10,200.77	3,296.57	10,369.04	3,400.25	Nil	Nil
		(147.52)	(53.10)	(6,711.19)	(2,649.46)	(6,690.42)	(2,712.48)	(168.29)	(56.21)
Shares	No.	12,36,844	878.26	1,02,11,249	5,246.34	96,94,201	3,705.33	17,53,892	2,495.40
		(Nil)	(Nil)	(51,13,028)	(3,628.00)	(38,76,184)	(2,358.16)	(12,36,844)	(878.26)
Cement	Bags	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		(Nil)	(Nil)	(14,800)	(31.08)	(14,800)	(31.08)	(Nil)	(Nil)
Foreign		Nil	(Nil)	Nil	Nil	Nil	Nil	Nil	Nil
Currency		-	(Nil)	-	(287.72)	-	(294.15)	-	(Nil)
Others			1.77		49.47		136.32		4.02
			(6.62)		(43.00)		(133.96)		(1.77)

Note:

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

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

As per our Report of even date attached

For Naresh Jai & Associates

Chartered Accountants

Firm Regn. No. : 019082N




CA Naresh Goyal

(Partner)

Membership No. 501487

Place : Faridabad

Date : 12.8.2010

For and on behalf of the Board



Raju Gupta
(Managing Director & CEO)
DIN : 00006972



Dinesh Kumar Khatri
(Whole-Time Director & CFO)
DIN : 00006162



Rakhi Mehta
(Company Secretary)
M.No. : 19978

SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NON-BANKING FINANCING COMPANY.

(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007

Particulars		(Rs. in Lacs)	
		As on 31.03.2010	
Liability Side			
(1)	Loans and advances availed by NBFCs inclusive of interest accrued thereon but not paid :	Amount outstanding	Amount Overdue
(a)	Debtures:		
	Secured	Nil	-
	Unsecured (other than falling within the meaning of public deposit*)	Nil	-
(b)	Deferred Credits	Nil	-
(c)	Term Loans	Nil	-
(d)	Inter-corporate loans and borrowings	1,046.22	-
(e)	Other Loans	-	-
	Loan against securities Facility	1,197.86	-
	Others	Nil	-
Assets Side			
(2)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below)		
(a)	Secured	Nil	-
(b)	Unsecured	9,100.13	-
(3)	Break-up of Leased Assets and Stock on hire counting towards AFC activities		
(i)	Lease Assets including lease rentals under sundry debtors	-	-
	(a) Finance Lease	Nil	-
	(b) Operating Lease	Nil	-
(ii)	Stock on hire including hire charges under sundry debtors	-	-
	(a) Assets on hire	Nil	-
	(b) Repossessed Assets	Nil	-
(iii)	Other than counting towards AFC activities	-	-
	(a) Loans where assets have been repossessed	Nil	-
	(b) Loans other than (a) above	Nil	-
(4)	Break-up of Investment		
	Current Investments		
1	Quoted:		
(i)	Shares:		
	(a) Equity		Nil
	(b) Preference		Nil
(ii)	Debtures and Bonds		Nil
(iii)	Units of Mutual Funds		Nil
(iv)	Government Securities		Nil
(v)	Others		Nil
2	Unquoted		
(I)	Shares:		
	(a) Equity		711.80
	(b) Preference		Nil

	(ii) Debentures and Bonds	Nil
	(iii) Units of Mutual Funds	Nil
	(iv) Government Securities	Nil
	(v) Others	Nil
	Long term Investments:	
1	Quoted:	
	(i) Shares:	
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of Mutual Funds	5.00
	(iv) Government Securities	Nil
	(v) Others	Nil
2	Unquoted	
	(i) Shares:	
	(a) Equity	1670.44
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of Mutual Funds	Nil
	(iv) Government Securities	Nil
	(v) Others	Nil

(5) Borrower group wise classification of assets financed in (2) and (3) above		As on 31.03.2010		
	Category	Amount (Net of provision)		
1.	Related Party**	Secured	Unsecured	Total
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	Nil	Nil	Nil
	(c) Other related party	Nil	Nil	Nil
2.	Other than related party	Nil	Nil	Nil
	Total	Nil	Nil	Nil
	** As per accounting standard -18 of ICAI			

