

21st Annual Report
SRS Real Infrastructure Ltd.
2010-2011



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BOARD OF DIRECTORS

Dr. Anil Jindal	-	Chairman& Managing Director
Sh. Jitender Kumar Garg	-	Whole-Time Director & CFO
Sh. Bishan Bansal	-	Whole-Time Director
Sh. Rajesh Singla	-	Non-Executive Director
Sh. Nanak Chand Tayal	-	Non-Executive Director
Sh. Kailash Kumar	-	Independent Director
Sh. Praveen Sharma	-	Independent Director
Sh. Mahender Kumar Goyal	-	Independent Director
Sh. Shiv Mohan Gupta	-	Independent Director
Sh. Praveen Gupta	-	Independent Director

COMPANY SECRETARY

Ms. Shweta Marwah

AUDITORS

M/s. Naresh Jai & Associates
Chartered Accountants

BANKERS

State Bank of India
Union Bank of India
State Bank of Patiala
Central Bank of India
Syndicate Bank
Oriental Bank of Commerce
Bank of Baroda
Indian Overseas Bank

REGD. OFFICE

SRS Multiplex, Top Floor,
City Centre, Sector-12,
Faridabad,
Haryana-121007
Ph#0129-4282801-08
Fax#0129-4282809-10

Chairman's Message

Dear Shareowners,

I extend a very warm welcome to you on the occasion of 21st Annual General Meeting of your Company. It is heart-warming to see the progress recorded by the company, and the way it is gathering strength year after year.

And before anything else, my heartiest congratulations to you on the listing of the Company's equity shares on the Bombay Stock Exchange – you may recall that the bell ringing ceremony took place at the BSE on 25th January 2011. The stock is seeing good trading volumes, and the Company now sports a market capitalization of approximately Rs.800 Crores. I am certain you are very happy and proud of this development, as this will bring in greater recognition to the company, enhance its image and enable investors across the country to participate in the Company's growth story.

With each passing year, your Company has garnered greater growth, maturity and knowledge across its strategic, operational and financial functions. This signifies a bright and rewarding future for it, and I along with you, pray for the company's success in all the times to come.

As you know, the real estate and construction Industry in India has been one of the biggest wealth-creator for the people. With rising population and increasing economic prosperity, the industry can look forward to years of rewarding growth. But this does not mean that there are no challenges – in fact, the industry has been kept on its toes by a slew of issues. Inflation was and continues to be one big concern area as it has impacted the buying capacity of the people. To counter this, the RBI has increased the interest rates by as many as 11 times in 18 months. While this has not tamed inflation, it has definitely increased the cost of funding for developers, and has made housing loans and associated EMIs more expensive for the buyers. Further, environmental factors such as the downgrading of the US economy and the European crisis added to the overall economic woes. So in effect, while the industry was shrugging off effects of the slowdown of 2008, these factors have acted as a speed-breaker for all the players.

But what is heart-warming, however, is the fact that the long-term potential looks very good, and once the headwinds move off, one can look forward to a period of prolonged growth. Conducive factors that will aid growth include increasing economic prosperity, confident future outlook, increasing migration to cities, rising number of nuclear households and demand for affordable housing, among others. In addition to this, the tier II & III cities have now risen to offer tremendous opportunities for the industry players. The benefits of these markets include stable business cycles, low volatility, availability of land at affordable prices and higher levels of self-financing among buyers, which insulates companies, to a great extent, from the effects of rising interest rate regime.

Your Company is well positioned to benefit from the opportunities offered by the industry. For one, most of the projects of the Company are strategically situated in the NCR. The region, as you are well aware, is seeing intensive development activities in infrastructure as well as in commercial and residential properties. The increasing population with high levels of purchasing power makes operations in the region very attractive. What's even better is the fact that these developments shall carry on for many more years, assuring a long term growth scenario.

Your Company is going all-out to leverage this potential. It has a well diversified portfolio that includes, residencies, group housing, independent floors, farm houses, commercial tower as well as a five star hotel among others. The Company has already offered possession at 'SRS Residency', Sector-88, Faridabad. Further, construction of 'SRS Pearl Heights' and 'SRS Royal Hills' at Sector-87, Faridabad is in full swing and the SRS Corporate Tower too is in advanced stages of completion. All its on-going projects are reporting steady progress. Along with this, the Company is also recording good progress in its trading and RMC operations.

As a result of these strong operations, your Company's turnover in FY11 increased to Rs.544 Crores, an increase of 76% over FY10. Profit after Tax increased by 30% in the same period to touch Rs.8.54 Crores, up from Rs.6.56 Crores in the previous year.

Going forward, your Company intends to focus on its strengths, and opportunities offered by the markets to record greater growth and profitability. It is the Company's belief that its focus on sound planning, consumer focus, ethical operations and respect for commitments will take it just one direction: up, on the road of success.

As I end, I would like to convey my heartfelt vote of thanks to all the shareowners for having placed their complete trust in the Company's Board and management, and supported its decisions. I also place on record my strong appreciation for all our bankers, customers, business associates, employees, auditors and regulatory authorities who have partnered with us and contributed to our strength and profitability. With your continued support, your Company stays confident of scaling still greater heights.

Thank you very much, and all the very best.



(Dr. Anil Jindal)
Chairman and Managing Director

NOTICE

Notice is hereby given that the 21st Annual General Meeting of the members of **SRS Real Infrastructure Limited** will be held as scheduled below:-

Day/ Date : Friday/30th September, 2011
Time : 1.00 P. M.
Venue : "SRS Banquet",
Near SRS Multiplex,
City Centre, Sector-12,
Faridabad

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, 2011 and the Report of the Board of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Sh. Kailash Kumar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Sh. Praveen Sharma, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution with or without modifications: -

"RESOLVED THAT M/s Naresh Jai & Associates, Chartered Accountants, the retiring auditors be and are hereby reappointed 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 2011-12 and the Board of Directors be and is hereby authorized to fix their remuneration plus travelling and other out of pocket expenses incurred by them in connection with statutory audit and/or continuous audit and such other remuneration, as may be decided to be paid, for performing duties other than those referred herein above."

SPECIAL BUSINESS

DELISTING OF SECURITIES

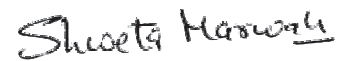
6. To consider and if thought fit, to pass with or without modifications, the following resolution as special resolution: -

"RESOLVED THAT the consent of the members be and is hereby accorded for de-listing of securities of the Company from Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE) in terms of Securities and Exchange Board of India (De-listing of Securities), Guidelines, 2003 and other extant guidelines; continuing to be listed on the Delhi Stock Exchange Ltd. and Bombay Stock Exchange Ltd.

RESOLVED FURTHER THAT Dr. Anil Jindal, Chairman & Managing Director and Ms. Shweta Marwah, Company Secretary be and are hereby severally authorized to apply to JSE & ASE for de-listing; to appoint Merchant Bankers/Consultants/Agents and to do all such acts, deeds & to take such actions as may be necessary in this regard."

Place: Faridabad
Date: 2nd September, 2011

By order of the Board
For **SRS Real Infrastructure Ltd.**



(Shweta Marwah)
Company Secretary

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. A Proxy to be effective must reach at the Registered Office not later than 48 hours before the schedule time of the Meeting.
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item Nos. 6 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. 3 & 4 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 folios are requested to write to Company's RTA at the address mentioned below at No.6 enclosing their share certificates to consolidate their holdings in one folio.
6. Members are requested to send their 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. (a) The Register of Members and Share Transfer Books of the Company shall remain closed from 25th September, 2011 to 30th September, 2011 (both days inclusive) for the purpose of annual general meeting.

- b) The Dividend, if declared, will be paid to those members entitled thereto and whose names shall appear in the Register of Members of the Company or to their mandates, after giving effect to all valid Share Transfers in Physical form lodged with the Company and its Registrar on or before 24th September, 2011 subject to the provisions of Section 206A of the Companies Act, 1956 or any amendment or re-enactment thereof. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership as on closing of business hours on 24th September, 2011 as per the details to be furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
8. The following amounts of dividend that has not been encashed or claimed are transferred to Unpaid Dividend Account totaling to Rs.69, 460.26 (Rupees Sixty Nine Thousand Four Hundred and Sixty Only) as on date.
- | | | |
|---|---|---------------|
| Final dividend declared on 30 th September, 2008 | - | Rs.27, 394.82 |
| Final dividend declared on 8 th August, 2009 | - | Rs.26, 100.49 |
| Interim dividend declared on 30 th October, 2009 | - | Rs.5, 683.00 |
| Final dividend declared on 29 th September, 2010 | - | Rs.10, 281.95 |
9. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred, as per Section 205A of the Companies Act, 1956 to the Investor Education and Protection Fund. Members are encouraged to utilize the Electronic Clearance System (ECS) for receiving dividends.
10. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID and those holding shares in physical form are requested to write their Folio No. in the attendance slip for attending the meeting.
11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. 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.
13. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
14. 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.
15. Pursuant to the provisions of Section 109A of the Companies Act, 1956, Shareholders are requested to file Nomination forms in respect of their shareholdings. Any shareholder wishing to avail this facility may submit the prescribed Statutory Form 2B to the RTA's at the above mentioned address.
16. Should any assistance be desired/clarification be sought, you may write to the Company Secretary at SRS Multiplex, Top Floor, City Centre, Sector-12, Faridabad, Haryana-121007

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

Item No. 6

Presently, the Equity Share Capital of the Company are listed on Bombay Stock Exchange Ltd.(BSE), Delhi Stock Exchange Ltd.(DSE), Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE).


As per the Securities and Exchange Board of India (De-listing of Securities) Guidelines, 2003, the Company having listing at nationwide terminals can de-list its securities from the stock exchanges by following the procedure prescribed in the guidelines.

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

None of the Directors of the Company is concerned/interested in the proposed resolution.

Place: Faridabad
Date: 2nd September, 2011

By order of the Board
For **SRS Real Infrastructure Ltd.**



(Shweta Marwah)
Company Secretary

PURSUANT TO CLAUSE 49(IV) (G) (i) OF THE LISTING AGREEMENT FOLLOWING INFORMATION IS FURNISHED 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. Kailash Kumar	2-5-1975	M.Com. from Dr. Bhimrao Ambedkar University, Agra B.Com. from Maharshi Dayanand University, Rohtak	9 years	1. SRS Limited.	1. Member of Audit Committee of SRS Limited
Sh. Praveen Sharma	13-10-1978	Graduate in Commerce	7 years	1.SRS Finance Limited 2.SRS Real Estate Limited 3.SRS Hindustan Holdings Limited (Formerly known as SRS Iron & Alloys Limited)	1. Member of Audit Committee of SRS Finance Limited 2. Chairman of Remuneration Committee of SRS Real Estate Limited

Place: Faridabad
Date: 2nd September, 2011

By order of the Board
For **SRS Real Infrastructure Ltd.**

Shweta Marwah

(Shweta Marwah)
Company Secretary

DIRECTORS' REPORT**INTRODUCTION**

Your Directors are pleased to present the Twenty First Annual Report of your Company along with the Audited Accounts of the Company for the year ended 31st March, 2011

FINANCIAL RESULTS

During the year under review, your Company registered a Net Profit after tax of **Rs.854.50 Lac**. The Summary of the operating results is as under: -

(Rs. in Lac)

Particulars	31.03.2011	31.03.2010
Gross Sales and Other Income	54423.52	30947.34
Other Income	132.4	105.99
Total Income	54555.92	31053.33
Profit/(Loss) before Financial Expenses, Depreciation and Tax	2122.65	1517.59
Interest and Financial Expenses	782.17	468.09
Profit before Depreciation & Tax	1340.48	1049.50
Depreciation	48.98	13.69
Profit/(Loss) before Tax	1291.50	1035.81
Provision for Tax		
- Current	414.68	355.45
- Deferred Tax	22.32	15.81
- Tax on prior period incomes	-	7.81
Profit after Tax	854.50	656.74
Balance b/f from previous year	404.01	103.62
Appropriations: -		
Proposed Dividend	201.02	100.51
Interim Dividend	-	176.01
Dividend Distribution Tax	33.38	46.99
Amount transferred to General Reserves	42.72	32.84
Amount carried to Balance Sheet	981.38	404.01
Face Value of Equity Share (Re.)	1.00	1.00
Earnings Per Share Basic & Diluted	0.43	0.37

OPERATIONAL PERFORMANCE

During the year under review, your Company has shown tremendous growth of 76% by achieving the Gross Sales and other Income at Rs.54555.92 Lacs as against Rs.31053.33 Lacs in the previous year. The Net Profit after Tax (PAT) stood at Rs.854.50 Lacs as against Rs.656.74 Lacs in the previous year showing growth of 30%.

DIVIDEND

Your Directors are pleased to recommend the payment of Final Dividend of Re.0.10 per Equity share of Re.1/- each for the year ended 31st March, 2011.

BOARD OF DIRECTORS

In accordance with the Articles of Association of the Company and in view of the provisions of Section 256 of the Companies Act, 1956, Sh. Kailash Kumar and Sh. Praveen Sharma retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer themselves 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.

AUDITORS

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

The Company has received a letter from them to the effect that their reappointment, if made, would be within the limits prescribed u/s 224(1-B) of the Companies Act, 1956 and they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

AUDITORS' REPORT

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

SUBSIDIARY COMPANIES

Your Company has the following Companies as its Subsidiaries:-

- (i) Bhavani Realbuild Pvt. Ltd.
- (ii) Bright Infrabuild Pvt. Ltd.
- (iii) Dawn Developers Pvt. Ltd.
- (iv) Dimension Infrastructure Pvt. Ltd.
- (v) Glory Buildcon Pvt. Ltd.
- (vi) Haryana Infracon Pvt. Ltd.
- (vii) Mehar Builders Pvt. Ltd.
- (viii) Modern Ashiana Builders Pvt. Ltd.
- (ix) Mounthill Builders Pvt. Ltd.
- (x) Rebnoor Infrabuild Pvt. Ltd.
- (xi) Skyhigh Colonizers Pvt. Ltd.
- (xii) SPS Buildcon Ltd.
- (xiii) SRS I-Tech Pvt. Ltd.

- (xii) SRS Manufacturers Pvt. Ltd.
- (xiii) SRS Real Estate Ltd.
- (xiv) SRS Retreat Services Ltd.

A statement pursuant to the provisions of Section 212(1) (e) is annexed herewith forming part of this Report.

With reference to General Circular No: 2/2011 dated 08.02.2011 of Ministry of Corporate Affairs, Board of directors in their meeting held on 18th April, 2011 has given its consent for not annexing the accounts of Subsidiary Companies except for SRS Real Estate Ltd. The annual accounts of SRS Real Estate Ltd. and Consolidated Accounts are attached to the accounts of your Company. The copy of annual reports of Subsidiary Companies will be made available to the Holding and Subsidiary Company's investors on request and will also be kept for inspection by any investor at the Registered Office of your Company and that of the Subsidiary Companies.

CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance is set out separately forming part of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its business is given separately in the Management's Discussion and Analysis Report forming part of this Annual Report.

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, 2011.

PERSONNEL

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

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

Particulars required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are as follows: -

i) Conservation of energy

The main aim of the policies and technologies being adopted by the Company, in execution of its project "SRS Tower", is to keep the embodied energy of the building as low as possible by adopting following techniques:

1. Selecting materials which have low embodied energy and which are more energy efficient.
2. Designing of services which will consume least energy during the operation of the building.
3. Using construction techniques which use less energy during the process of execution.

Besides ensuring low embodied energy through appropriate interventions it is also being ensured that the energy requirements during operation phase are also low.

Details of steps being adopted for Conservation of energy are enumerated below:

a) Selection of materials:

Use of following materials is being encouraged on the project

- Poly Propylene Pipes/PVC pipes are being used for water supply and drainage works in place of traditional Galvanized Iron or Sand Cast Iron pipes.
- Unitized Sub-Stations (USS) are proposed to be used in place of conventional transformers and capacitor banks. The USS is, compact, fully safe and requires less space to get accommodated. It has inbuilt capacitor bank to maintain the power factor above 0.9.
- Using sandwich type rising mains, in place of conventional cable system for power distribution. These rising mains are maintenance free, have very less voltage drop, are easy to install & have more life. They are also very safe as they have no chimney effect; hence provide a better resistance to the spread of fire.
- Using Compact florescent lamp fittings & LED's for the lighting in common/passage areas, offices etc. has helped reduce electricity requirement.
- All elevators have Variable Frequency Drives. These consume about 30% lower energy during operation as compared to single frequency drive machines. The elevators are also designed to act in tandem thus respond faster to the calls.
- Use of dual energy meters log the energy consumption from mains and/or DG sets and also capture data through electronic interface and generate bills automatically. These also send alerts in advance indicating the balance left and requesting for recouping the payments. This reduces man hours spent in collecting this information.
- Rotary Air Cooled Screw Chillers having VFD for Air-conditioning plant have been provided. These chillers adjust the energy requirements when cooling loads vary.
- For all central units which do not have direct access to the outer shell water cooled system of air-conditioning has been provided. This helps in keeping energy requirements to the bare minimum.
- Using broken brick bat coba type water proofing for terrace. This helps in using all broken brick bats and also provides good thermal insulation.
- Using package type of sewage treatment plant. These plants are very easy to install and operate. The waste water generated is odorless and can be recycled for flushing system or Horticulture purposes. The solid waste generated can be used as manure.
- Special high performance glass is being used in the front façade and the windows. This glass has high light transmission but low heat conductivity. This has helped in reducing the overall heat gain of the building thus reducing the requirement of chillers etc.

b) Design elements being adopted or making buildings energy efficient

- The orientation of the building and the glazing is designed to more light penetration and yet prevent ingress of direct heat from sun light.
- Large windows and atrium are provided to allow natural light to penetrate to greater depths in the building thus reducing dependence on artificial lighting.
- Staircases and lifts are so located to allow easy vertical access. Reduction in travel distance and time reduces energy consumption during operational stage of the building.
- Provision for segregated air-conditioning system for common areas and office spaces has been done to reduce energy consumption and also allow targeted cooling of specific areas.
- The entire slab is designed as 'flat slab' to permit easier carrying of services and also permit easy casting and less wastage.

- A terrace garden is proposed to be created to provide for a pleasant view and permit the occupants to enjoy open space without having to leave the building.

ii) Technology absorption

Following modern construction/operation technologies being adopted

- By using ready mixed concrete produced in off site location in the building has helped in reducing noise and dust pollution at site and also reduced wastage of materials. Use of machine made RMC has also permitted use of fly-ash thus saving cement consumption
- The common area lighting is controlled from MCBs to ensure easy control.
- The external lighting system is proposed to be controlled by the timer switches. The time for the ON/OFF of Lights is set to match the setting/rising of Sun.
- Provision for rainwater harvesting is being made to make it a zero discharge building.
- Intelligent building management system is proposed to be installed which will monitor all operative parameters in real time and permit optimization of energy consumption.
- Building is equipped with a state of the art fire detection system which will help pin point the source of fire. It will also have a talk back system and a public address system to ensue easy communication in case of any mishap. This system will be supplemented with an automatic fire suppression system.
- Fiber optic cable is being used in the building to help carry large volume of data.
- A field laboratory has been set up at RMC plant to ensure that the quality of materials being used is conforming to the mandatory requirements and the concrete produced meets design standards.

iii) 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

Your Directors wish to express their gratitude to the Company's Bankers, Stock Exchanges, SEBI, other Regulatory Authorities & business associates and place on record the deep appreciation to our extremely committed team who is bringing alive the company's vision in a remarkable manner. The Directors are deeply thankful to all those associated with the Company for the efforts and cooperation extended.

On behalf of the Board



(Dr. Anil Jindal)
Chairman & Managing Director
DIN : 00005585



(Jitender Kumar Garg)
Whole-Time Director & CFO
DIN : 00088125

Place: Faridabad
Date: 2nd September, 2011

Details of Subsidiary Companies (2010-11)

	(Amount in Rs.)															
	Bright Infrabuild Pvt. Ltd.	Mehar Builders Pvt. Ltd.	Mounthill Builders Pvt. Ltd.	Modern Ashiana Builders Pvt. Ltd.	Haryana Infracon Pvt. Ltd.	Rebnoor Infrabuild Pvt. Ltd.	Skyhigh Colonizers Pvt. Ltd.	Dimension Infrastructure Pvt. Ltd.	SRS Manufacturers Pvt. Ltd.	Bhavani Realbuild Pvt. Ltd.	SPS Buildcon Ltd.	Dawn Developers Pvt. Ltd.	Glory Buildcon Pvt. Ltd.	SRS Retreat Services Ltd.	SRS Real Estate Ltd.	SRS I-Tech Pvt. Ltd.
(a) Capital	100,000	100,000	100,000	100,000	100,000	1,00,000	400,000	100,000	1,429,450	100,000	3,131,200	100,000	100,000	13,192,800	78,816,560	44,222,250
(b) Reserves and Surplus (adjusted for debits balance in Profit & Loss Account where were applicable)	7,748	7,236	6,297	8,144	14,147	9,414	24,682	11,372	31,911,919	6,871	30,275,205	6,869	10,440	137,334,905	964,112,424	113,889,900
(c) Total Assets (except investments) (Fixed Assets + Current Assets)	310,450	3,012,644	9,187,797	34,012,202	25,527,451	13,247,139	104,901,538	3,509,471.97	59,404,526	3,012,365	33,417,835.09	2,811,869	3,065,700	164,119,611.79	4,737,013,647	149,512,903.80
(d) Total Liabilities (Loans + Current Liabilities)	202,702	2,905,408	9,081,500	33,904,058	25,413,304	13,137,725	104,476,856	3,398,100	26,063,157	2,905,494	11,430	2,705,000	2,955,260	13,591,907	3,705,097,901	2,447,002
(e) Details of Investments (except in case of investment in Subsidiaries)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	11,013,238	-
(f) Turnover (Including Other Income)	9,902	32,022	100,084	17,892,570	172,177	20,990,905	175,174	196,271	100,000	37,043	100,291	34,158	35,698	220,404	2,198,839,911	911,193
(g) Profit (Loss) before Taxation	2,149	2,541	1,753	3,850	2,304	3,470	31,975	6,288	19,616	4,823	3,795	2,227	3,536	3,582	15,423,178	14,776
(h) Provision for Taxation	613	793	611	907	720	1,130	12,950	1,938	8,262	1,489	1,954	698	1,103	(13,662)	7,273,477	4,646
(i) Profit (Loss) after Taxation	1,536	1,748	1,142	2,943	1,585	2,340	19,025	4,350	11,353	3,334	1,841	1,529	2,433	17,244	8,149,701	10,130
(j) Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

With reference to General Circular No: 2/2011 dated 08.02.2011 of Ministry of Corporate Affairs: Board of directors in their meeting held on 18th April, 2011 has given its consent for not annexing the accounts of Subsidiary Companies except SRS Real Estate Ltd. Hence, the same are not being attached. However, the annual accounts of the subsidiary companies and the related detailed information will be made available to the members of the holding and subsidiary companies seeking such information at any point of time. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection by any investor in its Head Office and that of the subsidiary companies concerned.

STATEMENT PURSUANT TO SECTION 212 (3) OF THE COMPANIES ACT, 1956, RELATED TO SUBSIDIARY COMPANIES

SL No	PARTICULARS	NAME OF SUBSIDIARY COMPANIES															
		Bright Infrabuild Pvt. Ltd.	Mehar Builders Pvt. Ltd.	Mount Hill Builders Pvt. Ltd.	Modern Ashiana Builders Pvt. Ltd.	Haryana Infraco Pvt. Ltd.	Rebno or Infrabuild Pvt. Ltd.	Skyhigh Colozers Pvt. Ltd.	Dimens ion Infraco Pvt. Ltd.	SRS Manu facturer Pvt. Ltd.	Bhavana Rebuild Pvt. Ltd.	SPS Buildcon Ltd.	Dawn Developers Pvt. Ltd.	Glory Buildcon Pvt. Ltd.	SRS Retreat Services Ltd	SRS Real Estate Ltd	SRS I-TECH Pvt. Ltd.
1	Date from which it became Subsidiary	14.12.2007	14.12.2007	14.12.2007	14.12.2007	14.12.2007	14.12.2007	14.12.2007	14.12.2007	10.09.2009	14.12.2007	17.12.2007	14.12.2007	14.12.2007	28.12.2007	21.01.2008	04.04.2008
2	Financial Year of the Subsidiary ended on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
3	Holding Company's Interest	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,429,450	100,000	3,131,200	100,000	100,000	100,000	13,192,800	78,816,560	44,222,250
4	Extent of Holding (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
5	Net aggregate amount of profits/losses of the Subsidiary for the above financial year of the subsidiary so far as they concern Members of company:	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	a) dealt with in the account of the company for the year ended 31st March, 2011	1536	1748	1142	2943	1584.6	2340.21	19024.65	4350.15	11353.28	3334	1841	1529	2433	17244.06	8149701.2236	10130.22
	b) not dealt with in the accounts of the company for the year ended 31st March, 2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6	Net aggregate amount of profits/losses for previous financial years of the Subsidiary Since it became Subsidiary so far as they concern Members of company:	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	N.A.
	a) dealt with in the account of the company for the year ended 31st March, 2010	6211	5488	5155	5201	12562	7074	5657	7022	3537	14564	5340	8007	225461	55322282	713015	-11055478
	b) not dealt with in the accounts of the company for the year ended 31st March, 2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

CORPORATE GOVERNANCE PHILOSOPHY

The Company's philosophy is to conduct business at highest ethical standards and is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it, not only in form but also in spirit, thereby paving the way for its long term success. It strives to find innovative and productive ways to bring optimum return for all its stakeholders i.e. Investors/Shareholders, Customers, Associates and Society.

Corporate Governance is a tool that ensures adoption of innovative approaches and practices that are essential to achieve long term Corporate Goals; for building trust and long term relationship with shareholders, employees, customers, suppliers and associates and to enhance Stakeholders value.

The Company respects and strives hard to meet the objectives of good corporate governance and for the same; it has established systems and procedures to guarantee that its Board of Directors is well-informed & well-equipped to fulfill its overall responsibilities and to provide the management with the strategic direction needed to take the Company forward.

BOARD OF DIRECTORS

Composition

Presently, the Board consists of 10 Directors. Apart from the Chairman, who is an executive Director, the Board comprises of Two Whole-Time Directors, Two Non- Executive Directors and Five Independent Directors. The composition of the Board meets the requirement of Clause 49 of the Listing Agreement, which stipulates that 50 percent of the Board should comprise of Independent Directors if the Chairman is executive.

The Board has been constituted in such a way that it has understanding and competence to deal with current business issues and also ensuring Directors commitment to participate in the affairs of the business of the Company. The Company's policy did not prescribe any term limit for Directors as this has the disadvantage of losing valuable contribution of Directors who over the years had developed insight into the Company and its affairs.

Meetings and deliberations

During the year 2010-11, Thirty Three (33) Board Meetings were held on 1st April, 2010; 2nd April, 2010; 14th April, 2010; 30th April, 2010; 4th May, 2010; 14th May, 2010; 24th May, 2010; 11th June, 2010; 16th June, 2010; 22nd July, 2010; 10th August, 2010; 14th August, 2010; 20th August, 2010; 28th August, 2010; 1st September, 2010; 6th September, 2010; 14th September, 2010; 24th September, 2010; 7th October, 2010; 15th October, 2010; 4th November, 2010; 12th November, 2010; 15th November, 2010; 22nd November, 2010; 4th December, 2010; 10th December, 2010; 15th December, 2010; 17th January, 2011; 27th January, 2011; 14th February, 2011, 3rd March, 2011, 21st March, 2011 and 30th March, 2011. The gap between any two meetings did not exceed four months.

The composition of Directors, their attendance at the Board Meetings during the year and at the last AGM, particulars of their other Company Directorships and Committee Chairmanship/Membership are given below: -

Name of Director	Category	No. of Board Meetings Attended during the year	Attendance at last AGM held on 29th September, 2010	Directorships in other Companies#	Memberships of committees of other Companies ##	Chairmanship of committees of other Companies ##
Dr. Anil Jindal (Chairman & Managing Director)	Executive	33	Yes	6	1	-
Sh. Jitender Kumar Garg (Whole-Time Director & CFO)	Executive	33	Yes	4	1	1
Sh. Bishan Bansal (Whole-Time Director)	Executive	33	Yes	11	-	-
Sh. Rajesh Singla	Non-Executive	32	Yes	6	-	-
Sh. Nanak Chand Tayal	Non-Executive	32	Yes	7	-	-
Sh. Kailash Kumar	Independent	21	Yes	1	1	-
Sh. Praveen Sharma	Independent	19	Yes	2	1	-
Sh. Mahender Kumar Goyal	Independent	18	Yes	1	-	-
Sh. Shiv Mohan Gupta	Independent	21	Yes	1	-	1
Sh. Praveen Gupta	Independent	18	Yes	1	-	-

Excluding Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships.

Includes only Audit Committee and Shareholders' / Investors' Grievance Committee.

None of the Directors is a member of the Board of more than (15) Fifteen Companies in terms of Section 275 of the Companies Act, 1956, and a member of more than (10) Ten Board-level Committees or a Chairman of more than (5) Five such committees, as required under Clause 49 of the Listing Agreement.

In terms of good Corporate Governance, all statutory and other significant & material information is placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as a trustee of Shareholders.

Directors' Remuneration

The remuneration paid to the Executive Directors after recommendation & approval by the Remuneration Committee is approved by the Board of Directors, subject to the subsequent approvals by the shareholders at the general meeting and such other authorities, as the case may be.

The remuneration structure comprises of Basic Salary, House Rent Allowance, Conveyance Allowance and other allowances & perquisites including Contribution to Provident Fund and other Statutory Benefits. 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 2010-11 are as under: -

Sh. Bishan Bansal	Whole-Time Director	Rs.6, 82,416/-
Sh. Jitender Kumar Garg	Whole-Time Director	Rs.6, 82,416/-

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 Directors as on 31st March, 2011

Sh. Nanak Chand Tayal	881000
Sh. Rajesh Singla	838000
Sh. Kailash Kumar	Nil
Sh. Praveen Sharma	Nil
Sh. Praveen Gupta	20
Sh. Shiv Mohan Gupta	20, 000 (in his own name)
	20,000 (As Karta of Shiv Mohan Gupta & Sons (HUF))
Sh. Mahender Kumar Goyal	Nil

COMMITTEES OF DIRECTORS

Audit Committee

Presently, the Audit Committee comprises of the following Directors:-

Sh. Praveen Sharma	-	Chairman
Sh. Kailash Kumar	-	Member
Sh. Shiv Mohan Gupta	-	Member

Ms. Shweta Marwah, Company Secretary acts as the Secretary of the Committee.

Meetings and Attendance

During the year 2010-11, Six (6) Meetings of the Audit Committee were held on 14th May, 2010, 22nd July, 2010, 14th August, 2010, 1st September, 2010, 12th November, 2010 and 14th February, 2011.

Member	Category	Meetings Attended
Sh. Praveen Sharma (Chairman)	Independent	6
Sh. Kailash Kumar	Independent	6
Sh. Shiv Mohan Gupta	Independent	5

In addition to the members of the Audit Committee, these meetings were attended by CFO & Statutory Auditors of the Company and those executives of the Company who were considered necessary for providing inputs to the Committee as invitees.

Ms. Shweta Marwah, Company Secretary acts as Secretary to the Committee.

The terms of reference and the powers of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The terms of reference are briefly described below:-

1. To ensure that financial statements are correct, sufficient and credible and comply with Accounting Standards issued by ICAI.

2. Recommend the appointment, re-appointment and if required, replacement or removal of Statutory Auditors, fixation of audit fees and approving payment for any other services.
3. Review with management, the annual and quarterly financial statements before submission to the Board.
4. To hold discussions with Internal Auditors & External Auditors.
5. To review financial and risk management policies.
6. To review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions;
 - Management letters / letters of internal control weakness issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and remuneration of Chief Internal Auditor; and
 - The financial statements, in particular, the investments made by unlisted subsidiary companies.

And in the process, the Audit Committee is empowered to investigate any activity within its terms of reference; seeking information from any employee; obtain advice from outside legal professionals and to secure attendance of outsiders with relevant expertise, wherever considered.

Investor's Grievance & Share Transfer Committee

Presently, the Investors' Grievance & Share Transfer Committee comprises of following Directors:-

Sh. Rajesh Singla	-	Chairman
Sh. Nanak Chand Tayal	-	Member
Sh. Jitender Kumar Garg	-	Member

Ms. Shweta Marwah, Company Secretary acts as the Secretary to the Committee.

Investors' Grievance & Share Transfer Committee specifically looks into redressing of shareholders' and investors' complaints/grievances and all the work pertaining to share transfers, non receipt of annual reports, dividend payments, issue of duplicate certificates, dematerialization of shares, transmission(with or without legal representation) of shares. The Committee oversees and review performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services.

During the year Five (5) meetings of the Committee were held on 20th August, 2010; 15th September, 2010; 7th December, 2010; 25th February, 2011 and 15th March, 2011

Name of Director	Designation	No. of meetings attended
Sh. Rajesh Singla	Chairman	5
Sh. Nanak Chand Tayal	Member	5
Sh. Jitender Kumar Garg	Member	5

During the year 2010-11, no complaint was received from shareholders/investors and no complaint was pending at the beginning or end of the year.

Remuneration Committee

The Remuneration Committee as on 31st March, 2011 comprises of: -

Sh. Mahender Kumar Goyal	-	Chairman
Sh. Praveen Gupta	-	Member
Sh. Praveen Sharma	-	Member

During the year One Committee meeting was held on 1st September, 2010 and was attended by all the members.

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under

Year	Venue	Day/Date	Time
2009-10	"SRS Banquet" Near SRS Multiplex, City Centre, Sector-12, Faridabad-121007	Wednesday/29.09.2010	1.00 P.M.
2008-09	Deputy Speaker Hall "Bharatiyam" Constitution Club, Vithalbhai Patel House, Rafi Marg, Behind RBI New Delhi – 110001	Saturday/08.08.2009	11.30 A.M.
2007-08	Regent Hall Hotel Connaught, 37, Shaheed Bhagat Singh Marg, Connaught Place, New Delhi - 110001	Tuesday/30.09.2008	11.30 A.M.

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 Resolutions passed at the previous Annual General Meetings held in past 3 years.

AGM held on	Whether Special Resolution passed	Summary of Special Resolution
20th Annual General Meeting held on 29.09.2010	No	-
19th Annual General Meeting held on 08.08.2009	Yes	Commencement of business mentioned in Other Objects of Memorandum of Association 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
18th Annual General Meeting held on 30.09.2008	Yes	Listing of Securities of the Company at Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) De-listing of securities of the Company from Jaipur Stock Exchange Ltd. (JSE) and Ahmedabad Stock Exchange Ltd. (ASE)

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

Year	Venue	Day/Date	Time
2010-11	Nil	Nil	Nil
2009-10	202, 27 New Delhi House Barakhamba Road, Connaught Place, New Delhi-110001	Monday/14.09.2009	10.30 A.M
2009-10	202, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi-110001	Monday/30.11.2009	11.30 A.M
2009-10	202, 27 New Delhi House Barakhamba Road, Connaught Place, New Delhi	Saturday/13.02.2010	11.30 A.M
2008-09	202, 27 New Delhi House Barakhamba Road, Connaught Place, New Delhi	Thursday/05.02.2009	11.30 A.M

During the year no special resolution was passed through Postal Ballot.

CODE OF CONDUCT

Code of Business Conduct & Ethics

As the Code of Conduct is an important element of Clause 49, your Company has adopted a Code of Conduct for Board of Directors and Senior Management Personnel of the Company. The Company has obtained declarations from all its Directors and Senior Management Personnel affirming their compliance with the applicable code of conduct for the financial year ended 31st March, 2011. The declaration to this effect signed by the Chairman & Managing Director and CEO/CFO of the Company forms part of this report as Annexure - A.

The Code of Conduct of the Company has been hosted 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. 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.

DETAILS OF NON-COMPLIANCE BY THE COMPANY

SRS Real Infrastructure Ltd. has complied with all the requirements of regulatory authorities. No penalties were imposed on the company by stock exchanges or SEBI or any other statutory authority in any manner related to capital market during the last three years.

DISCLOSURES

- a) There have been no materially significant related party transactions, pecuniary transactions or relationship between the Company and its Directors for the year ended 31st March, 2011 that may have a potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note No. 13 of Schedule 22 to the Annual Accounts.
- b) For the year under review, all Directors & Senior Management Personnel of the Company have confirmed their adherence to the provisions of the Code of Conduct applicable to them.
- c) The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India and, to the best of its knowledge; there are no deviations in the accounting treatments which require specific disclosure.
- d) The Company has complied with the all mandatory requirements of Clause 49 of Listing Agreement as applicable.
- e) The non-mandatory requirements are not being complied with for the time being.

SECRETARIAL AUDIT

A qualified Practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL); Central Depository Services (India) Limited (CDSL) and the total Issued & 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.

MEANS OF COMMUNICATION

The quarterly/half yearly and annual financial results of the company are generally published in "The Pioneer/Economics Times" in English and "Haribhoomi/Economics Times" in Hindi for the information of all the Shareholders. Moreover, the quarterly/half yearly and annual results are also displayed at the Group's website 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.

GENERAL SHAREHOLDER INFORMATION

21st Annual General Meeting

- Day & Date	Friday, 30 th September, 2011
- Time	1.00 P.M.
- Venue	SRS Banquet, Near SRS Multiplex, City Centre, Sector-12, Faridabad

Financial Calendar, 2010

First Quarter Results	Second week of August, 2010
Second Quarter & Half Yearly Results	Second week of November, 2010
Third Quarter Results	Third week of February, 2011
Fourth Quarter Results	Second week of May, 2011

Financial Year

1st April to 31st March

Book Closure

25th September, 2011 to 30th September, 2011
(Both days inclusive)

Listing

At present, the equity shares of the company are listed at:-

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001
Ph. No. -022-22721233-34
Fax No. - 022-22722082-3132
Website. - www.bseindia.com

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

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

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

COMPANY'S STOCK EXCHANGE CODES

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Ltd.	533305

Stock Market Data

Monthly High and Low of our share price at BSE Sensex is given below:-

*HIGH, LOWS AND VOLUMES OF COMPANY'S SHARES FOR 2010-2011 AT BSE			
	High	Low	Volume
January	50	27.6	7,86,926
February	40.25	37	71,34,991
March	47.75	39.6	1,55,78,646

*Trading of shares of the Company at BSE commenced on 25th January, 2011

ISIN for NSDL & CDSL

INE 953I01023

Registrar and Transfer Agents

BEETAL FINANCIAL &
COMPUTER SERVICES (P) LTD.
BEETAL HOUSE, 3rd Floor,
99, Madangir, Behind Local Shopping Centre,
New Delhi – 110062
Ph. # 011-29961281 (6 lines)
Fax # 011-29961284

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

Dematerialization of Shares

As on 31st March, 2011

19, 82, 85,650 shares equivalent to 98.64%

Distribution of shareholding

Shareholding of Nominal Value (Rs.)	No. of Shareholders	%	No. of Shares	%
Up to 5000	758	76.10	4, 99,473	0.2485
5001 to 10000	35	3.51	3, 02,239	0.1504
10001 to 20000	33	3.31	5, 89,087	0.2931
20001 to 30000	7	0.70	1, 85,339	0.0922
30001 to 40000	13	1.31	4, 65,950	0.2318
40001 to 50000	5	0.50	2, 34,000	0.1164
50001 to 100000	15	1.51	11, 29,787	0.5620
100001 and above	130	13.06	19, 76, 10,125	98.3057
TOTAL	996	100.00	20,10,16,000	100.00

Request to Investors

- Investors are requested to communicate change of address, if any, directly to the Registrar and Share Transfer Agent of the Company.
- Investors holding shares in electronic form are requested to deal only with their respective depository participant for change of address, nomination facility, bank account number etc.
- All requests and other communications/correspondence should be sent at the Company's Registered Office at: -

Ms. Shweta Marwah
Company Secretary
SRS Real Infrastructure Limited
SRS Multiplex, Top Floor,
City Centre, Sector-12,
Faridabad, Haryana-121007
Ph: - 0129-4282832
Fax: - 0129-4036560
Email:shwetamarwah@srsparivar.com

On behalf of the Board



(Dr. Anil Jindal)
Chairman & Managing Director
DIN : 00005585



(Jitender Kumar Garg)
Whole-Time Director & CFO
DIN : 00088125

Place: Faridabad
Date: 2nd September, 2011

AUDITORS CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE.

To the Members of
SRS Real Infrastructure Ltd.

We have examined the Compliance of Corporate Governance by SRS Real Infrastructure Ltd.(the Company) for the year ended 31st March, 2011 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".

Naresh Goyal
(Partner)

Membership No.501487

Place: Faridabad
Date: 2nd September, 2011

**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 personnel of the company.

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

Place: Faridabad
Date: 2nd September, 2011



(Dr. Anil Jindal)
Chairman & Managing Director

Annexure-A

CERTIFICATIONS BY CMD & CFO OF THE COMPANY

We, Anil Jindal, Chairman & Managing Director and Jitender Kumar Garg, Whole-time Director & CFO, of 'SRS Real Infrastructure 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.



(Dr. Anil Jindal)
Chairman & Managing Director



(Jitender Kumar Garg)
Whole-Time Director & CFO

Place: Faridabad
Date: 2nd September, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

SECTORAL OVERVIEW

Real Estate & Construction industry is of prime importance in our country and its economy. Construction has accounted for around 40 per cent of the development investment during the past 50 years, with about 16 per cent of the nation's working population depending upon it. The Indian construction industry employs over 3 Crore people and creates assets worth over ₹20,000 Crore, contributing over 5 per cent to the nation's GDP and 78 per cent to the gross capital formation.

With such a strong role and contribution, it is good to see the real estate sector stabilize quite well, after witnessing the turmoil that started 2-3 years back. The industry matured up significantly, learnt well from its mistakes and became leaner in structure. The focus of the industry now stands much clear, and this coupled with its new found internal strength place it appropriately to leverage the growth opportunities.

The real estate market has managed to withstand the pressures of economic downturn and witnessed a revival that began in late 2009. Economic expansion, leading to head count increases, paved way for substantial spatial expansion by corporates across all the major cities. Economic recovery also resulted into residential investment and increase in retail sales. This enhanced absorption levels across the country, thereby putting a halt to the downward movement of demand. Investors came back into the market, looking at attractive valuations and returns, generating activity in the office, residential and land market.

Consequently, the industry valuations, investments and FDI are on the rise. All of the top metropolitan cities of the country especially Mumbai, Delhi, Chennai, Kolkata, Bengaluru, Hyderabad, Pune witnessed strong increment in demand levels, along with the escalating pressures on the supply side of the industry. Leasing activity in the prime retail market has also remained positive on the back of strengthening consumer sentiments and the growth in retail sales.

But along with these favorable long-term trends, the current scenario has brought in some reasons for worry as well. Interest rates are rising, making loans expensive for both builders and buyers. Secondly, the uncertainty in the US economy, coupled with a shaky Greece and Portugal, are creating a sense of discomfort in India as well, making the overall investment atmosphere a little damp.

The need of the hour is to run a tight ship. Players who manage to do that can be certain of long-term profitability and growth.

BUSINESS OVERVIEW

The past year has been quite remarkable for your Company. Key highlights included the listing of the Company's shares at the Bombay Stock Exchange, acceleration of work on its projects, new launches as well as possession to its customers, clearly the hallmark of a Company that is on the upswing.

Developments such as these continued to reinforce SRS Real Infrastructure Limited's image as one of the most renowned and trusted developer in Delhi-NCR, an image further enhanced this time again with the successful execution and completion of projects within their time frames. The Company has carved a niche in the real estate sector through quality construction and persistently offering "Creation, not just Construction".

Right since inception, the Company has focused on conceptualising projects in areas that are witnessing a sharp demand for quality spaces. It is because of this focus that the Company has been successful in staying away from the volatile speculators' market, and instead dynamically serves the needs of the people and Corporates. It also chose to broad base its operations into Tier II and III cities to tap the demand of the region, and bring in greater business stability into the system.

Driven by a mature and dynamic vision, it has focused strongly to deliver on benchmarked quality levels and meet its timelines. The Company's operations are built on strong technical and financial foundations and are ISO 9001:2000 certified.

What makes the Company's operations very promising and virtually assures it of a long term growth potential are its strategic location and the current scenario. Most of its projects are in the NCR or locations very close to the NCR, a region which is clocking a very high growth rate and witnessing a strong market boom. Apart from the economic growth of the region, it is seeing large scale development on the infrastructure front with several roads, flyovers and other such projects being executed.

Similarly, the housing space is also in huge demand in the NCR, making it the real estate hotbed. The demand surge in this segment is also driven by the high immigration level that is characteristic of the region. In addition to this, several industries are shifting over here, cases in point being the automobile industry, wherein leading players such as Honda and Toyota are setting up their facilities. This calls for a huge set-up in terms of road, residential, commercial and industrial projects.

Your Company is very well positioned to benefit from these developments and is assuming a larger and more prominent role across various activities pertaining to the real estate industry. What makes it even better is the fact that this enabling environment is expected to continue in the foreseeable future for a fairly long duration of time, thereby throwing up opportunities for growth.

Construction Activities: Housing and Commercial Segment

Your Company's launches in the residential segment comprised a well-balanced product mix of affordable housing category, independent floors, group housing, farm houses and more. At present, your Company is actively engaged in a series of projects that are at various stages of development. The key projects under pipeline in housing segment are summarized as follows:

1. Two (2) Group Housing projects at Sector-26, Rewari, spread over an area of approx. 12.64 acres.
2. Two (2) Group Housings at Sec-87, Faridabad in an area of approx. 48.2 acres.
3. Group Housing at Sec-88, Faridabad in an area of approx. 31.7985 acres.
4. Group Housing at Sec-8 Palwal in an area of approx. 15.165 acres.
5. Township and Group Housing at Sec-6 Palwal in an area of approx. 69.13125 acres.
6. Group Housing at Sec.-5, Palwal in an area of approx. 5.518 acres.
7. SRS Retreat Farms at Greater Faridabad in an area of approx. 72.8576 acres.

Possession under First Phase at 'SRS Residency', Sector-88, Faridabad has been completed. Further, construction of 'SRS Pearl Heights' and 'SRS Royal Hills' at Sector-87, Faridabad is in full swing.

Apart from the housing segment, your Company is also present in the creation of spaces in the premium commercial and hospitality sectors. With this, it offers a holistic portfolio, making it amongst the best players in the industry. The key projects under pipeline in commercial segment are summarized as follows:

1. A Five Star Hotel: To be built over an area of 14.82 acres, which is set to be one of the biggest five star hotel of the country with a special feature of helipad. This feature not only makes it unique but also allows it to address the needs of the corporate clientele and the affluent traveller.
2. SRS Tower: a modern complex comprising of IT Units in an area of 1.625 acres.
3. IT Park: A 5.44 acre IT Park at G T Road Faridabad to meet the rising demands of the IT Industry in the NCR territory.
4. IT Unit: A .84 acre project at a prime location at Plot No.1, Sector – 27A, G T Road, Faridabad.
5. Motels: Two motels spread across an area of 5.1625 acres.
6. Three (3) Star Hotel at G. T. Road, Faridabad in an area of 3.14375 acres.

In addition to this, your Company has got SRS Tower completion certificate.

Trading Activities

The scale, variety and spread of construction activity offer significant opportunities in trading activities. Your Company was quick to spot the potential of these rewarding opportunities and exploited them by way of a large trading activity network. The company's years of experience and strong understanding of the business intricacies went a long way in making this a promising stream.

The Company's trading operations span across two broad categories: trading of construction-linked and component manufacturing material and Ready Mix Concrete (RMC).

Building Material Trading

Construction and Infrastructural activities are taking place at a rapid pace in the NCR. Multiple infrastructural projects such as roadways, toll highways and flyovers are being constructed. In addition to this the housing segment has seen a very strong revival in the face of higher immigration of people for professional and personal reasons, as well as from increased demand from the region itself.

The result? Hectic construction activity being undertaken by the developers as well as by individuals. To feed the huge demand for raw materials arising from this, your Company is actively involved in the trading of key construction-linked material such as cement, steel, glass, tiles, fittings and other such products.

- ❑ **Steel:** The Company sells long products such as TMT bars to developers of housing and commercial projects, retailers as well as to the end users. Apart from this, it also provides customized beams, columns, rings, nets (jaal) to suit the exact requirements of the users. Your Company has arrangements with companies such as Rathi Steel, Amba TMT, SAIL and Tata TMT to source the top rated products.
- ❑ **Cement:** The Company has the agencies of J K Lakshmi Cement Ltd., Bangur Cement Ltd. and Shriram Cement Ltd. and provides top quality cement to developers, retailers and end-users. The Company also deals in Glass wherein it trades in products from Asahi Glass, Saint Gobain and Modi Float. Similarly it deals in products such as tiles, bathroom fittings, aluminium fixtures and several other accessories used in the housing and industrial buildings. Further, it also deals in chemicals that go in to the production of RMC.
- ❑ **Pig Iron:** SRS Real Infrastructure Ltd. has a strong set up to manage this segment as pig iron plays a huge role in the manufacturing value chain. It sources quality material from reputed brands and supplies it to industrial units who use it to manufacture CI castings and auto parts, cold-rolled coils and sheets, hot-rolled coils and sheets as well as MS billets and ingots.