(5) Investor group wise classification of all Investment (Current and Long term) in shares and securities (both quoted and unquoted)		As on 31.03.2010	
	Category	Market Value/Break-up or fair value or NAV*	Book value (Net of Provision)
1.	Related Party**		
	(a) Subsidiaries	711.80	711.80
	(b) Companies in the same group	1,670.44	1,670.44
	(c) Other related party	Nil	Nil
2.	Other than related party	Nil	Nil
	*Cost is considered where market value is not available		
	** As per accounting standard - 18 of ICAI		

Other Information		
Particulars		Amount
(i)	Gross Non-Performing Assets	
	(a) Related Parties	Nil
	(b) Other than related parties	Nil
(ii)	Net Non-Performing Assets	
	(a) Related Parties	Nil
	(b) Other than related parties	Nil
(iii)	Assets acquired in satisfaction of debts	Nil

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

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details		(Rupees in thousand)	
Registration No.	L74899HR1994PLC040440	State Code	05
Balance Sheet Date	31.03.2010		
II. Capital Raised during the year			
Public Issue	-	Right Issue	-
Bonus Issue	-	Private Placement	165,000
III. Position of Mobilisation and Deployment of Funds			
Total Liabilities	1,380,389	Total Assets	1,380,389
Sources of Funds			
Paid Up capital	981,216	Reserve & Surplus	174,052
Secured Loans	119,786	Unsecured Loans	104,622
Deferred Tax Liabilities	713		
Application of Funds			
Net Fixed Assets (Including CWIP)	22,479	Investments	241,914
Net Current Assets	1,115,996	Misc. Expenditure	-
Deferred Tax Assets	-		
IV. Performance of the Company			
Turnover	755,327	Total Expenditure	746,432
Other Income	1,860	Profit before tax	10,755
Profit after tax	5,177		
	Basic		Diluted
Earnings per Share in Rs.	0.06	Earing per Share in Rs.	0.06
Dividend Rate	-		

V. Generic names of the Principal Products of Company

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

As per our Report of even date attached

For Naresh Jai & Associates

Chartered Accountants
Firm Regn. No. : 019082N

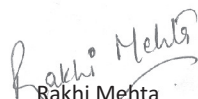

CA Naresh Goyal
(Partner)
Membership No. 501487



For and on behalf of the Board


Raju Gupta
(Managing Director & CEO)
DIN : 00006972


Dinesh Kumar Khatri
(Whole-Time Director & CFO)
DIN : 00006162


Rakhi Mehta
(Company Secretary)
M.No. : 19978

Place : Faridabad
Date : 12.8.2010

NOMINATION FORM

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

To	From : Name of the Shareholder and address
SRS Finance Ltd. C/o Beetal Financial & Computer Services Pvt. Ltd. BEETAL HOUSE, 3 rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi – 110062	_____ _____ _____
	Folio No./DP ID* _____
	No. of Shares _____

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

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

Kindly take the aforesaid details on record.

Thanking You,
Yours Faithfully,

Date :

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

INSTRUCTIONS

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

FOR OFFICE USE ONLY

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

SRS FINANCE LTD.

Regd. Office: "SRS Multiplex", Top Floor, City Centre, Sector-12, Faridabad - 121007

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

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

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

Name and Address of the Shareholder

I hereby record my presence at the 16th Annual General Meeting of the Company held on Wednesday, 29th September, 2010 at 11:30 A.M at "SRS Banquet", Near SRS Multiplex, City Centre, Sector-12, Faridabad-121007

Signature of Shareholder/Proxy

* Applicable for investors holding shares in dematerialized form.

SRS FINANCE LTD.

Regd. Office: "SRS Multiplex", Top Floor, City Centre, Sector-12, Faridabad - 121007

PROXY

I/We

.....being

Member/Members of **SRS FINANCE LTD.** hereby appoint

..... (or failing him.....of.....) as my/our Proxy to

attend and vote for me/our behalf at the 16th Annual General Meeting of the Company held on Wednesday, 29th September, 2010 at 11:30 A.M at "SRS Banquet", Near SRS Multiplex, City Centre, Sector-12, Faridabad-121007 and at any adjournment thereof.

Signed thisday of.....2010

Signature_____

Reference Folio No. / DP ID & Client ID*

No. of Shares _____

Affix here One Rupee Revenue Stamp
--

* Applicable for investors holding shares in dematerialized form.

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

If undelivered, please returned to :

SRS FINANCE LTD.

REGD. OFFICE : SRS Multiplex, Top Floor, City Centre, Sector-12, Faridabad - 121007

Ph. : 0129-4282801-808 Fax : 4282809-10

www.srsparivar.com