Your Company sources its supply of pig iron from reputed manufacturers such as SAIL - Bokaro Steel Plant, Tata Steel Ltd., Satwana Ispat Ltd., Visa Steel Ltd. and Jayaswals Nico Ltd. among others. This purchase is done directly as well as through the distributors and agents of the respective companies. Thereafter, it is supplied directly to end users that include industrial units and component manufacturers of CI castings, CI auto parts, sheet metal components and MS TMT bars. These manufacturers in turn supply the finished products to other industries including the automobile industry where the supplies are made to auto majors like Maruti Suzuki, Honda, Toyota and Hero Honda.

The Company's set up on the Pig Iron front is established at Jalandhar, to cover the Punjab market; at Faridabad to cover the Haryana market and has recently been set-up at Bhiwadi to target the Rajasthan market. In Jalandhar, the Company operates in its own name whereas in Faridabad, for the purpose of operational convenience, it has set up a unit by the name of Kartikay Steel Corporation, a fully owned unit of SRS Real Infrastructure Limited.

Ready Mix Concrete (RMC)

With the entire NCR region in the grip of an intensive developmental activity with multiple projects running simultaneously, there is a huge demand for RMC. RMC is a key ingredient in any large scale construction project as its strategic importance lies in its ability to aid faster and quality construction. Your Company identified it as a profitable business opportunity and set-up a modern RMC plant at Sector 87, Faridabad to meet the increasing demand for this product.

This plant integrates some of the latest technologies and is fully computerized. It is one of the select RMC plants in the area that produces a high volume of consistent quality RMC. In terms of operations, your Company purchases the raw material for the RMC from cement manufacturers, fly ash suppliers, chemical units as well as stone dust, aggregate and other ingredient suppliers. After proper checks, these input materials go into a computerized manufacturing process to ensure the production of the best quality RMC.

The RMC plant is configured to enable mixing as per the requirements of the users and as per the engineering benchmarks pertaining to the strength requirements. The produce is then checked to ensure that it completely meets all the due specifications. The Company currently supplies RMC for use in major projects such as flyovers, roads, housing societies, commercial complexes etc.

As a result of the high quality of production and dependability, the sales of the Company's RMC is going up continuously - in the process, it is also building up the imagery and reputation of your Company.

Its strong trading operations have enabled the company to mark its presence across a wide spectrum of the real estate and construction industry. By leveraging its expertise, experience and wide presence, your company is effectively exploiting multiple growth opportunities, building up scale as well as its reputation in the process.

PERFORMANCE OVERVIEW

As the result of such strong planning, your company has reported impressive results. During the year under review, your Company has shown tremendous growth of 76% by achieving the Gross Sales and other Income at Rs.54555.92 Lacs as against Rs.31053.33 Lacs in the previous year. The Net Profit after Tax (PAT) stood at Rs.854.50 Lacs as against Rs.656.74 Lacs in the previous year showing growth of 30%.

The mix of construction and trading activities gives your Company a reliable business model that leverages its core strengths, capacity and expertise. This combination is resulting into not only higher sales and profits for your Company but also helps enhancing its reputation and visibility in the marketplace. In the backdrop of this, your Company is confident of continuing its growth momentum in the times to come.

OPPORTUNITIES

Integrated Townships

Faridabad city is ready to reap a rich harvest for those having the capacity to invest and develop large tracts of land and put in the physical and social infrastructure. Integrated Townships are nothing but self-contained mini cities. The Township model provides a win-win combination to the Developers as well as Customer. The Developer can buy the land in bulk and the mini city structure of the township model provides one-stop solution to all the needs of the Customer because of availability of school, hospital, resorts, cafes, multiplexes, shopping centers, transportation service in the same campus.

Tier II and III Cities

These cities today offer an unmatched business opportunity as economic prosperity percolates from metros and big cities to these cities. The business advantages offered by Tier II and III cities include the low cost of land and increasing demand for organized realty. Apart from this, the consumer base here tends

to rely less on loans and more on self-financing, which insulates the business to an extent from the vagaries of increasing interest rates. Further, such cities and towns offer a stable business environment due to lack of volatility of tier I cities, and the keenness of the city administration to bring in rapid development.

MIG and Affordable Housing

Indian Economy has witnessed tremendous growth in the recent years and the biggest beneficiary of such rapid increase in per capita income is the middle income group. The increased share in the Indian income pyramid of the middle class and favorable demographics resulted into rising demand for MIG housing. The higher rate of urbanization is also increasing the demand for MIG housing. The Government is also boosting MIG Housing concept by providing interest rate subsidy and other forms of incentives. From the Developer's point of view, after the economic slowdown, Developers shifted their focus to these newly risen middle income groups and started concentrating on MIG housing as a safe and sound business opportunity.

Educational Campuses

The recent economic slowdown has prompted the developers to explore newer opportunities for business models. One such opportunity is construction of schools and other educational campuses. With the advancement of e-learning, the state-of-the-art educational campus is the need of the hour. Developers can enter in to the strategic tie-ups with the educational institutions which are proposing to set up their facilities in Delhi-NCR and reap the benefits of this unconventional type of business opportunity.

Health Care Centers

To attain the double digit growth in GDP, the service sector needs to outperform and health care services is one of the most prominent among them. Ever rising population necessitates the availability of present-day medical facilities. Many of the existing hospitals and trauma centers have announced their expansion plans. The developer can provide customized solutions for state-of-the-art hospitals and health care centers.

RISKS AND CONCERNS

Soaring Inflation and hardening of Interest Rates: Inflation, the most discussed topic in recent times, is reaching new highs with every month passing by. In order to put check on soaring inflation, Reserve Bank of India has hiked the rates almost 11 times in the past 18 months, and there is reason to believe that the possibility of any rate hike is high. Due to such aggressive stance of RBI, the Banks have to increase the lending rates, thereby making the home loans expensive for buyers and funding expensive to builders.

Rising costs of raw materials and labour: The persistent rise in the global prices of oil and petroleum products are giving contagion effects in the prices of other raw material items as well. Further, the labour cost has also increased multifold in recent times. Thus, making the prices of residential and commercial properties dearer.

Demand Supply Factors: The scarcity of land and increase in demand for residential and commercial properties leads to escalation in land prices. This is likely to have an adverse impact on operations.

Delay in getting statutory approvals: The construction of any project requires multifold approvals from statutory authorities, like Environmental Clearances, Building sanctions, Municipal Corporation approvals, Town Planning Department etc to name a few. Further, the bureaucratic approach of the statutory authorities further delays the approval process. Therefore, the Developer is left with no choice but to pass on the extra burden of these delays on to the Customers, thus increasing the prices of the residential and commercial properties. If the Government and statutory authorities provide a single window clearance for the construction activity, the cost associated with the delays could be saved which can be passed on to the Customers.

Borrowing Cost: The real estate industry is suffering from the dual problem of increasing borrowing costs as well as shrinking access to credit. The rising interest rates are acting as a double-edged sword for the real estate developers. On one side, the borrowing cost is rising rapidly and on other side, the volume of sales is also seeing a decline due to higher interest costs.

Land Acquisition Problems: Acquisition of clear titled land is the most intricate task for the real estate developers. The litigation issues associated with lands makes all the more difficult for the developers to acquire land at reasonable cost.

General Economic Risks: Real estate industry is the most vulnerable industry in times of slowdown and recession. Without any change in the fundamentals of the Company, the revenue may shrink due to the general economic slowdown.

HUMAN RESOURCES

We continue to believe that our employees are key contributors to our success. The Group's endeavor to impart the best training, working environment for retaining the best talents in the industry remains unabated. Our workforce consists of (i) permanent employees, (ii) consultants who are engaged by us on a contractual basis to assist in the architectural and structural design of our projects and (iii) contractors who are engaged by us on a contractual basis and who employ labourers to work at our project sites. The Company recruits and retains the best available talent from the industry.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

The Company has well defined and adequate internal control systems to ensure that all the assets are safeguarded as well as are more productive. These internal controls are supplemented by periodic audits with management reports which are reviewed by our Audit Committee.

We have a qualified and independent Audit Committee which comprises of our Board of Directors. The Audit Committee reviews the adequacy and efficiency of internal controls and recommends any improvements or corrections. These internal controls ensure efficiency in operations, compliance with the internal policies of the Company, applicable laws and regulations, protection of resources and the accurate reporting of financial transactions.

CAUTIONARY STATEMENT

Certain statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors.

On behalf of the Board



(Dr. Anil Jindal)
Chairman & Managing Director
DIN-00005585



(Jitender Kumar Garg)
Whole-Time Director
DIN-00088125

Place: Faridabad
Date: 02.09.2011

AUDITORS' REPORT

To,
The Members of
SRS REAL INFRASTRUCTURE LIMITED,
FARIDABAD

1. We have audited the attached Balance Sheet of **SRS REAL INFRASTRUCTURE LIMITED** ('the Company') as at 31st March 2011, 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 accounts 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 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956; and
 - (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 the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (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)
M. No.501487

Place: Faridabad
Date: 02.09.2011

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) There was no disposal of fixed assets during the year.
- 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) The company has granted Loans & Advances to 9 companies covered in the register maintained under section 301 of the Companies Act, 1956. Maximum amount involved during the year was Rs. 1,558 lacs and the year-end balance of loans given to such parties was Rs. 1,372 lacs.
(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 repayment of the principal amount of loan given and interest has been regular.
(d) There is no overdue amount in excess of rupees one lakh in respect of loans of the aforesaid parties listed in the register maintained under section 301 of the Companies Act, 1956.
(e) The Company has taken Loans & Advances from 5 companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 5,008 lacs and the year-end balance of loans taken from such parties was Rs. 1642 lacs.
(f) The repayment of the principal amount of loan taken and interest has been regular.
(g) 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.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- 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 explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 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.

(b) According to the information and explanations given to us, no 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, 2011 for a period of more than six months from the date they become payable.

(c) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- x. The company has no accumulated losses as at 31st March, 2011 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. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv. As per the information and explanations given to us, the Company has given corporate guarantee for loan taken from Banks by its Subsidiary Company. In our opinion, the terms and conditions of such guarantee are not prejudicial to the interest of the Company.

- xvi. To the best of our information and knowledge and as per records verified by us, the Company has applied its term loans for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of Clause 4(xviii) of the Order are not applicable to 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)
M. No.501487

Place: Faridabad
Date: 02.09.2011

BALANCE SHEET AS AT 31.03.2011*SRS Real Infrastructure Ltd.***(Amount in Rs.)**

PARTICULARS	SCH.	As At		As At
		31.03.2011		31.03.2010
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	1	201,016,000		201,016,000
Reserves & Surplus	2	1,866,893,220	2,067,909,220	1,804,883,612
				2,005,899,612
Loan Funds				
Secured Loans	3	1,069,174,769		664,266,583
Unsecured Loans	4	411,400,425	1,480,575,194	455,318,387
				1,119,584,970
Deferred Tax Liability (Net)			3,399,028	1,167,390
			3,551,883,442	3,126,651,972
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	5	111,539,958		45,001,160
Less: Depreciation		7,337,406		2,235,784
Net Block		104,202,552		42,765,376
Capital Work in Progress		745,405,815	849,608,367	617,979,472
				660,744,848
Investments	6		1,382,722,107	1,367,227,700
Current Assets, Loans & Advances				
Inventories	7	812,920,255		694,593,415
Sundry Debtors	8	1,014,555,360		604,632,947
Cash and Bank Balances	9	96,756,751		56,939,261
Loans & Advances	10	303,106,065		346,662,962
Other Current Assets	11	6,297,200		3,047,127
		2,233,635,631		1,705,875,712
Less : Current Liabilities & Provisions				
Liabilities	12	877,589,571		591,319,788
Provisions	13	36,493,092		15,876,500
		914,082,663		607,196,288
Net Current Assets			1,319,552,968	1,098,679,424
			3,551,883,442	3,126,651,972
Significant Accounting Policies & Notes to Accounts	22			

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

As per our report of even date attached

For **Naresh Jai & Associates**

Chartered Accountants
Firm Regn. No. 019082N

CA Naresh Goyal
(Partner)
M. No.501487



Place: Faridabad
Date: 02.09.2011

For and on behalf of the Board

Dr. Anil Jindal
(Chairman & Managing Director)
DIN-00005585

Jitender Kumar Garg
(Whole-Time Director)
DIN-00088125

Shweta Marwah
(Company Secretary)
M.No.18730

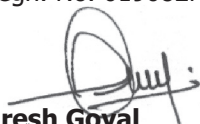

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011*SRS Real Infrastructure Ltd.***(Amount in Rs.)**

PARTICULARS	SCH.	As At 31.03.2011	As At 31.03.2010
Incomes			
Operating Income	14	5,442,352,435	3,094,734,039
Other Income	15	13,240,564	10,599,457
Increase/ (Decrease) of Inventories	16	(22,111,307)	75,479,995
		<u>5,433,481,692</u>	<u>3,180,813,491</u>
Expenditure			
Operational Expenses	17	5,191,728,159	3,014,749,695
Personnel Expenses	18	5,292,015	4,328,905
Office & Administration Expenses	19	19,499,956	9,849,755
Financial Expenses	20	78,217,186	46,808,876
Marketing & Selling Expenses	21	4,696,248	126,210
Depreciation	5	4,898,472	1,368,749
		<u>5,304,332,036</u>	<u>3,077,232,190</u>
Profit before Tax		129,149,656	103,581,301
Less: Provision for tax			
Current		41,468,186	35,544,801
Deferred		2,231,638	1,580,643
Earlier Year		- 43,699,824	781,475
		<u>85,449,832</u>	<u>65,674,382</u>
Profit after Tax		85,449,832	65,674,382
Add: Balance brought forward from previous year		40,401,073	10,362,335
Appropriation			
Proposed Dividend		20,101,600	10,050,800
Interim Dividend		-	17,601,600
Dividend Distribution Tax		3,338,624	4,699,525
Transfer to General Reserves		4,272,492	3,283,719
		<u>98,138,189</u>	<u>40,401,073</u>
Amount Carried to Balance Sheet		98,138,189	40,401,073
Earning per share (Face Value Re. 1)			
(Basic & Diluted)		0.43	0.37

Significant Accounting Policies & Notes to the Accounts **22**

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

As per our report of even date attached

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

CA Naresh Goyal
(Partner)
M. No.501487
Place: Faridabad
Date: 02.09.2011**For and on behalf of the Board**

Dr. Anil Jindal
(Chairman & Managing Director)
DIN-00005585


Jitender Kumar Garg
(Whole-Time Director)
DIN-00088125


Shweta Marwah
(Company Secretary)
M.No.18730

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

SRS Real Infrastructure Ltd.

(Amount in Rs.)

Sr. No.	PARTICULARS	As At 31.03.2011	As At 31.03.2010
A	<u>Cash Flow From Operating Activities</u>		
	Net Profit Before Tax (as per Profit & Loss Account)	129,149,656	103,581,301
	Adjustment For:		
	Depreciation	5,101,622	1,513,895
	Loss on sale of Investments	33,656	-
	Provision for diminution in value of Investments	60,493	-
	Interest Paid	183,827,247	154,261,304
	Interest Received	(3,709,045)	(3,966,813)
	Operating Profit Before Working Capital Change	314,463,629	255,389,687
	Adjustment For:		
	Trade and Other Receivable	(366,365,516)	3,105,358
	Inventories	(118,326,840)	(100,452,423)
	Trade Payable and Other Liabilities	289,257,247	(281,548,515)
	Cash Generated From Operations	119,028,520	(123,505,893)
	Direct Taxes Paid	(34,494,161)	(54,075,867)
	Net Cash From Operating Activities (A)	84,534,359	(177,581,760)
B	<u>Cash Flow From Investing Activities</u>		
	Purchases of Fixed Assets	(193,965,141)	(139,383,543)
	Purchases of Investments	(18,054,900)	(575,926,950)
	Proceeds from Sale of Investments	2,466,344	100,000
	Dividend Paid	(10,050,800)	(35,203,200)
	Interest Received	458,972	3,392,650
	Net Cash Used in Investing Activities (B)	(219,145,525)	(747,021,043)
C	<u>Cash Flow From Financing Activities</u>		
	Proceeds From Long Term Borrowings	94,130,605	57,585,298
	Repayments of Long Term Borrowings	(92,134,497)	(4,870,821)
	Proceed From Short Term Borrowing (Net)	334,374,485	296,388,685
	Proceeds From Issue of Shares	-	625,000,000
	Interest Paid	(161,941,936)	(99,620,090)
	Net Cash Used in Financing Activities (C)	174,428,656	874,483,072
	Net Increase in Cash And Cash Equivalent (A+B+C)	39,817,490	(50,119,731)
	Cash & Cash Equivalent at the beginning of the Year	56,939,261	107,058,992
	Cash & Cash Equivalent at the end of the Year	96,756,751	56,939,261
	Net Increase in Cash And Cash Equivalents	39,817,490	(50,119,731)

As per our report of even date attached

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



CA Naresh Goyal
(Partner)
M. No.501487

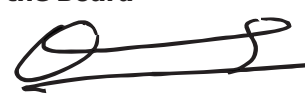


Place: Faridabad
Date: 02.09.2011

For and on behalf of the Board



Dr. Anil Jindal
(Chairman & Managing Director)
DIN-00005585



Jitender Kumar Garg
(Whole-Time Director)
DIN-00088125



Shweta Marwah
(Company Secretary)
M.No.18730

SCHEDULES TO THE FINANCIAL STATEMENTS

SRS Real Infrastructure Ltd.

(Amount in Rs.)

PARTICULARS	As At 31.03.2011	As At 31.03.2010
Schedule 1		
Share Capital		
Authorised Capital		
25,00,00,000 (Previous year 25,00,00,000) Equity Shares of Re.1/- each	250,000,000	250,000,000
	250,000,000	250,000,000
Issued, Subscribed & Paidup Capital		
20,10,16,000 (Previous year 20,10,16,000) Equity Shares of Re.1/- each fully paid	201,016,000	201,016,000
	201,016,000	201,016,000
Schedule 2		
Reserves and Surplus		
I. Securities Premium Account		
Balance at the beginning of the year	1,760,000,000	1,160,000,000
Addition during the year	-	600,000,000
Balance at the closing of the year	1,760,000,000	1,760,000,000
II. General Reserves		
Balance at the beginning of the year	4,482,539	1,198,820
Addition during the year	4,272,492	3,283,719
Balance at the closing of the year	8,755,031	4,482,539
III. Profit & Loss Account		
As per Profit and Loss Account	98,138,189	40,401,073
Total Carried Forward to Balance Sheet (I + II + III)	1,866,893,220	1,804,883,612
Schedule 3		
Secured Loans		
From Banks:		
Term Loan	333,863,268	360,200,784
Vehicle Loan	29,198,779	1,925,742
Cash Credit/Bank Overdraft	703,765,050	300,852,972
(includes Rs. 318.07 lacs (PY Rs. 960.64 lacs) falling due for payment within one year).	1,066,827,097	662,979,498
From Others:		
Vehicle Loan	2,347,672	1,287,085
(includes Rs.11.12 lacs (PY Rs. 5.31 lacs) falling due for payment within one year)	1,069,174,769	664,266,583
<p>a) The term loan from Central Bank of India amounting to Rs.26,49,48,858 (Previous year Rs. 26,86,02,530) is secured against Equitable Mortgage of land situated at 14/5, Mathura Road, Faridabad in the name of SRS I-Tech Private Limited and the building to be built on the said land. The loan is also secured by the first charge on a trust & retention account/escrow account opened with the bank and the personal guarantee of the directors and corporate guarantee of SRS Finance Ltd. Term loan from Syndicate Bank amounting to Rs. 1,96,93,635 (Previous year Rs. 9,15,98,254) is secured by exclusive charge on the entire project assets and the current assets of the Farm House Project of the Company. This facility is also secured by corporate guarantee of Premier Infrabuild Pvt. Ltd and the personal guarantee of the directors. Term loan from Bank of Baroda amounting to Rs. 4,89,29,691 (Previous year Rs. Nil) is secured by equitable Mortgage of the project land and super structure to be constructed thereon and first charge by way of hypothecation of all the moveable assets and first charge on escrow account, book debts, operating cash flows and receivables etc. The loan is further secured by personal guarantee of directors.</p> <p>b) Vehicle loans are secured by hypothecation of respective vehicles.</p> <p>c) Cash Credit facility from Oriental Bank of Commerce and Bank of India (Under Consortium arrangement) of Rs. 70,17,29,085 (Previous year Rs. Nil) is secured by first pari-passu charge on the Stock in trade, book debts and all other current assets of trading division. This facility is further secured by Equitable Mortgage of certain immovable properties belonging to the company and its subsidiary company and the Personal Guarantees of the Directors and corporate guarantee of Haryana Infracon Pvt. Ltd. Cash Credit facility from Canara Bank of Rs. Nil (Previous year Rs. 29,88,60,630) is secured against hypothecation of Stock in trade and book debts of trading division. This facility is further secured by Equitable Mortgage of certain immovable properties belonging to the company and its subsidiary company and the Personal Guarantees of the Directors and corporate guarantee of Skyhigh Colonizers Pvt. Ltd. Bank overdraft facility from Union Bank of India of Rs. 20,35,965 (Previous Year Rs. 19,92,342) is secured by pledge of Fixed Deposit.</p>		
Schedule 4		
Unsecured Loans		
Deferred payment credit of EDC/IDC	291,710,351	355,302,754
Interest due on EDC/IDC	119,690,074	95,070,442
Loan from Body Corporates	-	4,945,191
	411,400,425	455,318,387

SCHEDULES TO THE FINANCIAL STATEMENTS

SRS Real Infrastructure Ltd.

**SCHEDULE 5
FIXED ASSETS**

NAME OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 01.04.2010	Addition during the Year	Sale/adj ust. during the Year	As at 31.3.2011	Upto 31.03.2010	For the year ended 31.3.2011	Adjustm ents during the year	Total upto 31.3.2011	As at 31.3.2011	As at 31.03.2010
FURNITURE & FIXTURE	3,486,827	188,887	-	3,675,714	267,626	224,315	-	491,941	3,183,773	3,219,201
VEHICLES	7,760,744	10,818,851	-	18,579,595	1,058,708	1,569,576	-	2,628,284	15,951,311	6,702,036
COMPUTERS	168,298	143,223	-	311,521	34,387	38,552	-	72,939	238,582	133,911
PLANT & MACHINERY	5,850,816	22,784,329	-	28,635,145	362,698	928,981	-	1,291,679	27,343,466	5,488,118
COMMERCIAL VEHICLE	-	28,468,725	-	28,468,725	-	1,524,758	-	1,524,758	26,943,967	-
OFFICE EQUIPMENTS	632,267	55,944	-	688,211	40,132	31,060	-	71,192	617,019	592,135
BUILDING	27,102,208	1,034,784	-	28,136,992	472,233	445,924	-	918,157	27,218,835	26,629,975
LEASEHOLD IMPROVEMENTS	-	2,295,882	-	2,295,882	-	224,622	-	224,622	2,071,260	-
TEMPORARY STRUCTURE	-	748,173	-	748,173	-	113,834	-	113,834	634,339	-
CURRENT YEAR	45,001,160	66,538,798	-	111,539,958	2,235,784	5,101,622	-	7,337,406	104,202,552	42,765,376
PREVIOUS YEAR	29,652,177	15,348,983	-	45,001,160	721,889	1,513,895	-	2,235,784	42,765,376	28,930,288
CWIP									745,405,815	617,979,472

SCHEDULES TO THE FINANCIAL STATEMENTS

SRS Real Infrastructure Ltd.

(Amount in Rs.)

PARTICULARS	As At 31.03.2011	As At 31.03.2010
Schedule 6		
Investments		
(Long term, Trade, Unquoted, at cost)		
In Wholly Owned Subsidiary Companies		
1). Bhavani Realbuild Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
2). Bright Infrabuild Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
3). Dawn Developers Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
4). Dimension Infrastructure Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
5). Glory Buildcon Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
6). Haryana Infracon Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
7). Mehar Builders Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
8). Modern Ashiana Builders P.Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
9). Mounthill Builders Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
10). Rebnoor Infrabuild Pvt. Ltd. 10,000 (Previous year 10,000) equity shares of Rs.10/- each	100,000	100,000
11). SRS Manufacturers Pvt. Ltd. 1,42,945 (Previous Year 1,42,945) equity shares of Rs.10/- each	37,396,950	37,396,950
12). Skyhigh Colonizers Pvt. Ltd. 40,000 (Previous year 10,000) equity shares of Rs.10/- each	400,000	100,000
13). SPS Buildcon Ltd. 3,13,120 (Previous year 3,13,120) equity shares of Rs.10/- each	33,390,000	33,390,000
14). SRS Retreat Services Ltd. 13,19,280 (Previous year 13,19,280) equity shares of Rs.10/- each	150,265,000	150,265,000
15) SRS I-Tech. Pvt. Ltd. 44,22,225 (Previous Year 44,22,225) equity shares of Rs. 10/- each	159,928,750	159,928,750
16) SRS Real Estate Ltd. 78,81,656 (Previous year 78,81,656) equity shares of Rs.10/- each	985,147,000	985,147,000
In other Companies		
SRS Lotus Projects Pvt. Ltd. 4,99,990 (Previous year Nil) equity shares of Rs.10/- each	4,999,900	-
In Joint Ventures		
SRS RMC, Gurgaon	5,255,000	-
(Long term, Trade, Quoted, at cost)		
Bank of India DSP Black Rock Mutual Fund		
74,682.599 (Previous year Nil) units of Rs. 10/- each	5,000,000	-
	1,382,782,600	1,367,227,700
Less:- Provision for diminution in value of Investment	60,493,000	-
	1,382,722,107	1,367,227,700

SCHEDULES TO THE FINANCIAL STATEMENTS

SRS Real Infrastructure Ltd.

(Amount in Rs.)

PARTICULARS	As At 31.03.2011	As At 31.03.2010
Note: All the investments in shares are fully paid up.		
Aggregate cost of unquoted investments	1,377,782,600	1,367,227,700
Aggregate cost of Quoted investments	5,000,000	-
Market Value of quoted investment	4,939,507	-
Schedule 7		
Inventories		
(As taken, valued & certified by the Management)		
Project in Progress (Refer Note No. B-12 of Schedule 22)	745,289,033	611,265,059
Raw Material	6,414,173	-
Goods held for resale- Trading Division	39,309,609	68,399,350
Land for resale	21,907,440	14,929,006
	<u>812,920,255</u>	<u>694,593,415</u>
Schedule 8		
Sundry Debtors		
(Unsecured, considered Good unless otherwise stated)		
i. Debts outstanding for a period exceeding six months	39,700,435	37,510,195
ii. Others	974,854,925	567,122,752
	<u>1,014,555,360</u>	<u>604,632,947</u>
Schedule 9		
Cash and Bank balances		
Cash on Hand	2,774,840	2,082,025
Cheques on Hand	6,327,305	3,300,000
Balance with Scheduled Banks		
-in current accounts	13,136,594	17,793,959
-in deposit accounts*	74,518,012	33,763,277
(*Pledged with Bank for Over Draft / Bank Guarantee/LC Facilities)	<u>96,756,751</u>	<u>56,939,261</u>
Schedule 10		
Loans and Advances		
(Unsecured, considered Good unless otherwise stated)		
Advance Recoverable in Cash or in Kind or for Value is to be received	3,239,710	836,104
Advance for Projects		
- To Subsidiary Companies	206,498,534	203,632,924
- To Collaborators	71,183,547	127,623,547
Advance to Subsidiary Company for Investment in equity	2,100,000	250,000
Advance to Suppliers/Contractors	8,230,148	2,665,314
Prepaid Expenses	304,126	367,573
Security Paid	11,550,000	11,287,500
	<u>303,106,065</u>	<u>346,662,962</u>
Schedule 11		
Other current assets		
Interest Accrued on Fixed Deposits	6,297,200	3,047,127
	<u>6,297,200</u>	<u>3,047,127</u>

SCHEDULES TO THE FINANCIAL STATEMENTS*SRS Real Infrastructure Ltd.***(Amount in Rs.)**

PARTICULARS	As At 31.03.2011	As At 31.03.2010
Schedule 12		
Current Liabilities		
Advance from Customers	712,261,741	399,267,585
Sundry Creditors		
Due to Small Enterprises & Micro Enterprises	-	-
Other Creditors	72,923,163	109,961,561
Bank Overdrawn	1,632,078	-
Duties & Taxes Payable	9,836,125	3,900,324
Interest Accrued but not due on Loans	3,582,732	6,317,053
Security Received	77,290,918	71,820,733
Investor Education and Protection fund shall be credited by the following:		
Unclaimed Dividend	62,814	52,532
(There is no amount due and outstanding to be credited to Investor Education and Protection fund)		
	877,589,571	591,319,788
Schedule 13		
Provisions		
Provision for Income Tax (Net of advance tax & TDS Rs. 2,90,99,239, P.Y. Rs. 3,18,58,012)	12,368,947	3,686,789
Proposed Dividend	20,101,600	10,050,800
Provision for Dividend Distribution Tax	3,338,624	1,708,133
Provision for Gratuity	424,182	232,609
Provision for Leave Encashment	259,739	198,169
	36,493,092	15,876,500

SCHEDULES TO THE FINANCIAL STATEMENTS

SRS Real Infrastructure Ltd.

(Amount in Rs.)

PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
Schedule 14		
Operating Income		
Sale of Land/ Developed Properties	76,951,098	213,020,373
Sale of Traded Goods	5,249,826,714	2,866,758,666
Sale of Finished Goods	83,209,962	-
Rent Received from Immoveable Properties	32,364,661	14,955,000
	5,442,352,435	3,094,734,039
Schedule 15		
Other Income		
Interest Received on FDR (TDS Rs. 3,56,442, P.Y. Rs. 5,58,541)	3,709,045	3,966,813
Syndication Service Charges (TDS Rs. Nil, P.Y. Rs. 7,96,683)	-	6,375,000
Income from Investment in Joint Venture	1,401,099	-
Misc. Income	8,130,420	257,644
	13,240,564	10,599,457
Schedule 16		
Increase/(Decrease) in Inventories		
Opening Stock	83,328,356	7,848,361
Closing Stock	61,217,049	83,328,356
	(22,111,307)	75,479,995
Schedule 17		
Operational Expenses		
(a) Cost of Sale of Developed Properties		
Project in progress in the beginning of the year	611,265,060	586,292,631
Add : Cost incurred during the year		
Cost of Land	7,340,134	44,913,439
Construction Costs	71,985,229	80,356,439
Government Charges	53,303,248	14,964,485
Personnel Expenses	3,213,148	1,526,638
Financial Expenses	65,811,256	67,013,715
Office and Administration Expenses	1,280,333	855,668
Sales & Marketing Expenses	127,192	10,476,900
Depreciation	203,150	145,146
	814,528,750	806,545,061
Less: Project in progress at the close of the year	745,289,033	611,265,059
	69,239,717	195,280,002
(b) Purchase for resale		
Purchases of Land/Developed Properties	6,978,434	14,929,006
Purchases of Traded Goods	5,026,080,809	2,802,121,271
	5,033,059,243	2,817,050,277

SCHEDULES TO THE FINANCIAL STATEMENTS

SRS Real Infrastructure Ltd.

(Amount in Rs.)

PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
(c) Raw Material Consumed		
Opening Stock	-	-
Add:- Purchases	71,323,101	-
Less: Closing Stock	6,414,173	-
	64,908,928	-
(d) Other Opetational Expenses		
	24,520,271	2,419,416
Total Operational Expenses (a+b+c+d)	5,191,728,159	3,014,749,695
Schedule 18		
Personnel Expenses		
Salaries, Wages, Stipend & other allowances	12,710,519	10,696,454
Directors' Remuneration	1,364,832	1,039,951
Contribution to Provident Fund & Other Funds	823,420	637,664
Staff Welfare Expenses	200,083	90,230
Provision for Employees's Benefits	342,702	202,912
	15,441,556	12,667,211
Less: Allocated to Capital Work in Progress	6,936,393	6,811,668
Less: Allocated to Projects	3,213,148	1,526,638
	5,292,015	4,328,905
Schedule 19		
Office & Administration Expenses		
Audit Fees	198,540	150,000
Donation	201,100	10,000
Electricity Expenses	345,052	20,448
Legal and Professional	3,185,539	1,849,824
Listing Fee	263,744	113,307
Land Holding Charges	1,000,000	1,100,000
General Meeting Expenses	233,572	29,327
Security / office Expenses	950,747	366,715
Printing & Stationery	412,647	268,724
Rates & Taxes	26,040	59,479
Rent	900,000	381,695
Insurance Expenses	391,802	136,528
Repair & Maintenance - Plant and Machinery	1,535,836	361,143
Repair & Maintenance - Others	90,142	17,645
Loss on sale of Investments	33,656	-
Provision for diminution in value of Investments	60,493	-
Telephone Expenses	134,110	79,835
Tour, Travelling and Conveyance	3,795,079	102,471
Computer Software	7,968,814	5,914,263
Premium on Surrender of Flats/Plots	316,000	184,462
Other Expenses	659,757	247,242
	22,702,670	11,393,108
Less: Allocated to Capital Work in Progress	1,922,381	687,685
Less: Allocated to Projects	1,280,333	855,668
	19,499,956	9,849,755

SCHEDULES TO THE FINANCIAL STATEMENTS*SRS Real Infrastructure Ltd.***(Amount in Rs.)**

PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
Schedule 20		
Financial Expenses		
Bank Interest on:		
-Term Loans	54,026,008	48,022,452
-Cash Credit/Overdraft	60,044,902	18,371,170
Interest on Unsecured Loans	5,587,261	23,290,534
Interest on EDC/IDC	53,544,229	51,428,746
Other Interest	-	403,318
Bank and other Financial Charges	10,624,847	12,745,084
	183,827,247	154,261,304
Less: Allocated to Capital Work in Progress	39,798,805	40,438,713
Less: Allocated to Projects	65,811,256	67,013,715
	78,217,186	46,808,876
Schedule 21		
Marketing & Selling Expenses		
Advertisement	3,120,128	2,748,453
Commission Paid	1,433,832	8,272,500
Business Promotion	595,393	7,600
	5,149,353	11,028,553
Less: Allocated to Capital Work in Progress	325,913	425,443
Less: Allocated to Projects	127,192	10,476,900
	4,696,248	126,210

SCHEDULE - 22

Significant Accounting Policies and Notes to Accounts for the year ended 31st March, 2011

A. Significant Accounting Policies

1. Basis of Accounting

The financial statements are prepared under historical cost convention on accrual basis and in accordance with the requirement of the Companies Act, 1956 and in compliance with the applicable accounting standards referred to in sub-section (3C) of Section 211 of the said Act. Management evaluates the effect of the accounting standards issued on a continuous basis and ensures that they are adopted as mandated under law and by ICAI. The accounting policies, except otherwise stated, have been consistently applied by the Company.

2. Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities and contingent assets 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 projects/scheme is recognized on the basis of "Percentage of Completion Method". The revenue is recognized in proportion to the actual cost incurred as against the total estimated cost of the projects/scheme under execution subject to such actual cost being 25% or more of the total estimated cost of the project/scheme.

The estimates relating to saleable area, sale value, estimated costs etc. are revised and updated periodically by the management and necessary adjustments are made in the current year's accounts.

The construction/development cost in respect of sales recognized is proportionately charged to the Profit & Loss Account in consonance with the matching cost concept.

- 3.2. Sale of undeveloped land and other properties are recognized in the financial year in which the transfer is made by written agreement to sell/registration of sale deed or otherwise in favour of parties when the significant risk and reward of the ownership are transferred and there is certainty of realization of the consideration.
- 3.3. Interest on delayed payments by customers against dues is taken into account on acceptance or realization owing to practical difficulties and uncertainties involved.
- 3.4. Revenue from the sale of material is recognized at the time of transfer of the documents to title/delivery of the material.
- 3.5. Revenue from interests is recognized on a time proportion basis.
- 3.6. Dividend Income on investment is accounted for when the right to receive the payment is established.

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. upto the date the asset is ready for its intended use. Credit of duty, if availed, 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 indirect 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. Depreciation on Fixed Assets and Amortization

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

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

Intangible Assets are amortized over the useful life of the assets or ten years, whichever is earlier.

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

6. Borrowing Costs

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.

7. Impairment of Assets

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

8. 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.

Non-monetary items are carried at cost.

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.

9. Investments

Current investments are stated at lower of cost and fair market value. Long-term investments are valued at their acquisition cost. The provision for any diminution in the value of long-term investments is made only if such a decline is other than temporary.

10. Inventories

Inventories are valued as under: -

- a. Goods held for Resale-
 - Trading Division : at lower of actual cost and net realizable value
 - Land, Plot and Constructed Properties : at lower of actual cost and net realizable value
- b. Project/Contract Work in Progress : at lower of actual cost and net realizable value
- c. Finished Goods : at lower of actual cost and net realizable value

Cost of goods held for resale in trading division are determined on First in First out ('FIFO') basis in the ordinary course of business.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

All expenses attributable directly and forming integral part of specific project/scheme are considered as part of the project cost and accordingly are considered in the valuation therein.

11. Taxation

Income tax expense is 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 provisions 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.

12. Employee benefits

- a) Defined Benefit Plan
Gratuity and long-term compensated absences are provided for based on actuarial valuation carried out at the close of each year. The actuarial valuation is done by an Independent Actuary as per projected unit credit method.
- b) Defined Contribution Plan
The company contribution to Employees Provident Fund and Family Pension Fund are deposited with the Regional Provident Fund Commissioner and is charged to Profit & Loss Account every year on due basis.

13. 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 or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the company are segregated.

14. Earning Per Share (EPS)

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

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

16. Provisions, Contingent Liabilities and Contingent Assets

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

B. NOTES TO ACCOUNTS**1. Contingent Liabilities not provided for in respect of :**

Particulars	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
Corporate Guarantees	20,644.00 Lac	18,338.00 Lac
Outstanding Bank Guarantee	2,832.70 Lac	988.47 Lac

2. In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.
3. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 1865.65 lacs (Previous Year Rs. 813.84 lacs).
4. The company has entered into "Collaboration Agreement" with certain land-owners whereas the possession has been delivered to the company for development & construction of said land and marketing thereof. The payments towards cost of land are being made in accordance with respective Collaboration Agreements.
5. a) Amount due to Micro Enterprises and Small Enterprises by the Company, comprises of the following:

(Amount in Rs.)

Particulars	As at 31.03.2011	As at 31.03.2010
i. Principal amount unpaid	-	-
ii. 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.

6. Detail of investments purchased and sold during the year

Investment in Shares (quoted, non-traded and short-term investment)

Name of Company	Number of Units	Purchases Value (Rs.)	Sales Value (Rs.)
Baroda Pioneer Mutual Funds	25,000 (Nil)	25,00,000 (Nil)	24,66,344 (Nil)

7. Deferred Tax Assets and Liabilities

In view of the Accounting Standard – 22 “Accounting for Taxes on Income”, deferred tax assets/liabilities as at 31st March, 2011 comprise of the following major components:

(Amount in Rs.)

Particulars	As At 31.03.2011	As At 31.03.2010
Fixed Assets	36,20,926	13,10,485
Deferred Tax Liabilities (A)	36,20,926	13,10,485
Provision for Employee Benefits	2,21,898	1,43,094
Deferred Tax Assets (B)	2,21,898	1,43,094
Net Deferred Tax Liability/(Assets) (A-B)	33,99,028	11,67,391

8. Capital Work in Progress includes:

- advances to vendors/contractors of Rs.8,80,46,873 (Previous Year Rs.21,34,46,037/-)
- pre-operative expenses of Rs.16,32,22,696 (Previous Year Rs.11,42,39,204/-) as detailed below:

Particulars	2010-11 Rs.	2009-10 Rs.
Salary and related Expenses	69,36,393	68,11,667
Printing & Stationery	9,000	-
Electricity Expenses	79,995	-
Conveyance	14,83,718	-
Insurance	2,51,791	1,98,540
Borrowing Cost	3,97,98,805	4,04,38,713
Sales & Marketing Expenses	1,12,456	4,25,443
Other expenses	3,11,334	6,87,685
Total for the period	4,89,83,491	4,85,62,048
Add: Brought forward from previous year	11,42,39,204	6,84,72,246
Grand Total	16,32,22,696	11,70,34,294
Less: Allocated to fixed assets	-	27,95,090
Balance carried forward	16,32,22,696	11,42,39,204

9. Employee Benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. Gratuity scheme was funded up to the previous year. During the financial year 2009-10, company had applied for cancellation of the gratuity fund and subsequently received back the amount of fund created with LIC. 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, 2011).

Net employee benefit expense (recognized in the Statement of Profit & Loss for the year ended March 31, 2011):

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Current Service Cost	1,64,022	1,09,691	1,14,433	1,07,154
Interest Cost	18,609	12,398	15,854	13,923
Expected return on plan assets	-	-	-	-
Past Service Cost	-	-	-	-
Actuarial (gain) / loss recognized in the year	8,942	(2,13,283)	(59,632)	(27,672)
Net benefit expense	1,91,573	(91,194)	70,655	93,405

Net Asset/(Liability) recognized in the Balance Sheet as on March 31, 2011

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Present Value of Defined Benefit Obligation at the end of the year	4,24,182	2,32,609	2,59,739	1,98,169
Fair Value of Plan Assets*	-	-	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(4,24,182)	(2,32,609)	(2,59,739)	(1,98,169)

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

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Present Value of Defined Benefit Obligation at the beginning of the year	2,32,609	1,65,313	1,98,169	1,85,637
Interest Cost	18,609	12,398	15,854	13,923
Past Service Cost	-	-	-	-
Current Service Cost	1,64,022	1,09,691	1,14,433	1,07,154
Benefits Paid	-	-	(9,085)	(80,873)
Actuarial (gain) / loss on obligation	8,942	(54,793)	(59,632)	(27,672)
Present Value of Defined Benefit Obligation at the end of the year.	4,24,182	2,32,609	2,59,739	1,98,169

Changes in the fair value of Plan Assets are as follows:

(Amount in Rs.)

Particulars	Gratuity		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Fair value of the plan assets at the beginning of the year	-	1,55,561	-	-
Actual return on Plan Assets	-	1,58,490	-	-
Contribution by employer	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial (gain) / loss on Plan Assets	-	-	-	-
Fair value of the plan assets at the closing of the year	-	-	-	-

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

Particulars	Gratuity		Earned Leave	
	2010-11	2009-10	2010-11	2009-10
Discount Rate (based on the market yields available on Government bonds at the accounting date with term that matches that of the liabilities)	8.00%	7.50%	8.00%	7.50%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.50%	5.00%	5.50%	5.00%
Expected Rate of Return on Plan Assets	0.00%	8.65%	0.00%	0.00%
Average Outstanding Service of Employees upto retirement (years)	26.13	27.30	26.13	27.30

*During the previous financial year, the Company has withdrawn the Group Gratuity Scheme (Fund) maintained with LIC.

Contribution to Defined Contribution Plans: Amount (Rs.) :

Particulars	2010-11	2009-10
Provident fund	8,23,420	6,37,664

10. Borrowing Costs

During the period, Company has capitalized Rs.397.99 (P.Y. Rs.404.39 lacs) on Capital work in progress and Rs.658.11 (P.Y. Rs.670.14 lacs) on project in progress in accordance with the applicable Accounting Standard 16 – “Borrowing Costs”.

11. Segment Reporting

The Company is engaged in the businesses of promotion, construction and development of integrated townships, residential and commercial complexes, and wholesale trading in the various parts of the country. Thus, the Company has three reportable business segments. The Company operates in the same geographical segment.

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

(Rs. in Lacs)

S. No.	Particulars	Real Estate	Wholesale Trading	Manufacturing	Unallocable	Total
1	Segment Revenue	1,093.16 (2,130.20)	52,498.27 (28,667.59)	832.10 (Nil)	132.40 (255.54)	54,555.93 (31,053.33)
2	Segment Expenses	704.46 (1,990.35)	50,756.72 (27,450.06)	745.66 (Nil)	275.42 (109.02)	52,482.26 (29,549.43)
3	Segment Profit	388.70 (139.85)	1,741.55 (1,217.53)	86.45 (Nil)	(-) 143.03 (146.52)	2,073.67 (1,503.90)
4	Financial Expenses					782.17 (468.09)
5	Profit Before Tax					1291.49 (1035.81)
6	Provision For Taxation					437.00 (379.07)
7	Profit after Tax					854.88 (656.74)
8	Carrying amount of Segment Assets (including CWIP)	19,810.07 (16,588.61)	10,000.11 (6,110.98)	858.59 (Nil)	13,990.89 (14,638.89)	44,659.66 (37338.48)
9	Carrying amount of Segment Liabilities (including CWIP)	14,704.67 (12,037.69)	7,426.96 (4,140.43)	340.89 (Nil)	1,508.05 (1,101.37)	23,980.57 (17,279.49)

Note: Previous year's figures have been given in the bracket.

12. Details of Projects in progress are as under:-

Sr. No.	Location of the Projects	Amount as at 31st March 2011	Amount as at 31st March 2010
1	Sector 8, Palwal	28,89,40,967	25,46,13,510
2	Sector 26, Rewari	27,82,69,050	25,30,04,096
3	Sector 5, Palwal	10,28,53,405	5,13,93,000
4	Shahpura	1,21,851	1,21,851
5	Farm House	7,51,03,760	5,21,32,602
	Total	74,52,89,033	61,12,65,059

13. Related Party Transactions

As per Accounting Standard-18, the Company's related parties and transactions are disclosed below:

a) List of related parties & relationships, where control exists:

1) Subsidiary Companies

- i. Bhavani Realbuild P. Ltd.
- ii. Bright Infrabuild Pvt. Ltd.
- iii. Dimension Infrastructure Pvt Ltd.
- iv. Mehar Builders Pvt. Ltd.
- v. Modern Ashiana Builders Pvt. Ltd.
- vi. Mounthill Builders Pvt. Ltd.
- vii. Rebnoor Infrabuild Pvt. Ltd.
- viii. Skyhigh Colonizers Pvt. Ltd.
- ix. Glory Buildcon Pvt. Ltd.
- x. SRS Real Estate Ltd.
- xi. SRS I-Tech Pvt. Ltd.
- xii. Haryana Infracon Pvt. Ltd.
- xiii. Dawn Developers Pvt. Ltd.
- xiv. SPS Buildcon Ltd.
- xv. SRS Retreat Services Ltd.
- xvi. SRS Manufacturers Pvt. Ltd. (from 10.09.2009)

2) Joint Ventures

- i. SRS Lotus Projects Pvt. Ltd.
- ii. SRS RMC Gurgaon

b) Related parties & relationships with whom transactions have taken place during the year:

1) Key Management Personnel (KMP)

- i. Mr. Bishan Bansal - Whole-Time Director
- ii. Mr. Jitender Kumar Garg - Whole-Time Director (w.e.f. 10.03.2010)

2) Enterprises owned or significantly influenced by KMP and/or their Relatives

- i. SRS Limited
- ii. BTL Impex (India) Ltd.
- iii. BTL Investments & Securities Ltd.
- iv. BTL Portfolio Ltd.
- v. SRS Global Securities Ltd. (Formerly SRS Housing Finance Ltd.)
- vi. SRS Portfolio Ltd.

c) Transactions with related Parties

S. No.	Name of the Party	Nature of Transaction	2010-11 Amount (Rs)	2009-10 Amount (Rs)
1	Bhavani Realbuild Pvt. Ltd.	Land Holding Charges Paid	25,000	50,000
		Advance Given For Project	29,00,000	Nil
		Closing Balance:		
		Advance Given For Project	29,00,000	Nil
2	Bright Infrabuild Pvt. Ltd.	Advance Given For Project	50,000	1,50,000
		Reimbursement of expenses	180	Nil
		Closing Balance:		
		Advance Given For Project	2,00,000	1,50,000
3	Dimension Infrastructure Pvt. Ltd.	Advance Given For Project	Nil	1,00,000
		Land Holding Charges Paid	1,00,000	1,00,000
		Closing Balance:		
		Advance Given For Project	33,80,000	33,80,000
		Sundry Creditor	Nil	24,500
4	Mehar Builders Pvt. Ltd.	Land Holding Charges Paid	25,000	50,000
		Advance Given For Project	29,00,000	Nil
		Closing Balance:		
		Advance Given For Project	29,00,000	Nil

5	Modern Ashiana Builders Pvt. Ltd.	Advance received back	1,46,00,000	Nil
		Land Holding Charges Paid	1,00,000	1,00,000
		Closing Balance:		
		Sundry Creditor	Nil	24,500
		Advance Given For Project	3,38,89,999	4,84,89,999
6	Mounthill Builders Pvt. Ltd.	Land Holding Charges Paid	1,00,000	1,00,000
		Closing Balance:		
		Sundry Creditor	Nil	24,500
		Advance Given For Project	90,70,000	90,70,000
7	Rebnoor Infrabuild Pvt. Ltd.	Advance received back	1,72,50,000	Nil
		Land Holding Charges Paid	1,00,000	1,00,000
		Corporate Guarantee Taken	35,00,00,000	Nil
		Closing Balance:		
		Sundry Creditor	Nil	24,500
		Corporate Guarantee Taken	35,00,00,000	Nil
		Advance Given For Project	1,31,35,625	3,03,85,625
8	Skyhigh Colonizers Pvt. Ltd.	Advance Given For Project	2,00,000	4,21,10,000
		Advance given for Investment in equity	21,50,000	2,50,000
		Land Holding Charges Paid	1,00,000	1,00,000
		Reimbursement of Expenses	98,630	Nil
		Subscription of equity shares	3,00,000	Nil
		Corporate Guarantee Taken	30,00,00,000	Nil
		Closing Balance:		
		Sundry Creditor	Nil	24,500
		Advance Given For Project	10,23,56,800	10,21,56,800
		Advance given for Investment in equity	21,00,000	2,50,000
		Corporate Guarantee Taken	30,00,00,000	Nil
9	Glory Buildcon Pvt. Ltd.	Land Holding Charges Paid	25,000	50,000
		Advance Given For Project	29,50,000	Nil
		Closing Balance:		
		Advance Given For Project	29,50,000	Nil

10	SRS Real Estate Ltd.	Corporate Guarantee Given	2,30,60,00,000	1,48,38,00,000
		Bank Guarantee Given	1,11,14,000	Nil
		Reimbursement of expenses	89,10,621	22,15,504
		Loan & Advance given and received back	7,18,80,826	10,59,50,000
		Rent Paid	60,000	60,000
		Sale of FSI of Land	Nil	44,57,120
		Loans and Advance Received and repaid	2,35,00,000	Nil
		Sale of Material	31,59,672	Nil
		Investment in Equity Shares	Nil	53,85,30,000
		Advance for Investment in Equity	Nil	39,81,30,000
		Closing Balance:		
		Corporate Guarantee Given	2,06,44,00,000	183,38,00,000
		Loan & Advance given	Nil	1,00,00,000
		Sundry Debtors	1,01,25,282	Nil
11	SRS I-Tech Pvt. Ltd.	Loans and Advance received	80,00,000	Nil
		Reimbursement of expenses	13,410	Nil
		Corporate Guarantee Taken	30,00,00,000	Nil
		Closing Balance:		
		Loans and Advance received	80,00,000	Nil
		Corporate Guarantee Taken	30,00,00,000	Nil
12	Haryana Infracon Pvt. Ltd.	Land Holding Charges Paid	1,00,000	1,00,000
		Advance given	Nil	1,85,500
		Loans and Advance received	2,25,00,000	Nil
		Corporate Guarantee Taken	70,00,00,000	Nil
		Closing Balance:		
		Loans and Advance received	2,21,23,500	Nil
		Advance given	Nil	1,85,500
		Corporate Guarantee Taken	70,00,00,000	Nil
13	Dawn Developers Pvt. Ltd.	Land Holding Charges Paid	25,000	50,000
		Advance Given for Projects	27,00,000	Nil
		Closing Balance:		
		Advance Given for Projects	27,00,000	Nil

14	SPS Buildcon Ltd.	Land Holding Charges Paid	1,00,000	1,00,000
		Closing Balance:		
		Sundry Creditor	Nil	24,500
15	SRS Retreat Services Ltd.	Land Holding Charges Paid	1,00,000	1,00,000
		Loans and Advance received	13,42,00,000	Nil
		Closing Balance:		
		Sundry Creditor	24,500	24,500
		Loans and Advance received	13,41,00,000	Nil
16	SRS Manufacturers Pvt. Ltd.	Advance Given for Projects	3,00,50,000	Nil
		Land Holding Charges Paid	1,00,000	Nil
		Corporate Guarantee Taken	70,00,00,000	Nil
		Closing Balance:		
		Advance Given for Projects	2,60,50,500	Nil
		Corporate Guarantee Taken	70,00,00,000	Nil
17	SRS Lotus Projects Pvt. Ltd.	Investment in equity	49,99,900	Nil
		Reimbursement of expenses	22,37,206	Nil
18	Bishan Bansal	Director's Remuneration	6,82,416	2,84,340
19	Jitender Kumar Garg	Director's Remuneration	6,82,416	40,358
20	SRS Limited	Rent Received(including Service Tax)	66,18,000	33,25,545
		Reimbursement of Expenses (Net)	6,58,144	13,96,238
		Security recd for Lease rent	Nil	6,90,00,000
		Advance received for Space Sale	1,88,78,461	Nil
		Expenses Incurred	11,44,000	Nil
		Closing Balance:		
		Sundry Creditor	Nil	2,49,800
		Sundry Debtor	9,27,000	7,60,545
		Security recd for Lease rent	6,90,00,000	6,90,00,000
21	BTL Impex (India) Ltd.	Allotment of equity shares	Nil	1,50,00,000
22	BTL Investments & Securities Ltd.	Allotment of equity shares	Nil	50,00,00,000
		Loan taken	32,12,60,666	76,57,06,422
		Loan given	2,98,34,334	5,44,42,578
		Interest paid on Loan	55,58,613	Nil
		Closing Balance:	30,19,30,136	Nil
		Loan given	Nil	49,45,191
23	BTL Portfolio Ltd.	Allotment of equity shares	Nil	2, 25,00,000
24	SRS Global Securities Ltd. (Formerly known as SRS Housing Finance Ltd.)	Allotment of equity shares	Nil	3,00,00,000

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

Particulars	2010-11	2009-10
	(Rs.)	(Rs.)
a) Numerator Net Profit after taxation as per Profit & Loss Account	8,54,49,832	6,56,74,382
b) Denominator: Weighted average no. of shares outstanding for:	20,10,16,000	17,83,44,767
c) Face Value per Equity Share	1.00	1.00
d) Earning per Share: - Basic & Diluted	0.43	0.37

15. Director's Remuneration:

(Amount in Rs.)

Particulars	2010-11	2009-10
Directors' Remuneration	13,64,832	10,39,951

Note:

- Computation of net profit in accordance with relevant provisions of the Companies Act, 1956 has not been disclosed as no commission is payable to the Directors.
- Above remuneration is inclusive of allowances and perquisites but excluding the value of non-monetary perquisites, if any & gratuity as the provision for gratuity is determined for the Company as a whole and therefore separate amount for the directors are not available. No leave encashment benefit is available to the directors.

16. Auditors remuneration (including service tax)

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Statutory Audit Fees	1,65,450	1,25,000
Tax Audit Fees	33,090	25,000
Total	1,98,540	1,50,000

17. 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):

i. Details of Goods Purchased for Resale:

(Amount in Lacs)

CLASS OF GOODS	UNIT	OPENING STOCK		PURCHASE		SALE		CLOSING STOCK	
		QTY.	AMT.	QTY.	AMOUNT	QTY.	AMT.	QTY.	AMT.
CEMENT	Bags	Nil	Nil	36450	77.25	33835	74.60	2615	6.69
		(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
IRON & STEEL	Ton	2372.77	683.99	190058.10	49775.21	191286.00	51940.95	1144.87	386.40
		(152.80)	(51.93)	(135425.44)	(27988.09)	(133205.47)	(28624.19)	(2372.77)	(683.99)
	Sq. Mtr	Nil	Nil	24071.54	54.45	24071.54	66.13	Nil	Nil
	Nos.	Nil	Nil	4776	50.20	4776	52.54	Nil	Nil
		(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Land (FSI)	Sq. Feet	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
		(8104)	(26.55)	(Nil)	(Nil)	(8104)	(44.57)	(Nil)	(Nil)
Land	Canal	87.2	149.29	Nil	69.78	Nil	Nil	Nil	219.07
		(Nil)	(Nil)	(87.20)	(149.29)	(Nil)	(Nil)	(87.20)	(149.29)
Tiles	Sq. Feet	Nil	Nil	1171642	247.54	1171642	312.49	Nil	Nil
		(Nil)	(Nil)	(159543)	(33.12)	(159543)	(43.40)	(Nil)	(Nil)
Other	Nil	Nil	Nil	Nil	56.17	Nil	51.55	Nil	Nil
		(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)

Note: Figures in brackets are for previous year.

ii. Particulars of installed Capacity and Actual Production

Particulars	Units of Measurement	2010-11		2009-10	
		Installed Capacity	Actual Production	Installed Capacity	Actual Production
RMC	QM	-	30711.50	NA	Nil

iii. Detail of Sales, Opening Stock and Closing Stock of Finished Goods

Particulars	Unit of Measurement	Sales		Opening Stock		Closing Stock	
		Qty.	Amt. in Lacs	Qty.	Amt. in Lacs	Qty.	Amt. in Lacs
RMC	QM	30711.50	832.10	-	-	-	-


iv. Consumption of Indigenous Raw Materials

Particulars	Units	2010-11		2009-10	
		Qty.	Amt. in Lacs	Qty.	Amt. in Lacs
Cement	KG	77,15,134	286.25	Nil	Nil
Stone	KG	3,38,39,068	236.97	Nil	Nil
Sand	KG	2,29,69,891	146.40	Nil	Nil
Other			61.49	Nil	Nil
Less:- Inter Unit Consumption			82.02	Nil	Nil
Net Consumption			649.09	Nil	Nil

1. Previous year figures have been regrouped/rearranged and reclassified wherever necessary.
2. Schedules 1 to 22 are annexed to and form an integral part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date.

Signatures to Schedules 1 to 22
As per our report of even date attached.

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




CA Naresh Goyal
(Partner)
M. No.501487

Place: Faridabad
Date: 02.09.2011

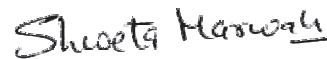
For and on behalf of the Board



Dr. Anil Jindal
(Chairman & Managing Director)
DIN-00005585



Jitender Kumar Garg
(Whole-Time Director)
DIN-00088125



Shweta Marwah
(Company Secretary)
M.No.18730

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.	L65910HR1990PLC040431	State Code	05
Balance Sheet Date	31-Mar-11		
II. Capital Raised during the year			
Public Issue	-	Right Issue	-
Bonus Issue	-	Private Placement	-
III. Position of Mobilisation and Deployment of Funds			
Total Liabilities	3,551,883	Total Assets	3,551,883
<u>Sources of Funds</u>			
Paid Up capital (including Application Money)	201,016	Reserve & Surplus	1,866,893
Secured Loans	1,069,175	Unsecured Loans	411,400
Deferred Tax Liabilities	3,399		
<u>Application of Funds</u>			
Net Fixed Assets (Including CWIP)	849,608	Investments	1,382,722
Net Current Assets	1,319,553	Misc. Expenditure	-
Deferred Tax Assets	-		
IV. Performance of the Company			
Turnover	5,442,352	Total Expenditure	5,326,443
Other Income	13,241	Profit before tax	129,150
Profit after tax	85,450		
	Basic		Diluted
Earnings per Share in Rs.	0.43	Earnings per Share in Rs.	0.43
Dividend Rate	10%		
V. Generic names of the Principal Products of Company			
Item Code No. (ITC Code)	NIL		
Products Description	N.A.		

For and on behalf of the Board



Dr. Anil Jindal
(Chairman & Managing Director)
DIN-00005585



Jitender Kumar Garg
(Whole-Time Director)
DIN-00088125



Shweta Marwah
(Company Secretary)
M.No.18730

**FINANCIAL STATEMENTS OF
SRS REAL ESTATE LTD. - A SUBSIDIARY**

DIRECTORS' REPORT

INTRODUCTION

Your Directors have pleasure in presenting the Sixth Annual Report of your Company along with the Audited Accounts of the Company for the period ended 31st March, 2011.

FINANCIAL RESULTS

During the year under review, your Company registered a Net Profit after Tax of ₹ 81,49,701/-. The Summary of the operating results is as under:

Particulars	(Amount in ₹)	
	Period ended 31. 03. 2011	Period ended 31. 03. 2010
Gross Sales and Other Income	2,17,50,70,411	1,84,83,99,530
Profit/(Loss) before Financial Expenses, Depreciation and Tax	4,53,50,599	2,51,51,952
Interest and Financial Expenses	2,35,50,968	88,58,578
Profit before Depreciation & Tax	2,17,99,631	1,62,93,374
Depreciation	63,76,453	62,17,263
Profit before Tax	1,54,23,178	1,00,76,111
Provision for Tax		
- Current	65,99,077	29,82,225
- Deferred Tax	(2,62,640)	3,11,292
- Earlier Year	9,37,040	96,321
Profit after Tax	81,49,701	66,86,273
Appropriations: -		
Amount transferred to General Reserves	6,34,71,984	5,53,22,283
Earning Per Share (₹)		
- Basic	1.03	1.07
- Diluted	1.03	1.03

FINANCIAL REVIEW

For the year under review, the Gross total income of your company stood at ₹21,750.70 Lac as against the previous years' Gross total income of ₹18,483.99 Lac. Profits before Tax (PBT) for the Current Year stood at ₹154.23 Lac while in the previous year it was ₹ 100.76 Lac showing tremendous growth of 53%. Net Profit after Tax (PAT) marked an increase of 21.88% to touch ₹81.49 Lac as compared to ₹66.86 Lac in the previous year.

DIVIDEND

As your company is going for expansion, Directors do not recommend any dividend for the year under review.

BOARD OF DIRECTORS

In accordance with the Articles of Association of the Company and in view of the provisions of Section 256 of the Companies Act, 1956, Sh. Suresh Bansal & Sh. Bishan Bansal retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer themselves for reappointment.

AUDITORS

The Company has received Special Notice as required under Section 225 of the Companies Act, 1956, proposing the appointment of M/s. Rakesh Raj & Associates, Chartered Accountant as the Statutory Auditors of the Company.

The Company has received a certificate from auditor, M/s. Rakesh Raj & Associates, Chartered Accountant to the effect that their appointment, if made, will be within the prescribed limits under Section 224(1-B) of The Companies Act, 1956. Further, they have confirmed that they are not disqualified from being appointed as Auditors under Section 226 of the Companies Act, 1956. The Members are requested to consider their appointment as a Statutory Auditor of the Company.

AUDITORS' REPORT

Auditors of the Company have not expressed any qualification in their report and notes to accounts where ever given are self-explanatory.

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, 2011.

PERSONNEL

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The Particulars in respect of energy conservation and technology absorption are not applicable to the company.

Foreign Exchange earning and outgo: Nil

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with the proper explanation relating to material departures.
- (ii) that directors had selected such Accounting Policies and applied them constantly and made judgments and estimates that are reasonable and prudent so as to give true and fair view.

- (iii) that they had taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) that the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Directors of the Company wish to place on record their sincere appreciation for the efforts and cooperation extended by all those associated with the Company.

On behalf of the Board
For **SRS Real Estate Ltd.**



Dr. Anil Jindal
(Chairman)
DIN : 00005585



Vinod Jindal
(Managing Director)
DIN : 00005563

Place : Faridabad
Date : 24/08/2011

AUDITORS' REPORT

To,

The Members of
SRS REAL ESTATE LIMITED,
New Delhi.

1. We have audited the attached Balance Sheet of SRS REAL ESTATE LIMITED ('the Company') as at 31st March 2011, 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 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 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, 2011;
 - (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 **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Regn No.000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place: New Delhi
Date: 24/08/2011

ANNEXURE TO THE AUDITORS' REPORT

(As referred in paragraph 3 of our report to the members of **SRS REAL ESTATE LIMITED** on the accounts for the year ended 31st March 2011)



- 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 & therefore, do not affect the going concern assumption .
- ii. (a) As explained to us, physical verification has been conducted by the management at reasonable intervals in respect of building material, stores & spares. 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) The company has granted loan to one company covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 3,037.94 lacs and the year-end balance of loan granted to such party was Rs. 50.63 lacs.
- (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 amount is recoverable on demand. Hence the provisions of clause 4 (iii) (c) & (d) of the order are not applicable to the company.
- (d) The Company has taken loan/advances from two companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 288.61 lacs and the year-end balance was Rs. NIL.
- (e) In our opinion, the rate of interest wherever stipulated, and other terms and conditions for such loans have been taken from companies listed in the register maintained under section 301 of the Companies Act 1956 are not, prima facie prejudicial to the interest of the company.

- (f) The amount was paid during the year. Hence the provisions of clause 4 (iii) (g) of the order are not applicable to the company.
- iv. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- 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 however the same need to be further strengthened to be 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, Wealth Tax, Custom Duty, Excise Duty and Cess. Further *no dues have been deposited in respect of service tax and delays were noticed in depositing dues of sales tax (Work Contract Tax).*

- (b) According to the information and explanations given to us, *except advance tax dues of Rs. 23.66 lacs & Service Tax dues of Rs. 91.41 lacs*, no other undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which were in arrear as at 31st March 2011 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.
- x. The Company has no accumulated losses as at 31st March 2011 and has not incurred any cash losses during the financial year covered by our audit and in 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. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv. As per the information and explanations given to us, the Company has given corporate guarantees amounting to Rs. 2,425 Lacs for loans taken by two companies from banks, the terms and conditions of the same are not, prima facie, prejudicial to the interest of the company.
- xvi. To the best of our information and knowledge and as per records verified by us, the Company has applied its term loans for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties, firms and companies covered in the register maintained under section 301 of the Companies Act, 1956.

- xix. According to the information and explanations given to us, the Company has not issued any debentures. Therefore, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by means of public issue during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **S.S. KOTHARI MEHTA & CO.**
Chartered Accountants
Firm Regn No. 000756N

Naveen Aggarwal
Partner
Membership No. 094380

Place: New Delhi
Date: 24/08/2011

PARTICULARS	SCH		AS AT 31-MAR-11 RS.	AS AT 31-MAR-10 RS.
<u>SOURCES OF FUNDS</u>				
Shareholders' Funds				
Share Capital	1	78,816,560	78,816,560	
Reserve and Surplus	2	<u>964,112,424</u>	<u>1,042,928,984</u>	<u>1,034,779,283</u>
Loan Funds				
Secured Loans	3	1,777,938,238	1,773,915,100	
Unsecured Loans	4	<u>863,691,823</u>	<u>2,641,630,061</u>	<u>2,243,986,001</u>
Deferred Tax Liability (Net)			<u>3,622,457</u>	<u>3,885,097</u>
			<u>3,688,181,502</u>	<u>3,282,650,381</u>
<u>APPLICATION OF FUNDS</u>				
Fixed Asset				
Gross Block	5	77,311,746	79,989,109	
Less: Depreciation		<u>23,398,389</u>	<u>18,035,197</u>	
Net Block		53,913,357	61,953,912	
Capital Work in Progress		<u>3,029,667</u>	-	
			56,943,024	61,953,912
Investments	6		11,013,238	101,047,844
Current Assets, Loans and Advances				
Inventories	7	1,328,338,302	1,467,254,527	
Sundry Debtors	8	2,088,202,947	1,413,873,647	
Cash & Bank Balances	9	130,800,768	86,486,676	
Other Current Assets	10	11,415,889	7,150,720	
Loans & Advances	11	<u>1,121,312,717</u>	<u>1,308,859,921</u>	
		4,680,070,623	4,283,625,491	
Less: Current Liabilities & Provisions				
Liabilities	12	1,054,273,475	1,162,823,814	
Provisions	13	<u>5,571,908</u>	<u>1,153,052</u>	
		<u>1,059,845,383</u>	<u>1,163,976,866</u>	
Net Current Assets			3,620,225,240	3,119,648,625
			<u>3,688,181,502</u>	<u>3,282,650,381</u>
Significant Accounting Policies and Notes to Accounts	22			

The schedules referred to above and notes to accounts form an integral part of the Financial Statements.

As per our Report of even date attached

For S S Kothari Mehta & Co.

Chartered Accountants
Firm Regn. No. 000756N

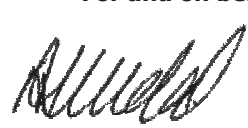



Naveen Aggarwal
(Partner)
M.No. 094380

Place: Faridabad
Date: 24.08.2011



For and on behalf of the Board

 
Dr. Anil Jindal **Vinod Jindal**
(Chairman) (Managing Director)
DIN No. 00005585 DIN No. 00005563


Nidhi Aggarwal
(Company Secretary)
M.No. 21812

PARTICULARS	SCH	YEAR ENDED 31-MAR-11 Rs.	YEAR ENDED 31-MAR-10 Rs.
INCOME			
Operating Income	14	2,171,721,401	1,799,410,732
Other Income	15	27,118,510	25,219,298
Increase/(Decrease) in Inventories	16	(23,769,500)	23,769,500
Total		<u>2,175,070,411</u>	<u>1,848,399,530</u>
EXPENDITURE			
Cost of Construction/Projects	17	2,050,444,636	1,730,569,999
Purchases of Land for resale		-	23,769,500
Employee Cost	18	5,843,585	5,263,428
Administration & Other Cost	19	16,670,182	15,810,609
Selling Cost	20	56,761,409	47,834,042
Finance Cost	21	23,550,968	8,858,578
Depreciation	5	6,376,453	6,217,263
		<u>2,159,647,233</u>	<u>1,838,323,419</u>
Profit before Tax		15,423,178	10,076,111
Provision for Taxation			
- Current		6,599,077	2,982,225
- Deferred		(262,640)	311,292
- Earlier Year		937,040	96,321
		<u>7,273,477</u>	<u>3,389,838</u>
Profit after Tax		<u>8,149,701</u>	<u>6,686,273</u>
Balance brought forward from previous year		55,322,283	48,636,010
Balance Carried to Balance Sheet		<u>63,471,984</u>	<u>55,322,283</u>
Earning per share (Face value-Rs. 10 each)			
-Basic		1.03	1.07
-Diluted		1.03	1.03

Significant Accounting Policies and Notes to Accounts 22

The schedules referred to above and notes to accounts form an integral part of the Financial Statements.

As per our Report of even date attached

For S S Kothari Mehta & Co.

Chartered Accountants
Firm Regn. No. 000756N

Naveen Aggarwal



Naveen Aggarwal

(Partner)
M.No. 094380

Place: Faridabad
Date: 24.08.2011

For and on behalf of the Board

Dr. Anil Jindal

Dr. Anil Jindal
(Chairman)
DIN No. 00005585

Vinod Jindal

Vinod Jindal
(Managing Director)
DIN No. 00005563

Nidhi Aggarwal

Nidhi Aggarwal
(Company Secretary)
M.No. 21812

S. NO.	PARTICULARS	31-MAR-11 Rs.	31-MAR-10 Rs.
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax (as per Profit & Loss Account)	15,423,178	10,076,111
	Adjustment For:		
	Depreciation	7,009,454	6,841,326
	Interest Paid	384,915,529	276,794,915
	Loss on sale of Fixed Assets	1,383,307	13,575
	Balances w/off	18,483	4,547,616
	Exchange rate fluctuation on	-	-
	Provision for diminution in the value of Investment	(2,156)	(475,680)
	Interest Received	(17,091,997)	(21,647,919)
	Operating Profit Before Working Capital Change	391,655,799	276,149,944
	Adjustment For:		
	Trade and Other Receivable	(486,800,579)	(741,363,003)
	Inventories	138,916,225	475,839,596
	Trade Payable and Other Liabilities	(106,102,111)	(689,105,473)
	Cash Generated From Operations	(62,330,666)	(678,478,936)
	Direct Taxes Paid	(3,335,127)	(2,834,075)
	Net Cash From Operating Activities (A)	(65,665,793)	(681,313,011)
B	Cash Flow From Investing Activities		
	Purchases of Fixed Assets	(4,476,874)	(2,517,685)
	Proceeds from sale of Fixed Assets	1,095,000	5,000
	Purchases of Investments (Net)	90,036,762	(100,000,000)
	Interest Received	12,826,828	21,367,385
	Net Cash Used In Investing Activities (B)	99,481,716	(81,145,300)
C	Cash Flow From Financing Activities		
	Proceeds From Long Term Borrowings	320,915,166	443,305,563
	Repayments of Long Term Borrowings	(39,995,987)	(50,611,708)
	Proceed From Short Term Borrowing (Net)	45,303,235	327,809,465
	Proceeds From Issue of Shares	-	388,530,000
	Interest Paid	(315,724,245)	(373,317,254)
	Net Cash Used In Financing Activities (C)	10,498,169	735,716,066
	Net Increase In Cash And Cash Equivalent (A+B+C)	44,314,092	(26,742,245)
	Cash & Cash Equivalent at the beginning of the Year	86,486,676	113,228,921
	Cash & Cash Equivalent at the end of the Year	130,800,768	86,486,676
	Net Increase In Cash And Cash Equivalents	44,314,092	(26,742,245)

As per our Report of even date attached

For S S Kothari Mehta & Co.

Chartered Accountants

Firm Regn. No. 000756N


**Naveen Aggarwal**

(Partner)

M.No. 094380

Place: Faridabad

Date: 24.08.2011

For and on behalf of the Board


Dr. Anil Jindal
(Chairman)
DIN No. 00005585



Vinod Jindal
(Managing Director)
DIN No. 00005563



Nidhi Aggarwal
(Company Secretary)
M.No. 21812

**SCHEDULES TO THE FINANCIAL STATEMENTS
AS AT 31ST MAR., 2011**

SRS Real Infrastructure Ltd.

PARTICULARS	AS AT 31-MAR-11 Rs.	AS AT 31-MAR-10 Rs.
Schedule 1		
Share Capital		
Authorised :		
1,50,00,000 Equity Shares of Rs 10/-each	150,000,000	150,000,000
(Previous year 1,50,00,000 Equity Shares of Rs 10/-each)	<u>150,000,000</u>	<u>150,000,000</u>
Issued, Subscribed & Paid Up		
78,81,656* Equity Shares of Rs 10/- each fully paid up	78,816,560	78,816,560
(Previous Year '78,81,656 Equity Shares of Rs 10/- each fully paid up)	<u>78,816,560</u>	<u>78,816,560</u>
* 100% Equity Shares held by holding compnay SRS Real Infrastructure Ltd.		
Schedule 2		
Reserves & Surplus		
Share Premium		
Balance at the beginning of the year	900,640,440	405,192,840
Addition during the year	-	495,447,600
Balance at the end of the year	<u>900,640,440</u>	<u>900,640,440</u>
Profit & Loss Account		
	63,471,984	55,322,283
	<u>964,112,424</u>	<u>955,962,723</u>
Schedule 3		
Secured Loans		
From Banks		
- Term Loans	1,261,274,578	978,878,820
- Vehicle Loans	239,473	1,394,435
- Cash Credit	515,773,538	792,669,579
	<u>1,777,287,589</u>	<u>1,772,942,834</u>
From Others		
- Vehicle Loans	650,649	972,266
	<u>1,777,938,238</u>	<u>1,773,915,100</u>
a) Term Loan from Union Bank of India amounting Rs.64,98,43,628 (Previous Year Rs. 65,00,00,000) is secured by Equitable Mortgage of Land admeasuring 15.061 acres in Nehar Par area at Sector 88, Baselwa, Faridabad and present and future construction and development work thereon and personal guarantee of the directors. Term Loan from Punjab National Bank amounting Rs. NIL (Previous Year Rs. 3,83,63,036) is secured by Equitable Mortgage of project properties at Sector- 6, Palwal and all present and future construction and development work thereon and 1st charge of all the fixed assets of the company including WIP, all current assets including receivable and personal guarantee of the directors. Term Loan from Union Bank of India amounting Rs. 539630950 (Previous Year Rs. 29,05,15,784) is secured by Equitable Mortgage of Land admeasuring 19.018 acres in Nehar Par area at Sector 87, Baselwa, Faridabad and Land at measuring 6.3437 acres at Sec 6 Palwal, construction and development work thereon and personal guarantee of the directors, Corporate guarantee of the holding company , land owing companies and two fellow subsidiary companies. Term loan from Punjab National Bank amounting to Rs. 71800000/-(Previous Year- NIL) is secured by extension of Equitable Mortgage of project properties at Sector- 6, Palwal and all present and future construction and development work thereon and Equitable Mortgage of commercial land admeasuring 2.078 acres in the name of the company and collaborators, personal guarantee of the directors and corporate guarantee of collaborators.		
b) Vehicle loans are secured by hypothecation of respective vehicles.		
c) Cash Credit limit from State Bank of India against the Equitable Mortgage of part project Land comprising Khewat Khata No. 173/205, 80/95, 312/375, 326/392, 169/198, 202/242 and building to be built on it and personal guarantee of Directors of the company and Corporate Guarantee of SRS Real Infrastructure Ltd.		
[Amount Repayable within one year Rs.63,67,61,609 (Previous YearRs. 42,93,91,731/-)		
Schedule 4		
Unsecured Loans		
From bodies corporate	2,533,750	2,533,750
Deferred payment credits for EDC	783,350,868	461,151,592
Interest accrued and due on EDC & Others	77,807,205	6,385,559
	<u>863,691,823</u>	<u>470,070,901</u>
[Amount payable within one year is Rs. 47,65,84,903/- (Previous Year Rs.12,38,64,062)]		

Schedule 5
Fixed Assets

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2010	ADDITIONS DURING THE YEAR	SALE/ ADJUSTMENTS	AS AT 31.03.2011	UP TO 31.03.2010	FOR THE YEAR	ON SALE/ ADJUSTMENT	UPTO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
Plant & Machinery -Air Conditioners	2,968,241	-	-	2,968,241	330,076	140,991	-	471,067	2,497,174	2,638,165
- Office Equipments	14,171,655	582,652	-	14,754,307	1,748,455	765,212	-	2,513,667	12,240,640	12,423,200
Leasehold Improvements	8,458,009	-	-	8,458,009	1,800,899	939,685	-	2,740,584	5,717,425	6,657,110
Furniture & Fixtures	17,670,049	-	-	17,670,049	2,399,568	1,118,514	-	3,518,082	14,151,967	15,270,481
Computer	6,577,417	365,319	-	6,942,736	2,864,102	1,098,613	-	3,962,715	2,980,021	3,713,315
Vehicle	28,566,526	499,236	4,124,570	24,941,192	8,177,167	2,630,997	1,646,262	9,161,902	15,779,290	20,389,359
Intangible Assets	1,577,212	-	-	1,577,212	714,930	315,442	-	1,030,372	546,840	862,282
TOTAL	79,989,109	1,447,207	4,124,570	77,311,746	18,035,197	7,009,454	1,646,262	23,398,389	53,913,357	61,953,912
Previous Year	77,491,669	2,517,685	20,245	79,989,109	11,195,541	6,841,326	1,670	18,035,197	61,953,912	66,296,128
CWIP	-	3,029,667	-	3,029,667	-	-	-	-	3,029,667	-

Note: out of depreciation for the year, depreciation of Rs.6,33,001 (previous Year Rs. 6,24,063) has been allocated to projects.

PARTICULARS	AS AT 31-MAR-11 Rs.	AS AT 31-MAR-10 Rs.
Schedule 6		
<u>Investments</u>		
<u>Current, non -trade, quoted</u>		
1,00,000 (Previous year 1,00,000) units SBI One India Mutual Fund of Rs. 10/- each	1,000,000	1,000,000
Nil (Previous year 99,67,605.28) units SBI Premier Liquid Fund Institutional of Rs. 10/- each	-	100,000,000
1000723.375 (Previous year Nil) units SBI SHDF Ultra Mutual Fund of Rs. 10/- each	10,013,238	-
Nil (Previous year 4,889.98) units Birla Sunlife Mutual Fund of Rs 10/- each	-	50,000
	11,013,238	101,050,000
Less : Provisions for diminution in the value of investment	-	2,156
	11,013,238	101,047,844
Note: All the above shares/units are fully paid up.		
Aggregate amount of unquoted investments	-	-
Aggregate amount of quoted investments	11,013,238	101,050,000
Market Value of quoted investment	11,096,238	101,114,844
Schedule 7		
<u>Inventories</u>		
(As Taken, Valued & Certified by the Management)		
Land for resale	-	23,769,500
Building Material at Site	10,950,668	55,294,243
Projects in Progress (refer schedule no. 17)	1,317,387,634	1,388,190,784
	1,328,338,302	1,467,254,527
Schedule 8		
Sundry Debtors		
(Unsecured, considered good)		
i. Debts outstanding for a period exceeding six months	231,736,426	271,755,620
ii. Others	1,856,466,521	1,142,118,027
	2,088,202,947	1,413,873,647
Schedule 9		
<u>Cash & Bank Balances</u>		
Cash on Hand	3,816,781	3,619,398
Balance with scheduled banks:		
-in current accounts	40,321,144	13,960,626
-in deposit account *	86,662,843	68,906,652
	130,800,768	86,486,676
*Fixed deposit aggregating to Rs. 727.27 Lacs (Previous year Rs. 639.07) have been pledged with banks for bank overdraft and bank guarantee.		
Schedule 10		
<u>Other Current Assets</u>		
Interest accrued on Fixed Deposits	11,415,889	7,150,720
	11,415,889	7,150,720

PARTICULARS	AS AT 31-MAR-11 Rs.	AS AT 31-MAR-10 Rs.
Schedule 11		
<u>Loans & Advances</u>		
(Unsecured, Considered Good, unless otherwise stated)		
Loan to bodies corporate	5,062,975	218,844,351
Advance for future projects	528,942,000	414,500,000
Advances to Suppliers	554,427,764	642,126,534
Advances recoverable in cash or in kind or for value to be received	32,879,978	33,389,036
	<u>1,121,312,717</u>	<u>1,308,859,921</u>
<u>Schedule 12</u>		
<u>Current Liabilities</u>		
Advance from Customers	781,810,812	972,059,036
Advance received from Holding Company	-	10,000,000
Sundry Creditors	-	-
(a) Due of Micro & Small Enterprises	-	-
(b) Due of Creditors other than Micro & Small Enterprises	151,562,714	125,233,691
Security Deposit	39,750,623	19,476,375
Share Application Money payable	-	6,200,000
Bank Overdrawn	2,956,172	3,240,299
Other Liabilities	59,461,721	5,652,618
Interest accrued but not due	18,731,433	20,961,795
	<u>1,054,273,475</u>	<u>1,162,823,814</u>
Schedule 13		
<u>Provisions</u>		
Provision for Taxation (Net of Advance Tax & TDS of Rs.67,45,677- , Previous year Rs. 1,39,79,819)	4,537,197	336,207
Provision for Employee's Benefits	1,034,711	816,845
	<u>5,571,908</u>	<u>1,153,052</u>

PARTICULARS	YEAR ENDED 31-MAR-11 Rs.	YEAR ENDED 31-MAR-10 Rs.
Schedule 14		
<u>Operating Income</u>		
Sale of Constructed Properties/Plots/Land	2,171,721,401	1,799,410,732
	<u>2,171,721,401</u>	<u>1,799,410,732</u>
Schedule 15		
<u>Other Income</u>		
Interest received (Gross):		
- Deposits with Bank	9,584,502	6,479,361
(Tax deducted at source Rs.958,315 (Previous year Rs.7,51,882)		
- Others	7,507,495	15,168,558
(Tax deducted at source Rs. 1,28,180 (Previous year Rs.13,38,708)		
Rent Received	163,191	230,000
Reversal of provisions for diminution in the value of investment	2,156	475,680
Dividend	113,883	-
Profit on sale of Mutual fund	4,290	-
Misc.Income	9,742,993	2,865,699
	<u>27,118,510</u>	<u>25,219,298</u>
Schedule 16		
<u>Increase/ (Decrease) in Inventories</u>		
Opening Stock	23,769,500	-
Closing Stock	-	23,769,500
	<u>(23,769,500)</u>	<u>23,769,500</u>
Schedule 17		
<u>Cost of Construction /Projects</u>		
Balance as per last year	1,388,190,784	1,943,094,123
<u>Add: incurred during the year</u>		
Cost of land	-	20,353,859
Amount paid to collaborators	17,658,782	105,418,395
Govt. Charges	462,910,493	232,075,028
Building Material Consumed	387,339,973	304,459,303
Construction Cost	726,657,504	231,936,485
Employee Cost	16,917,430	10,010,092
Administration and Other Cost	6,159,741	2,853,098
Depreciation	633,001	624,063
Finance Cost	361,364,561	267,936,337
	<u>3,367,832,269</u>	<u>3,118,760,783</u>
Less:		
-Cost of Projects charged to Profit & Loss a/c	2,050,444,636	1,730,569,999
Balance Carried to Balance Sheet	<u>1,317,387,634</u>	<u>1,388,190,784</u>
Schedule 18		
<u>Employee Cost</u>		
Salaries, Wages, allowances and bonus	17,390,507	10,995,458
Directors' Remuneration	2,816,280	2,411,445
Contribution to Provident fund & Other funds	1,435,752	938,445
Provision for Employee's benefits	257,149	157,979
Staff Welfare Expenses	861,327	770,193
	<u>22,761,015</u>	<u>15,273,520</u>
Less: Allocated to Projects	16,917,430	10,010,092
	<u>5,843,585</u>	<u>5,263,428</u>

PARTICULARS	YEAR ENDED 31-MAR-11 Rs.	YEAR ENDED 31-MAR-11 Rs.
Schedule 19		
<u>Administration and Other Cost</u>		
Rent	4,953,600	4,573,600
Rates & Taxes	11,787	4,958
Insurance	612,155	653,700
Repairs and Maintenance - others	878,485	691,394
Electricity & Water Expenses	2,349,648	523,219
Vehicle Running & Maintenance	444,631	433,345
Legal & Professional Charges	2,784,213	1,994,305
Auditors' Remuneration	922,086	886,537
Computer Expenses	130,985	85,545
Travelling & Conveyance	2,276,999	1,534,332
Printing & Stationery	2,102,212	343,342
Postage, Telegram & Telephone	1,741,611	1,352,079
ROC Expenses	6,600	12,350
Security & Housing Keeping	957,214	255,804
Donation	590,100	404,953
Balances w/off	18,483	4,547,616
Loss on Sale of Fixed Assets	1,383,307	13,575
Other Expenses	665,807	353,053
	22,829,923	18,663,707
Less: Allocated to projects	6,159,741	2,853,098
	16,670,182	15,810,609
Schedule 20		
<u>Selling Cost</u>		
Business Promotion	1,059,318	443,337
Commission	20,320,242	10,310,196
Advertisement & Publicity	34,784,329	36,306,965
Discount & Rebate	597,520	773,544
	56,761,409	47,834,042
Schedule 21		
<u>Finance Cost</u>		
Bank Interest on:		
-Term Loan	151,406,882	90,596,841
-CC & Overdraft	89,240,286	57,759,148
Interest to others	127,458,839	107,179,326
Bank & Other Financial Charges	16,809,522	21,259,600
	384,915,529	276,794,915
Less: Allocated to projects	361,364,561	267,936,337
	23,550,968	8,858,578

SCHEDULE 22:

Significant Accounting Policies and Notes to Accounts for the year ended 31st March 2011

A. Background

SRS Real Estate Limited ("The Company") was incorporated on 10th October 2005 under the Companies Act 1956. The Company is wholly owned subsidiary of SRS Real Infrastructure Ltd. The Company is primarily engaged in the business of promotion, construction and development of both residential as well as commercial complex.

B. Significant Accounting Policies

1. Basis of Accounting

The financial statements are prepared under the historical cost convention, on accrual basis of accounting and in accordance with Generally Accepted Accounting Principles ('GAAP') in India and comply with Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and in accordance with the provisions of the Companies Act, 1956.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities and contingent assets 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 constructed residential, institutional & commercial projects/scheme is recognized on the basis of "Percentage of Completion Method". The revenue is recognized in proportion to the actual cost incurred as against the total estimated cost of the projects/scheme under execution subject to such actual cost being 25% or more of the total estimated cost of the project/scheme.

3.2. (a) Sale of developed plots are recognized on the basis of "Percentage of Completion method". The revenue is recognized in proportion to the actual cost incurred as against the total estimated cost subject to such actual cost being 50% or more of the total estimated cost.

(b) Sale of undeveloped land, plots and other properties are recognized in the financial year in which the transfer is made by agreement to sell/registration of sale deed or otherwise in favour of parties

3.3. The estimates relating to saleable area, sale value, estimated costs etc. are revised and updated periodically by the management and necessary adjustments are made in the current year's accounts.

- 3.4. The construction/development cost in respect of sales recognized is proportionately charged to the Profit & Loss A/c in consonance with the matching cost concept.
- 3.5. Interest on delayed payments by customers against dues is taken into account on acceptance or realization owing to practical difficulties and uncertainties involved.
- 3.6. Revenue from interests is recognized on a time proportion basis.
- 3.7. Dividend Income on investment is accounted for when the right to receive the payment is established.

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 the asset is ready for its intended use. Credit of duty, if availed, is adjusted in the acquisition cost of the respective fixed assets.

Capital Works-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" prescribed by the Companies (Accounting Standards) Rules, 2006 and recorded at the consideration paid for acquisition.

5. Depreciation on Fixed Assets and Amortization

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

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

Intangible Assets are amortized over the useful life of the assets or ten years, whichever is earlier.

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

6. 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.

7. Impairment of Assets

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

8. Investments

Current investments are stated at lower of cost and fair market value. Long-term investments are valued at their acquisition cost. The provision for any diminution in the value of long- term investments is made only if such a decline is other than temporary.

9. Inventories

Inventories are valued as under: -

- | | |
|---|---|
| a. Building Materials | at lower of cost and net realizable value. |
| b. Projects/Contracts work in progress | at lower of actual cost and net realizable value. |
| c. Land, Flats, Shops, Plots, Traded Goods etc. | at lower of actual cost and net realizable value. |

Costs of building materials are determined on First in First out ('FIFO') basis in the ordinary course of business.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Expenses, attributable directly and forming integral part of specific project / scheme are considered as part of the project cost and accordingly are considered in the valuation therein. (Also refer Note No. 4.)

10. Taxation

Income tax expense is 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 provisions 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.

11. Employee benefits

a) Defined Benefit Plan

Gratuity and long –term compensated absences are provided for based on actuarial valuation carried out at the close of each year. The actuarial valuation is done by an Independent Actuary as per projected unit credit method.

b) Defined Contribution Plan

The company contribution to Employees Provident Fund and Family Pension Fund are deposited with the Regional Provident Fund Commissioner and is charged to Profit & Loss Account every year on due basis.

12. 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.

13. 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 or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the company are segregated.

14. Earning Per Share (EPS)

Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15. Provisions, Contingent Liabilities and Contingent Assets

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

C. Notes to Accounts

1. Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.60.24 Lacs (PY Nil)

2. Contingent Liabilities not provided for in respect of:

Particulars	As at 31.03.2011	As at 31.03.2010
	(Rs.)	(Rs.)
Outstanding Bank Guarantees	22,69,91,400	26,15,58,000
Corporate Guarantee on behalf of Holding Company	Nil	35,00,00,000
Corporate Guarantee to body corporate	24,25,00,000	Nil
Income Tax for assessment year 2008-09	Nil	2,79,124

3. In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.
4. The company has entered into "Collaboration Agreement" with certain land-owners whereas the possession has been delivered to the company for development & construction of said land and marketing thereof. The payments are being made in accordance with respective Collaboration Agreements and the total cost of the same is charged to the respective projects.
5. Total turnover of the company is net of sales return of Rs. 23.40 crores (Previous year Rs. 6.84 crores)
6. The information regarding Micro Enterprises and Small Enterprises as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. Further during the year no interest has been paid or payable under the terms of the said Act.
7. Prior Period expenses of Rs.19.01 lacs (PY Nil) have been charged to profit and loss account.
8. Assets taken on Operating Lease:
 - a. The company has taken an office on non-cancellable operating lease.
 - b. Future commitments in respect of minimum lease payments payable in respect of aforesaid lease entered by the Company are as follows:

Amount in Rs.

Particulars	As at 31.03.2011	As at 31.03.2010
a. Not later than one year	60,000	Nil
b. Later than one year and not later than five years	2,40,000	Nil
c. Later than five years	2,40,000	Nil

9. Deferred Tax Assets and Liabilities

In view of the Accounting Standard – AS 22 “Accounting for Taxes on Income”, the deferred tax assets/liabilities as at 31st March 2011 comprise of the following major components:

Particulars	As At 31.03.2011 (Rs)	As At 31.03.2010 (Rs)
Fixed Assets	39,58,169	41,57,148
Deferred Tax Liabilities (A)	39,58,169	41,57,148
Preliminary Expenses allowable u/s 35D	-	-
Provision for Gratuity & Leave Encashment	3,35,712	2,71,335
Provisions for diminution in the value of investment	-	716
Deferred Tax Assets (B)	3,35,712	2,72,051
Net Deferred Tax Liability/(ASSETS) (A-B)	36,22,457	38,85,097

10. Employee Benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded. The Company has also provided for Leave Encashment which is also 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, 2011).

Net employee benefit expense (recognized in the Statement of Profit & Loss for the year ended March 31, 2011)

(Amount in Rs.)

Particulars	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Current Service Cost	1,12,183	1,04,873	2,27,510	1,67,200
Interest Cost	23,807	21,058	41,541	29,719
Expected return on plan assets	-	-	-	-
	-	-	-	-
	(1,06,973)	(90,954)	(40,919)	(73,917)
Net benefit expense	29,017	34,977	2,28,132	1,23,002

Net Asset / (Liability) recognized in the Balance Sheet as on March 31, 2011

Particulars	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Present Value of Defined Benefit Obligation at the end of the year	3,12,590	2,97,586	7,22,121	5,19,259
Fair Value of Plan Assets	-	-	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(3,12,590)	(2,97,586)	(7,22,121)	(5,19,259)

Changes in the Fair value of plan assets:

Particulars	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Fair value of plan assets at the beginning of the year	-	-	-	6,48,645
Acquisition adjustment	-	-	-	-
Expected return on plan assets	-	-	-	
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial gain/(loss) on plan assets	-	-	-	6,37,028*
Fair value of plan assets at the end of the period	-	-	-	-

*During the previous financial year, company had withdrawn the fund (Group Gratuity Cash Accumulation Scheme) maintained with LIC.

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

Particulars	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Present Value of Defined Benefit Obligation at the beginning of the year	2,97,586	2,80,771	5,19,259	3,96,257
Interest Cost	23,807	21,058	41,541	29,719
Current Service Cost	(1,12,183)	1,04,873	2,27,510	1,67,200
Benefits Paid	(14,013)	(18,162)	(25,270)	-
Actuarial (gain)/ loss on obligation	(1,06,973)	(90,954)	(40,919)	(73,917)
Present Value of Defined Benefit Obligation at the end of the year	3,12,590	2,97,586	7,22,121	5,19,259

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

Particulars	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Discount Rate (based on the market yields available on Government bonds at the accounting date with term that matches that of the liabilities)	8.00%	7.50%	8.00%	7.50%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.50%	5.00%	5.50%	5.00%
Rate of Return on Plan Assets	NA	NA	NA	NA
Average Outstanding Service of Employees upto Retirement (years)	27.80	27.40	27.80	27.40

Contribution to Defined Contribution Plans:

Particulars	Amount	Amount
	2010-11	2009-10
Provident fund	12,35,689	8,07,328

11. Segment Reporting

The Company is primarily engaged in the business of promotion, construction, development of integrated townships, and residential and commercial complexes in the various parts of the country, which as per Accounting Standard-17 on "Segment Reporting" is considered to be the only reportable business segment. The Company is operating in the same geographical segment.

12. Related Party Transactions

As per Accounting Standard-18, the Company's related parties and transactions are disclosed below:

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

1) Holding Company

- i. SRS Real Infrastructure Ltd.

2) Fellow Subsidiaries

- i. Bhavani Realbuild P. Ltd.
- ii. Bright Infrabuild Pvt. Ltd
- iii. Dimension Infrastructure Pvt Ltd
- iv. Haryana Infracon Pvt. Ltd
- v. Mehar Builders Pvt Ltd
- vi. Modern Ashiana Builders Pvt Ltd
- vii. Mounthill Builders Pvt Ltd
- viii. Rebnoor Infrabuild Pvt Ltd
- ix. Skyhigh Colonizer Pvt Ltd
- x. Dawn Developers Pvt. Ltd.
- xi. Glory Buildcon Pvt. Ltd.
- xii. SRS Retreat Pvt. Ltd.
- xiii. SRS I-Tech Pvt. Ltd.
- xiv. SRS Manufacturer Private Ltd. (From 10.09.09)
- xv. SPS Buildcon Limited

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

1) Key Management Personnel (KMP)

- i. Dr. Anil Jindal - Chairman
- ii. Mr. Vinod Jindal - Managing Director
- iii. Mr. Rajesh Singla - Whole Time Director
- iv. Mr. Nanak Tayal - Whole Time Director

2) Enterprises owned or significantly influenced by KMP and/or their Relatives

- i. BTL Industries Ltd.
- ii. BTL Impex (India) Ltd
- iii. BTL Portfolio Ltd
- iv. SRS Entertainment Ltd
- v. SRS Finance Ltd
- vi. SRS Ltd.
- vii. SRS Global Securities Ltd (Formerly Known as SRS Housing Finance Ltd)(upto 31-3-10)
- viii. SRS Retail Limited
- ix. SRS Value Bazaar Limited

3) Relatives of KMP

- i. Ms. Shalini Jindal

c. Transactions with related Parties

S.No	Name of the Party	Nature of Transaction	2010-11 Amount (Rs.)	2009-10 Amount (Rs.)
1	SRS Real Infrastructure Ltd	Corporate Guarantee Taken	230,600,000	1,483,800,000
		Bank Guarantee Taken	11,114,000	Nil
		Reimbursement of Expenses	8,910,621	2,215,504
		Rent Received (including Service tax)	60,000	60,000
		Loan and Advance Received & Repaid	58,880,826	105,950,000
		Material Purchased	3,159,672	Nil
		Share Application Money Received	Nil	398,130,000
		Share Application Money Refunded	Nil	9,600,000
		Allotment of Equity Shares	Nil	538,530,000
		Purchase of Land (FSI)	Nil	4,457,120
		Closing Balance		
		Loans and Advances Recd.	Nil	10,000,000
		Corporate Guarantee Taken	2,064,400,000	1,833,800,000
		Corporate Guarantee Given	Nil	350,000,000
		Sundry Creditors	10,125,282	Nil
2	Vinod Jindal	Director Remuneration	1,502,221	914,352
3	Bishan Bansal	Director Remuneration	Nil	419,454
4	Rajesh Singla	Director Remuneration	724,739	603,174
5	Nanak Chand Tayal	Director Remuneration	724,738	603,174
6	SRS Finance Ltd.	Corporate Guarantee Given	100,000,000	Nil
		Fixed Assets Purchased	450,000	
		Closing Balance		
		Corporate Guarantee	100,000,000	Nil
7	SRS Buildcon P Ltd.	Commission Expenses	421,200	Nil
8	BTL Impex India Ltd.	Commission Expenses	168,480	Nil
		Closing Balance		
		Sundry Creditors	168,480	Nil
9	BTL Industries Ltd.	Loans and Advance Received Back	385,594,000	6,029,548
		Loans and Advance given	Nil	154,425,000
		Commission Expenses	168,480	Nil
		Closing Balance		
		Loans and Advance Given	Nil	385,594,000
		Sundry Creditors	168,480	Nil
10	SRS Global Securities Ltd.	Interest Paid On Behalf of Customers	1,710,387	Nil
11	SRS limited	Display Charges Paid (Including Service tax)	27,575,000	27,575,000
		Purchase of Material/Goods	30,880	111,740.00
		Reimbursement of Expenses	16,73,776	3,345,974
		Office Rent (Net of Service tax)	4,200,000	4,200,000
		Corporate Guarantee Given	142,500,000	
		Closing Balance		
		Creditors	27,847,100	27,596,142

12	Haryana Infracon P Ltd	Repayment of Advance Recd	Nil	22,210,000
13	SRS Retreat Services Ltd.	Repayment of Advance Recd	Nil	60,600,000
14	Shalini Jindal	Professional Charges	Nil	60,000
15	Rebnoor Infrabuild P. Ltd	Reimbursement of Expenses	15,000	Nil

13. “Earning per Share” computed in accordance with Accounting Standard AS- 20.

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
a) Numerator Net Profit after taxation as per Profit & Loss A/C	81,49,702	66,86,273
b) Denominator Weighted average no. of equity shares outstanding for:		
-Basic	78,81,656	62,24,255
-Diluted	78,81,656	64,87,268
c) Earning per Share (EPS) (Face Value of Rs.10 each)		
-Basic	1.03	1.07
-Diluted	1.03	1.03

14. Directors Remuneration:

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Directors' Remuneration	28,16,280	24,11,445
Contribution to PF	1,35,417	1,28,709

Note:

- Computation of net profit in accordance with relevant provisions of the Companies Act, 1956 has not been disclosed as no commission is payable to the Director.
- Above remuneration are inclusive of allowances and perquisites but excluding the value of non- monetary perquisites, if any, & gratuity as the provision for gratuity is determined for the Company as a whole and therefore separate amount for the directors are not available. No leave encashment benefit is available to the director.

15. Auditors' Remuneration (including service tax)

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Statutory Audit Fees	7,16,950	7,16,950
Tax Audit Fees	1,65,450	1,65,450
Out of Pocket Expenses	39,686	4,137
Total	9,22,086	8,86,537

16. 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 Stocks, Purchases and Consumption of Land and Building Material:

Particular	Units	Opening Stock		Purchases		Consumed / Issued to Contractor		Closing Stock	
		Qty.	Amt. in Lacs	Qty.	Amt. in Lacs	Qty.	Amt. in Lacs	Qty.	Amt. in Lacs
Iron & Steel	M.T.	1571.17	533.76	7526.941	3334.00	8879.133	3775.67	218.978	92.09
		-	-	(9088.205)	(3038.79)	(7517.035)	(2505.03)	(1571.17)	(533.76)
Cement	Bags	8146	19.18	252736	507.71	252467	509.47	8415	17.42
		-	-	(227336)	(501.55)	(219190)	(482.37)	(8146)	(19.18)
Others Material		-	-	-	33.73	-	33.73	-	-
		-	-	-	(57.19)	-	(57.19)	-	-
Land	Kanal	27.325	237.69	-	-	27.325	237.69	-	-
		-	-	(27.325)	(237.69)	-	-	(27.325)	(237.69)

Note:

* Quantitative information is not possible due to dealing in numerous different units of measurement

Previous year figure has been given in bracket.

b. Details of imported and indigenous materials consumed:

	Current Year	%	Previous Year	%
	(Rs. In Lac)		(Rs. In Lac)	
Indigenous	4318.87	100%	3530.47	100%
Imported	-	-	-	

17. Previous period figures have been regrouped / rearranged and reclassified wherever necessary.
18. All amounts in the financial statements are presented in Rupees and rounded off to nearest rupee.
19. Schedule 1 to 22 are annexed to and form an integral part of the Balance Sheet as at 31st March, 2011 and Profit & Loss accounts for the year ended on that date.

SIGNATURES TO SCHEDULES 1 TO 22
As per our report of even date attached.

As per our Report of even date attached

For S S Kothari Mehta & Co.
Chartered Accountants
Firm Regn. No. 000756N



Naveen Aggarwal
(Partner)
M.No. 094380

Place: Faridabad
Date: 24.08.2011

For and on behalf of the Board



Dr. Anil Jindal
(Chairman)
DIN No. 00005585



Vinod Jindal
(Managing Director)
DIN No. 00005563



Nidhi Aggarwal
(Company Secretary)
M.No. 21812

**CONSOLIDATED FINANCIAL
STATEMENTS**

AUDITORS' REPORT

**The Board of Directors,
SRS Real Infrastructure Limited**

1. We have audited the attached Consolidated Balance Sheet of SRS Real Infrastructure Limited ('the Company'), its Subsidiaries and Jointly Controlled Entities, collectively referred to as the "the Group", as at 31st March 2011, and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements of the Parent Company, its Subsidiaries and Jointly Controlled Entities for the year ended 31st March, 2011. Our responsibility is to express an opinion on the consolidated 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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of one Subsidiary, whose financial statements reflects total assets of Rs. 47,480.27 lacs as at 31st March 2011, the total revenues of Rs. 21,988.40 lacs and net cash flows amounting to Rs. 443.14 lacs for the year ended on that date. These financial statements have been audited by other auditor whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of Subsidiary, is based solely on the report of the other auditor.
4. We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards on "Consolidated Financial Statements" (AS-21) and Accounting standard-27 on "Financial Reporting of Interest in Joint Ventures" referred to in sub-section (3C) of the section 211 of the Companies Act, 1956.

5. Based on our audit as aforesaid and on consideration of the report of other auditor on the separate financial statements, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true & fair view in conformity with the accounting principles generally accepted in India:
- (I) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - (ii) in case of the Consolidated Profit and Loss Account, of the consolidated profits of the Group for the year ended on that date; and
 - (iii) in the case of Consolidated Cash Flow Statement, of consolidated cash flows of the Group, 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: 02.09.2011

PARTICULARS	SCH.	AS AT 31-MAR-11		AS AT 31-MAR-10
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	1	201,016,000	201,016,000	
Reserve & Surplus	2	1,900,769,033	1,826,647,183	2,027,663,183
Loan Funds				
Secured Loans	3	2,864,170,151	2,438,181,683	
Unsecured Loans	4	1,280,754,576	4,144,924,727	925,539,288
Deferred Tax Liability (Net)			7,035,809	5,080,494
			6,253,745,569	5,396,464,648
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	5	444,811,858	352,492,447	
Less: Depreciation		33,325,012	20,404,228	
Net Block		411,486,846	332,088,219	
Capital Work-in-Progress		749,867,494	1,161,354,340	617,979,472
Investments		6	15,952,745	101,047,844
Deferred Tax Assets (Net)			624,690	540,067
Current Assets, Loans & Advances				
Inventories	7	2,302,182,159	2,340,657,718	
Sundry Debtors	8	3,129,532,915	2,031,275,709	
Cash and Bank Balances	9	235,598,348	146,049,750	
Loans & Advances	10	1,271,747,919	1,606,380,642	
Other Current Assets	11	17,713,089	10,197,847	
			6,956,774,430	6,134,561,666
Less : Current Liabilities & Provisions				
Liabilities	12	1,838,879,958	1,772,615,088	
Provisions	13	42,080,678	17,137,532	
			1,880,960,636	1,789,752,620
Net Current Assets			5,075,813,794	4,344,809,046
			6,253,745,569	5,396,464,648
Significant Accounting Policies & Notes to Accounts		22		

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

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: 02.09.2011

For and on behalf of the Board



(Dr. Anil Jindal)
Chairman & Managing Director
DIN No. 00005585



(Jitender Kumar Garg)
Whole-Time Director
DIN No. 00088125



(Shweta Marwah)
Company Secretary
Membership No. 18730

PARTICULARS	SCH.	YEAR ENDED 31-MAR-11	YEAR ENDED 31-MAR-10
INCOME			
Operating Income	14	7,675,069,736	4,901,685,651
Other Income	15	43,765,257	37,824,239
Increase/(Decrease) in Inventories	16	(70,771,392)	88,955,945
		7,648,063,601	5,028,465,835
EXPENDITURE			
Operating Expenses	17	7,270,368,111	4,755,829,805
Personnel Expenses	18	13,017,816	12,151,109
Office & Administration Expenses	19	38,162,476	25,068,121
Financial Expenses	20	102,798,636	55,705,839
Marketing & Selling Expenses	21	61,532,007	47,960,252
Depreciation	5	13,730,896	7,719,259
		7,499,609,942	4,904,434,385
PROFIT BEFORE TAX		148,453,659	124,031,450
Less: Provision for Tax			
Current		48,093,504	38,644,649
Deferred		1,868,758	1,399,178
MAT Credit		(7,034)	(13,216)
Earlier Years		936,357	877,282
PROFIT AFTER TAX		97,562,074	83,123,557
Brought forward Balance of Profit & Loss A/c		51,621,931	4,991,192
Adjustment in Capital reserve on acquisition of new subsidiary		-	844,363
Adjustment on disposal of investment in subsidiary		-	12,811
		149,184,005	87,257,575
APPROPRIATION			
Proposed Dividend		20,101,600	10,050,800
Interim Dividend		-	17,601,600
Dividend Distribution Tax		3,338,624	4,699,525
Transfer to General Reserves		4,272,492	3,283,719
Amount Carried to Reserves & Surplus		121,471,289	51,621,931
EARNING PER SHARE (Face Value- Re. 1 each)			
Basic & Diluted		0.49	0.47

Significant Accounting Policies & Notes to Accounts

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

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: 02.09.2011

For and on behalf of the Board


(Dr. Anil Jindal)
Chairman & Managing Director
DIN No. 00005585



(Jitender Kumar Garg)
Whole-Time Director
DIN No. 00088125



(Shweta Marwah)
Company Secretary
Membership No. 18730

Sr. No.	PARTICULARS	YEAR ENDED 31-MAR-11	YEAR ENDED 31-MAR-10
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax (as per Profit & Loss Account)	148,453,659	124,031,450
	Adjustment For:		
	Depreciation	14,567,047	8,488,468
	Provision for diminution in the value of Investment	58,337	(475,680)
	Adjustment for pre-acquisition profit of Subsidiary	-	(844,363)
	Balance written off	-	4,605,209
	Loss on sale of Investments	29,366	-
	Profit/Loss on sale of Fixed Assets	1,383,307	(477,175)
	Interest Paid	569,773,258	431,094,604
	Interest Received	(20,801,510)	(25,648,281)
	Operating Profit Before Working Capital Change	713,463,464	540,774,232
	Adjustment For:		
	Trade and Other Receivable	(763,617,448)	(976,829,517)
	Inventories	38,475,559	376,094,055
	Trade Payable and Other Liabilities	71,690,280	(999,834,064)
	Cash Generated From Operations	60,011,855	(1,059,795,294)
	Direct Taxes Paid	(37,947,149)	(56,938,858)
	Net Cash From Operating Activities (A)	22,064,706	(1,116,734,152)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchases of Fixed Assets	(253,477,943)	(168,453,118)
	Proceeds from Sale of Fixed Assets	26,242,874	131,373,140
	Purchases of Investments	(17,513,238)	(100,000,000)
	Proceeds from Sale of Investment	102,520,634	2,021,000
	Acquisition of interest in a new subsidiary	-	(37,396,950)
	Proceeds from disposal of interest in subsidiary	-	100,000
	Dividend Paid	(10,040,518)	(35,189,482)
	Interest Received	13,286,268	24,793,584
	Net Cash Used In Investing Activities (B)	(138,981,923)	(182,751,826)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Long Term Borrowings	415,045,771	500,890,861
	Repayments of Long Term Borrowings	(115,073,340)	(55,482,529)
	Proceeds from Short Term Borrowing (Net)	385,190,047	625,297,573
	Proceeds from Issue of Shares	-	625,000,000
	Interest Paid	(478,696,663)	(472,975,728)
	Net Cash Used In Financing Activities (C)	206,465,815	1,222,730,177
	Net Increase In Cash And Cash Equivalent (A+B+C)	89,548,598	(76,755,801)
	Cash & Cash Equivalent at the beginning of the Year	146,049,750	222,802,063
	Adjustment of Cash & Cash Equivalent on acquisition/disposal of subsidiaries	-	3,488
	Cash & Cash Equivalent at the end of the Year	235,598,348	146,049,750
	Net Increase In Cash And Cash Equivalents	89,548,598	(76,755,801)

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: 02.09.2011

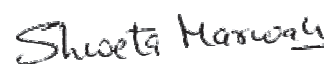
For and on behalf of the Board



(Dr. Anil Jindal)

Chairman & Managing Director
DIN No. 00005585


(Jitender Kumar Garg)

Whole-Time Director
DIN No. 00088125


(Shweta Marwah)

Company Secretary
Membership No. 18730

PARTICULARS	AS AT 31-MAR-11 Rs.	AS AT 31-MAR-10 Rs.
SCHEDULE- 1		
SHARE CAPITAL		
Authorised Capital		
25,00,00,000 Equity Shares of Re.1/- Each (Previous year 25,00,00,000 Equity Shares of Re.1/- Each)	250,000,000	250,000,000
	<u>250,000,000</u>	<u>250,000,000</u>
Issued Subscribed & Paid Up Capital		
20,10,16,000 Equity Shares of Re.1/- Each Fully Paid (Previous year 20,10,16,000 Equity Shares of Re.1/- Each Fully Paid)	201,016,000	201,016,000
	<u>201,016,000</u>	<u>201,016,000</u>
SCHEDULE - 2		
RESERVES & SURPLUS		
i. Capital Reserve		
(On Consolidation of Subsidiaries)	<u>10,542,713</u>	<u>10,542,713</u>
ii. Securities Premium Account		
Balance at the beginning of the year	1,760,000,000	1,160,000,000
Addition during the year	-	600,000,000
Balance at the closing of the year	<u>1,760,000,000</u>	<u>1,760,000,000</u>
iii. General Reserve		
Balance at the beginning of the year	4,482,539	1,198,820
Addition during the year	4,272,492	3,283,719
Balance at the closing of the year	<u>8,755,031</u>	<u>4,482,539</u>
iv. Profit & Loss Account		
	121,471,289	51,621,931
	<u>1,900,769,033</u>	<u>1,826,647,183</u>
SCHEDULE - 3		
SECURED LOANS		
From Scheduled banks		
Term Loans - Rupees	1,612,194,990	1,339,079,604
Working Capital Loans:		
-Demand Loans	515,773,538	792,669,579
-Cash Credit/Bank Overdraft	703,765,050	300,852,972
Vehicle Loans	29,438,252	3,320,177
	<u>2,861,171,830</u>	<u>2,435,922,332</u>
From Others		
Vehicle Loans	2,998,321	2,259,351
	<u>2,864,170,151</u>	<u>2,438,181,683</u>
(includes Rs.6,696.81 Lacs, Previous year Rs. 5,259.87 lacs falling due for payment within one year)		
(a) Term Loans are secured by equitable mortgage of certain immovable & moveable properties of the Group, present and future Construction & Development work on the Projects and current assets of the group, personal guarantees of the directors and Corporate guarantee of the Parent Company and certain Subsidiaries companies and land owning companies.		
(b) Demand loan are taken for real estate projects and secured by Equitable Mortgage of certain land and building to be built on it, pledge of fixed deposits and personal guarantee of Directors of the the subsidiary company and Corporate Guarantee of Parent Company.		
(c) Cash credit/Bank Overdraft limits are secured by hypothecation of stock in trade and book debts of trading division, pledge of fixed deposits, equitable mortgage of certain immovable properties of the group, corporate guarantees of the certain subsidiary companies and personal guarantees of the directors.		
(d) Vehicle loans are secured by hypothecation of respective vehicles.		
SCHEDULE - 4		
UNSECURED LOANS		
Loan from Body Corporates	2,533,750	7,628,941
Loan from others	5,662,328	-
Deferred payment credit for EDC/IDC	1,075,061,219	816,454,346
Interest accrued and due	197,497,279	101,456,001
	<u>1,280,754,576</u>	<u>925,539,288</u>

**SCHEDULE- 5
FIXED ASSETS**

NAME OF ASSETS	Amount in Rs.)											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As At 01.04.2010	Addition during the year	Sale/Trf. during the year	As At 31.03.2011	Upto 31.03.2010	Adj. on new Subsidiary	Adjustment due to Sale or Transfer	For the year	Upto 31.03.2011	As At 31.03.2011	As At 31.03.2010	
Furniture & Fixtures	21,156,876	201,750	-	21,358,626	2,667,194	-	-	1,343,337	4,010,531	17,348,095	18,489,682	
Vehicle	36,327,271	11,337,092	4,124,570	43,539,793	9,235,875	-	1,646,263	4,200,870	11,790,482	31,749,311	27,091,396	
Commercial Vehicle	-	40,714,728	-	40,714,728	-	-	-	3,019,209	3,019,209	37,695,519	-	
Computer	6,745,715	584,816	-	7,330,531	2,898,489	-	-	1,160,047	4,058,536	3,271,995	3,847,226	
Plant & Machinery	23,622,979	33,037,686	-	56,660,665	2,481,361	-	-	2,591,851	5,073,212	51,587,453	21,141,618	
Intangible Assets	1,577,212	-	-	1,577,212	714,930	-	-	315,442	1,030,372	546,840	862,282	
Land	219,327,529	30,057,370	25,147,876	224,237,023	-	-	-	-	-	224,237,023	219,327,529	
Building	35,276,856	2,614,361	-	37,891,217	605,479	-	-	658,150	1,263,629	36,627,588	34,671,377	
Leasehold Improvements	8,458,009	2,295,881	-	10,753,890	1,800,900	-	-	1,164,307	2,965,207	7,788,683	6,657,109	
Temporary Structure	-	748,173	-	748,173	-	-	-	113,834	113,834	634,339	-	
Current Year	352,492,447	121,591,857	29,272,446	444,811,858	20,404,228	-	1,646,263	14,567,047	33,325,012	411,486,846	332,088,219	
Previous Year	428,246,876	55,143,206	130,897,635	352,492,447	11,917,430	-	1,670	8,488,468	20,404,228	332,088,219	242,749,573	

Note : Out of the depreciation for the year, Depreciation of Rs. 8,36,151 (Previous year Rs. 7,69,209) has been allocated to projects.

PARTICULARS	AS AT 31-MAR-11	AS AT 31-MAR-10
Schedule 6		
Investments		
(Current, Non-trade, Quoted)		
SBI One India Mutual Fund 1,00,000 (Previous year 1,00,000) units of Rs. 10/- each	1,000,000	1,000,000
SBI Premier Liquid Fund Institutional Nil (Previous year 99,67,605.28) units of Rs. 10/- each	-	100,000,000
SBI SHDF Ultra Mutual Fund 1000723.375 (Previous year Nil) units of Rs. 10/- each	10,013,238	-
Birla Sunlife Mutual Fund Nil (Previous year 4,889.98) units of Rs 10/- each	-	50,000
(Long term, Non-trade, Quoted, at cost)		
Bank of India DSP Black Rock Mutual Fund 74,682.599 (Previous year Nil) units of Rs. 10/- each	5,000,000	-
	<u>16,013,238</u>	<u>101,050,000</u>
Less:- Provision for diminution in value of Investment	60,493	2,156
	<u>15,952,745</u>	<u>101,047,844</u>
Note: All the investments in shares are fully paid up.		
Aggregate cost of unquoted investments	-	-
Aggregate cost of Quoted investments	16,013,238	101,050,000
Market Value of quoted investment	15,952,745	101,114,844
SCHEDULE - 7		
INVENTORIES		
(As taken, valued & certified by the Management)		
Project in Progress	2,054,132,243	1,988,195,766
Material at Project Site	10,950,668	55,294,243
Raw Material	13,602,931	-
Goods held for resale- Trading Division	39,309,609	228,768,359
Land for resale	184,186,708	68,399,350
	<u>2,302,182,159</u>	<u>2,340,657,718</u>
SCHEDULE - 8		
SUNDRY DEBTORS		
(Unsecured, considered Good)		
i. Debts Outstanding for a Period Exceeding 6 Months	281,765,081	335,467,287
ii.Others	2,847,767,834	1,695,808,422
	<u>3,129,532,915</u>	<u>2,031,275,709</u>
SCHEDULE - 9		
CASH & BANK BALANCES		
Cash on hand	9,203,022	7,620,335
Cheques on hand	6,327,305	3,300,000
Balance with Scheduled Banks		
- in FDRs *	161,180,855	102,669,929
- in Current Accounts	58,887,166	32,459,486
	<u>235,598,348</u>	<u>146,049,750</u>

(*FDRs of Rs. 1,472.45 lacs, Previous year Rs. 976.70 lacs are pledged with Bank for Over Draft/Bank Guarantee/LC Facilities)

PARTICULARS	AS AT 31-MAR-11	AS AT 31-MAR-10
SCHEDULE - 10		
LOANS & ADVANCES		
(Unsecured, considered Good unless otherwise stated)		
Advance Recoverable in Cash or in Kind or for Value is to be received	48,545,787	79,699,255
Advance for Projects		
- To Collaborators	637,473,469	651,123,547
Advance to Suppliers/Contractors	563,139,964	644,606,848
Loan to Body Corporate	10,226,565	218,844,351
Prepaid Expenses	525,566	367,573
Security Paid	11,836,568	11,739,068
	<u>1,271,747,919</u>	<u>1,606,380,642</u>
SCHEDULE - 11		
OTHER CURRENT ASSETS		
Interest Accrued on Fixed Deposits	17,713,089	10,197,847
	<u>17,713,089</u>	<u>10,197,847</u>
SCHEDULE - 12		
CURRENT LIABILITIES		
Advance share application money of Subsidiary	-	6,200,000
Advance from Customers	1,380,610,051	1,371,326,621
Advances for Land	25,400,000	25,214,500
Sundry Creditors		
Due to Small Enterprises & Micro Enterprises	-	-
Other Creditors	215,833,719	236,805,519
Bank Overdrawn	4,990,058	3,240,299
Duties & Taxes Payable	72,627,610	11,199,661
Interest Accrued but not due on Loans	22,314,165	27,278,848
Security Received	117,041,541	91,297,108
Investor Education and Protection fund shall be credited by the following:	-	
Unclaimed Dividend	62,814	52,532
(There is no amount due and outstanding to be credited to Investor Education and Protection fund)	<u>1,838,879,958</u>	<u>1,772,615,088</u>
SCHEDULE - 13		
PROVISIONS		
Provision for Income Tax	16,921,822	4,130,976
(Net of advance tax & TDS Rs. 3,21,08,039, Previous year Rs. 4,58,37,831)		
Proposed Dividend	20,101,600	10,050,800
Provision for Dividend Distribution Tax	3,338,624	1,708,133
Provision for Gratuity & Leave Encashment	1,718,632	1,247,623
	<u>42,080,678</u>	<u>17,137,532</u>

PARTICULARS	YEAR ENDED 31-MAR-11	YEAR ENDED 31-MAR-10
SCHEDULE - 14		
OPERATING INCOME		
Sale of Land/ Developed Properties	2,283,812,828	2,019,423,985
Sale of Traded Goods	5,249,826,714	2,866,758,666
Sale of Finished Goods	108,524,342	-
Rent Received from Immoveable Properties	32,905,852	15,503,000
	<u>7,675,069,736</u>	<u>4,901,685,651</u>
SCHEDULE - 15		
OTHER INCOME		
Interest received on :-		
- FDR (TDS Rs. 13,14,757, Previous year Rs. 13,10,423)	13,294,015	10,446,174
- Others (TDS Rs. 1,28,180, Previous year Rs. 13,38,708)	7,507,495	15,202,107
Syndication Service Charges (TDS Rs. Nil, Previous year Rs. 7,96,683)	-	6,375,000
Reversal of Provisions for diminution in the vale of investment	2,156	475,680
Dividend	113,883	-
Profit on Sale of Mutual Fund	4,290	-
Income from Investment in Joint Venture	1,401,099	-
Misc. Income	21,442,319	4,834,528
Profit on Sale of Fixed Assets	-	490,750
	<u>43,765,257</u>	<u>37,824,239</u>
SCHEDULE - 16		
INCREASE/(DECREASE) IN INVENTORIES		
Opening Stock	288,252,709	208,211,764
Closing Stock	217,481,317	297,167,709
	<u>(70,771,392)</u>	<u>88,955,945</u>
SCHEDULE - 17		
Operational Expenses		
(a) Cost of Sale of Developed Properties		
Project in progress in the beginning of the year	1,988,195,767	2,508,540,008
Add : Cost incurred during the year		
Cost of Land	7,340,134	60,810,178
Amount Paid to Collaborators	17,658,782	105,418,395
Construction Costs	1,185,982,706	616,752,227
Government Charges	513,054,069	247,039,513
Personnel Expenses	20,130,578	11,536,730
Financial Expenses	427,175,817	334,950,052
Office and Administration Expenses	7,440,074	3,708,766
Sales & Marketing Expenses	127,192	10,476,900
Depreciation	836,151	769,209
	<u>4,167,941,270</u>	<u>3,900,001,978</u>
Less: Project in progress at the close of the year	2,054,132,243	1,988,195,766
	<u>2,113,809,027</u>	<u>1,911,806,212</u>
(b) Purchase for resale		
Purchases of Land/Developed Properties	20,644,557	38,698,506
Purchases of Traded Goods	5,026,080,809	2,802,121,271
	<u>5,046,725,366</u>	<u>2,840,819,777</u>
(c) Raw Material Consumed		
Opening Stock	-	-
Add:- Purchases	94,496,806	-
Less: Closing Stock	10,702,931	-
	<u>83,793,875</u>	<u>-</u>

PARTICULARS	YEAR ENDED 31-MAR-11	YEAR ENDED 31-MAR-10
(d) Other Operational Expenses	26,039,843	3,203,816
Total Operational Expenses (a+b+c+d)	<u>7,270,368,111</u>	<u>4,755,829,805</u>
SCHEDULE - 18		
PERSONNEL EXPENSES		
Salaries, Wages, Stipend & Other Allowances	31,882,420	24,178,198
Contribution to Provident Fund & Other Funds	2,259,172	1,576,109
Directors' Remuneration	4,181,112	3,451,396
Staff Welfare Expenses	1,162,232	932,913
Provision for Employees' Benefits	599,851	360,891
	<u>40,084,787</u>	<u>30,499,507</u>
Less: Allocated to Capital Work in Progress	6,936,393	6,811,668
Less: Allocated to Projects	20,130,578	11,536,730
	<u>13,017,816</u>	<u>12,151,109</u>
SCHEDULE - 19		
OFFICE AND ADMINISTRATIVE EXPENSES		
Audit Fees	1,204,541	1,097,237
Donation	791,200	414,953
Electricity Expenses	2,700,775	543,667
Legal and Professional	6,122,317	3,844,629
Listing Fee	263,744	113,307
Land Holding Charges	-	50,000
General Meeting Expenses	233,572	29,327
Security / office Expenses	2,087,906	622,519
Printing & Stationery	2,652,133	737,966
Rates & Taxes	297,329	179,612
Rent	6,847,500	4,895,295
Insurance Expenses	1,066,662	790,228
Repair & Maintenance - Vehicle	1,549,432	794,488
Repair & Maintenance - Plant & Machinery	792,260	-
Repair & Maintenance - Others	1,070,192	739,039
Provision for diminution in value of Investments	60,493	-
Telephone Expenses	168,992	1,481,333
Tour, Travelling and Conveyance	4,698,277	1,760,113
Computer Software	8,099,799	5,999,808
Premium on Surrender of Flats/Plots	545,887	184,462
Preliminary Expenses written off	84,685	-
Loss on sale of Fixed Assets	1,383,307	13,575
Loss on sale of Investments	33,656	-
Other Expenses	3,240,392	625,398
Balances written off	-	4,547,616
	<u>45,995,051</u>	<u>29,464,572</u>
Less: Allocated to Capital Work in Progress	6,552,242	687,685
Less: Allocated to Projects	1,280,333	3,708,766
	<u>38,162,476</u>	<u>25,068,121</u>

PARTICULARS	YEAR ENDED 31-MAR-11	YEAR ENDED 31-MAR-10
SCHEDULE - 20		
FINANCIAL EXPENSES		
Interest on Bank Loans	355,581,470	214,777,867
Interest on Unsecured Loans	5,714,847	23,290,534
Interest on EDC/IDC	53,544,229	149,075,174
Other Interest	127,461,946	9,907,960
Bank and other Financial Charges	27,470,766	34,043,069
	<u>569,773,258</u>	<u>431,094,604</u>
Less: Allocated to Capital Work in progress	39,798,805	40,438,713
Less: Allocated to Projects	427,175,817	334,950,052
	<u>102,798,636</u>	<u>55,705,839</u>
SCHEDULE - 21		
MARKETING & SELLING EXPENSES		
Advertisement	37,922,735	39,055,418
Commission Paid	21,754,074	18,582,696
Business Promotion	1,710,783	450,937
Discount & rebate	597,520	773,544
	<u>61,985,112</u>	<u>58,862,595</u>
Less: Allocated to Capital Work-in-Progress	82,687	425,443
Less: Allocated to Projects	370,418	10,476,900
	<u>61,532,007</u>	<u>47,960,252</u>

SCHEDULE 22

Significant Accounting Policies and Notes to Consolidated Financial Statements for the year ended 31st March, 2011

A. Significant Accounting Policies**1. Consolidation of Accounts:**

a. Basis of preparation:

- i) The Consolidated Financial Statements are prepared in accordance with the requirements of Accounting Standard-21 on 'Consolidated Financial Statements' and Accounting Standard-27 on "Financial Reporting of Interest in Joint Ventures" referred to in sub-section (3C) of the section 211 of the Companies Act, 1956. The Consolidated Financial Statements comprise the financial statements of SRS Real Infrastructure Limited, its Subsidiaries and Jointly Controlled Entities. Reference in these notes to the 'Company' shall mean to include SRS Real Infrastructure Limited, its Subsidiaries and Jointly Controlled Entities which have been consolidated in these financial statements.
- ii) List of Subsidiary Companies which are included in the consolidation and the Parent Company's holding therein are as under:

Name of the Company	% of Shareholding & Voting Power as on		Place of Incorporation
	31.03.2011	31.03.2010	
Bhavani Realbuild Pvt. Ltd.	100%	100%	India
Bright Infrabuild Pvt. Ltd.	100%	100%	India
Dimension Infrastructure Pvt. Ltd.	100%	100%	India
Haryana Infracon Pvt. Ltd.	100%	100%	India
Mehar Builders Pvt. Ltd.	100%	100%	India
Modern Ashiana Builders Pvt. Ltd.	100%	100%	India
Mounthill Builders Pvt. Ltd.	100%	100%	India
Rebnoor Infrabuild Pvt. Ltd.	100%	100%	India
Skyhigh Colonizers Pvt. Ltd.	100%	100%	India
Dawn Developers Pvt. Ltd.	100%	100%	India
Glory Buildcon Pvt. Ltd.	100%	100%	India
SPS Buildcon Ltd.	100%	100%	India
SRS Retreat Services Ltd.	100%	100%	India
SRS Real Estate Ltd.	100%	100%	India
SRS I-Tech Pvt. Ltd.	100%	100%	India
SRS Manufacturers Pvt. Ltd.	100%	100%	India

- iii) List of Jointly Controlled Entities which are included in the consolidation and the Parent Company's holding therein are as under:

Name of the Company	% of Shareholding & Voting Power as on		Place of Incorporation
	31.03.2011	31.03.2010	
SRS Lotus Projects Pvt. Ltd.	50%	Nil	India
RMC Gurgaon (Partnership Firm)	50%	Nil	India

b. Principles of Consolidation:

- i) The financial statements of the Parent Company and its subsidiary companies are combined on a line-to-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealized profit or loss in accordance with Accounting Standard (AS) 21- 'Consolidated Financial Statements' referred to in sub-section (3C) of the section 211 of the Companies Act, 1956.

The financial statements of the Parent Company and its Subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances, except otherwise stated.

- ii) The excess of the share of the equity in the respective Subsidiary over and above the cost of its investments in each of the Subsidiaries to the Parent company on the acquisition date is recognized in the financial statements as capital reserve and carried forward in the accounts.
- iii) The Company's share of assets, liabilities, income and expenses of the Joint Ventures are consolidated using the proportionate consolidation method. Intra-group balances, intra-group transactions and unrealised profits are eliminated to the extent of Company's proportionate share.
- iv) Minority interest is presented separately from the liabilities or assets and the Equity of the Parent Shareholders in the consolidated balance Sheet. Minority interest in the Income or Loss of the group is separately presented.
- v) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company i.e. year ended 31st March, 2011.

2. Basis of Accounting

The financial statements are prepared under historical cost convention on accrual basis and in accordance with the requirement of the Companies Act, 1956 and in compliance with the applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the said Act. Management evaluates the effect of the Accounting Standards issued on a continuous basis and ensures that they are adopted as mandated under law and by Institute of Chartered Accountants of India. The accounting policies, except otherwise stated, have been consistently applied by the company.

3. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and contingent assets 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.

4. Revenue Recognition

4.1. Revenue from projects/scheme is recognized on the basis of "Percentage of Completion Method". The revenue is recognized in proportion to the actual cost incurred as against the total estimated cost of the projects/scheme under execution subject to such actual cost being 25% or more of the total estimated cost of the project/scheme.

Sale of developed plots is recognized on the basis of "Percentage of Completion method". The revenue is recognized in proportion to the actual cost incurred as against the total estimated cost subject to such actual cost being 50% or more of the total estimated cost.

The estimates relating to saleable area, sale value, estimated costs etc. are revised and updated periodically by the management and necessary adjustments are made in the current year's accounts.

4.2. Sale of undeveloped land and other properties are recognized in the financial year in which the transfer is made by written agreement to sell/registration of sale deed or otherwise in favour of parties when the significant risk and reward of the ownership are transferred and there is certainty of realization of the consideration.

4.3. The construction/development cost in respect of sales recognized is proportionately charged to the Profit & Loss Account in consonance with the matching cost concept.

4.4. Interest on delayed payments by customers against dues is taken into account on acceptance or realization owing to practical difficulties and uncertainties involved.

4.5. Revenue from the sale of material is recognized at the time of transfer of the documents to title/delivery of the material.

4.6. Revenue from interests is recognized on a time proportion basis.

4.7. Dividend Income on investment is accounted for when the right to receive the payment is established.

5. 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 the asset is ready for its intended use. Credit of duty, if availed, 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 indirect 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" referred to in sub-section (3C) of the section 211 of the Companies Act, 1956 and recorded at the consideration paid for acquisition.

6. Depreciation on Fixed Assets and Amortization

a) In case of Parent Company, its subsidiaries and Jointly Controlled Entities except SRS RMC Gurgaon (A Partnership Firm):

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

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

Intangible Assets are amortized over the useful life of the assets or ten years, whichever is earlier.

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

b) In case of SRS RMC Gurgaon (A Partnership Firm):

Depreciation on fixed assets is applied on the rates and manner specified in the section 32 of the Income Tax Act, 1961.

7. 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.

8. 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.

9. Impairment of Assets

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

10. Investments

Current investments are stated at lower of cost and fair market value. Long-term investments are valued at their acquisition cost. The provision for any diminution in the value of long- term investments is made only if such a decline is other than temporary.

11. Inventories

Inventories are valued as under: -

a. Traded Goods	At lower of cost and net realizable value.
b. Projects/Contracts Work-in-Progress	At lower of actual cost and net realizable value.
c. Finished Goods	At lower of cost and net realizable value
d. Land, Flats, Shops, Plots, Traded Goods etc.	At lower of actual cost and net realizable value.

Costs of building materials are determined on First in First out ('FIFO') basis in the ordinary course of business.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

All expenses attributable directly and forming integral part of specific project/scheme are considered as part of the project cost and accordingly are considered in the valuation therein.

12. Taxation

Income tax expense is accounted for in accordance with Accounting Standard-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 provisions 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.

13. Employee benefits

c) In case of Parent Company and one of its subsidiary (SRS Real Estate Limited):

i. Defined Benefit Plan

Gratuity and long –term compensated absences are provided for based on actuarial valuation carried out at the close of each year. The actuarial valuation is done by an Independent Actuary as per projected unit credit method.

ii. Defined Contribution Plan

The company's contribution to Employees Provident Fund and Family Pension Fund are deposited with the Regional Provident Fund Commissioner and is charged to Profit & Loss Account every year on due basis.

d) In case of its Subsidiaries other than SRS Real Estate Limited and Jointly Controlled Entities.

Liability for Gratuity and Leave Encashment are provided on the basis of management estimate of the liability, based on period of service, unearned leave and last salary drawn, since the number of employees are very few.

14. Earning Per Share (EPS)

Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15. 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 statements.

16. 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 or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the company are segregated.

B. Notes to Accounts**1. Contingent Liabilities not provided for in respect of:**

Particulars	As at 31.03.2011 (Rs. in Lacs)	As at 31.03.2010 (Rs. in Lacs)
Corporate Guarantees	39,120.00	15,689.00
Outstanding Bank Guarantee	5,102.61	3,604.05
Pending Litigation*	446.07	446.07
Others	Nil	2.79

***Detail of Pending Litigation in one of the Subsidiary, SRS I-Tech Pvt. Ltd.:**

Forms where Cases are pending	Nature of Dues	(Rs. in Lacs)	Deposited Under Protest upto 31.3.2011
Haryana Tax Tribunal	Sales Tax	80.18	20.04
Joint Commissioner-Appeal	Sales Tax	62.08	Nil
Supreme Court	LADT	53.10	5.00
Punjab & Haryana High Court	Textile Cess	10.14	Nil
Delhi High Court	Central Excise duty	26.98	Nil
Custom, Excise & Service Tax Appellate Tribunal	Central Excise duty	43.80	Nil
Custom, Excise & Service Tax Appellate Tribunal	Penalty Central Exciseduty	10.00	Nil
EPF Appellate Tribunal, New Delhi	Provident Fund	28.69	10.00
Commissioner of Income Tax (Appeal)	Income Tax	131.10	14.00
Total		446.07	59.04

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 1,925.89 lacs (Previous Year Rs. 813.84 lacs).
3. During the year certain subsidiary Companies has filed a petition in the Honorable High court of Punjab & Haryana for the merger with its fellow subsidiary company through the Scheme of Amalgamation ("Scheme") under section 391 to section 394 of the Companies Act, 1956. Approval of Scheme of amalgamation is pending with Honorable High court of Punjab & Haryana till the finalization of balance Sheet.
4. In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.
5. The company has entered into "Collaboration Agreement" with certain land-owners whereas the possession has been delivered to the company for development & construction of said land and marketing thereof. The payments towards cost of land are being made in accordance with respective Collaboration Agreements and charged to cost of project.

6. The information regarding Micro Enterprises and Small Enterprises as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
7. The operating income of the Company is net of sale return of Rs. 23.40 Crores (Previous Year Rs. 6.84 Crores).
8. Prior period expenses of Rs. 19.01 Lacs (Previous year Rs. Nil) have been charged to the Profit and Loss Account.

9. Deferred Tax Assets and Liabilities

In view of the Accounting Standard – AS 22 “Accounting for Taxes on Income”, the deferred tax liabilities as at 31st March 2011 comprise of the following major components of company:

Particulars	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
Difference between WDV of Fixed Assets as per books and as per Income Tax Act, 1956	75,93,419	56,79,058
Deferred Tax Liabilities (A)	75,93,419	56,79,058
Preliminary Expenses		
Carry forward Business Losses as per Income Tax Act	Nil	1,83,419
Provision for Diminution in the value of Investment		716
Provision for Employee Benefits	5,57,610	4,14,429
Deferred Tax Assets (B)	5,57,610	5,98,564
Net Deferred Tax Liability (A-B)	70,35,809	50,80,494

The deferred tax assets as at 31st March 2011 comprise of the following major components of other subsidiary companies:

Particulars	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
Carry forward Business Losses as per Income Tax Act	6,24,690	5,29,451
Preliminary Expenses-		10,616
Deferred Tax Assets	6,24,690	5,40,067

10. Employee 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, 2011).

Net employee benefit expense (recognized in the Statement of Profit & Loss for the year ended March 31, 2011)

Particulars	(Amount in Rs.)			
	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Current Service Cost	2,76,205	2,12,027	3,91,172	2,76,891
Interest Cost	39,661	34,981	60,150	42,117
Expected return on plan assets	-	-	-	-
Past Service Cost	-	-	-	-
Actuarial (gain) / loss recognized in the year	(1,66,605)	(1,24,186)	(31,977)	(1,31,639)
Net benefit expense	99,672	1,22,822	4,19,705	1,87,369

Net Asset / (Liability) recognized in the Balance Sheet as on March 31, 2011

Particulars	(Amount in Rs.)			
	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Present Value of Defined Benefit Obligation at end of the year	5,72,329	4,95,755	11,46,303	7,51,868
Fair Value of Plan Assets	-	-	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(5,72,329)	(4,95,755)	(11,46,303)	(7,51,868)

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

Particulars	(Amount in Rs.)			
	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Present Value of Defined Benefit Obligation at the beginning of the year	4,95,755	4,66,408	7,51,868	5,61,570
Interest Cost	39,661	34,981	60,150	42,117
Current Service Cost	2,000	2,12,027	3,91,172	2,76,891
Benefits Paid	(23,098)	(99,035)	(25,270)	-
Actuarial (gain) / loss on obligation	(1,66,605)	(1,18,626)	(31,977)	(1,28,710)
Present Value of Defined Benefit Obligation at the end of the year	5,72,329	4,95,755	11,46,303	7,51,868

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

Particulars	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Discount Rate(based on the market yields available on Government bonds at the accounting date with term that matches that of liabilities)	8.00%	7.50%	8.00%	7.50%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.50%	5.00%	5.50%	5.00%

Changes in Fair Value of the Plan Assets

(Amount in Rs.)

Particulars	Earned Leave		Gratuity	
	2010-11	2009-10	2010-11	2009-10
Fair value of plan assets at the beginning of the year	-	-	-	8,04,206
Acquisition adjustment	-	-	-	-
Actual return on plan assets	-	-	-	1,58,490
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial gain/(loss) on plan assets	-	-	-	6,37,028
Fair value of plan assets at the end of the year	-	-	-	-

Contribution to Defined Contribution Plans:

(Amount in Rs.)

Particulars	2010-11	2009-10
Provident fund	20,59,109	14,44,992

11. Borrowing Costs

During the year, Company has capitalized Rs 397.99 lacs (P.Y. 404.39 lacs) on Capital Work-in-Progress and Rs. 4,271.76 lacs (P.Y. 3,349.50 lacs) on Project in Progress in accordance with the applicable Accounting Standard 16 – “Borrowing Costs”.

12. Segment Reporting

The Company is engaged in three reportable business segment (a) Real estate division which includes promotion, construction and development of integrated townships, residential and commercial complexes (b) Trading division and (c) Manufacturing of RMC. The company operates in the same geographical segment.

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

(Amount in Lac.)

S. No.	Particulars	Real Estate	Trading	Manufacturing	Unallocable	Total
1.	Segment Revenue	23,167.19 (20,198.99)	52,498.27 (28,667.59)	1,105.65 (Nil)	417.24 (528.52)	77,188.35 (49,395.10)
2.	Segment Expenses	22,490.89 (19,822.81)	50,756.72 (27,450.09)	1,018.05 (Nil)	410.17 (324.83)	74,675.83 (47,597.73)
3.	Segment Profit	676.30 (376.18)	1,741.54 (1,217.50)	87.60 (Nil)	7.08 (203.69)	2,512.52 (1,797.37)
	Less : Financial Expenses					1,027.98 (557.06)
	Profit Before Tax					1,484.54 (1,240.31)
	Less: Provision For Taxation					508.92 (409.08)
	Profit after Tax					975.62 (831.23)
4	.Carrying amount of Segment Assets)	69,563.62 (62,290.92)	9,433.78 (6,110.94)	554.26 (Nil)	1,795.40 (3,460.31)	81,347.06 (71,862.17)
5.	Carrying amount of Segment Liabilities	51,084.07 (46,972.69)	7,201.02 (4,160.35)	354.16 (Nil)	1,689.96 (452.50)	60,329.21 (51,585.54)

13. Auditors remuneration (including service tax)

(Amount in Rs.)

Particulars	2010-11	2009-10
Statutory Audit Fees	9,66,315	9,12,650
Tax Audit Fees	1,98,540	1,80,450
Out of Pocket Expenses	39,686	4,137
	12,04,541	10,97,237

14. Director's Remuneration:

(Amount in Rs.)

Particulars	2010-11	2009-10
Directors' Remuneration (Including PF Contribution)	43,16,529	35,80,105

15. Related Party Transactions

As per Accounting Standard-18, the Company's related parties and transactions are disclosed below:

a. Related parties & relationships with whom transactions have taken place during the year:

1) Key Management Personnel (KMP)

Parent Company :-

- i. Mr. Bishan Bansal - Whole-Time Director
- ii. Mr. Jitender Kumar Garg - Whole-Time Director

(SRS Real Estate Ltd.)

- iii. Mr. Vinod Jindal - Managing Director
- iv. Mr. Rajesh Singla - Executive Director
- v. Mr. Nanak Chand Tayal - Executive Director

2) Enterprises owned or significantly influenced by KMP and/or their Relatives

- i. SRS Finance Ltd.
- ii. SRS Buildcon Pvt. Ltd.
- iii. SRS Limited
- iv. BTL Impex (India) Ltd.
- v. BTL Investments & Securities Ltd.
- vi. BTL Portfolio Ltd.
- vii. BTL Industries Ltd.
- viii. SRS Global Securities Ltd. (Formerly SRS Housing Finance Ltd.)
- ix. SRS Portfolio Ltd

3) Relatives of KMP

- i. Ms. Shalini Jindal

b. Transactions with related Parties

S. No.	Name of the Party	Nature of Transaction	2010-11 Amount (Rs)	2009-10 Amount (Rs)
1.	Mr. Bishan Bansal	Director's Remuneration	6,82,416	7,03,794
2.	Mr. Jitender Kumar Garg	Director's Remuneration	6,82,416	40,358
3.	Mr. Vinod Jindal	Director's Remuneration	15,02,221	9,14,352
4.	Mr. Rajesh Singla	Director's Remuneration	7,24,739	6,03,174
5.	Mr. Nanak Chand Tayal	Director Remuneration	7,24,739	6,03,174
6.	SRS Finance Ltd.	Corporate Guarantee Given	10,00,00,000	Nil
		Fixed Assets Purchased	4,50,000	Nil
		Closing Balance		
		Corporate Guarantee	10,00,00,000	Nil
7.	SRS Buildcon Pvt. Ltd.	Commission Expenses	4,21,200	Nil
8.	SRS Limited	Rent Received(including Service Tax)	66,18,000	33,25,545
		Reimbursement of Expenses (Net)	6,58,144	13,96,238
		Security recd for Lease rent	-	6,90,00,000
		Office Rent and other expenses paid	42,00,000	42,00,000
		Advance Recd for Flats Booking	1,88,78,461	Nil
		Purchase of Goods/Material	30,880	1,11,740
		Display Charges Paid (excluding service tax)	2,75,75,000	2,75,75,000
		Corporate Guarantee Given	14,25,00,000	Nil
		Expense Incurred	11,44,000	Nil
		Reimbursement of Expenses	16,73,776	3,345,974
		Closing Balance:		
		Sundry Creditor	27,847,100	2,78,45,942
		Sundry Debtor	9,27,000	7,60,545
		Security recd for Lease rent	6,90,00,000	6,90,00,000
9.	BTL Impex (India) Ltd.	Allotment of equity shares	Nil	1,50,00,000
		Commision Expenses	1,68,480	Nil
		Closing Balance:		
		Sundry Creditors	168,480	Nil
10.	BTL Investments & Securities Ltd.	Allotment of equity shares	Nil	50,00,00,000
		Loan taken	32,12,60,666	76,57,06,422
		Loan given	2,98,34,334	5,44,42,578
		Interest Paid on Loan	55,58,613.00	Nil
		Closing Balance:		
		Loan given	30,19,30,136	49,45,191

11.	BTL Portfolio Ltd.	Allotment of equity shares	Nil	2, 25,00,000
12.	SRS Global Securities Ltd. (Formerly SRS Housing Finance Ltd.)	Allotment of equity shares	Nil	3,00,00,000
13.	BTL Industries Ltd.	Loan & Advance given	Nil	15,44,25,000
		Loan & Advance received back	385,594,000	60,29,548
		Commission Expenses	1,68,480	Nil
		Closing Balance:		
		Sundry Creditors	1,68,480	Nil
		Loan & Advance given	Nil	38,55,94,000
14.	SRS Global Securities Ltd.	Interest Paid on Behalf of Customers	17,10,387	Nil
15.	Ms. Shalini Jindal	Professional Charges	Nil	60,000

16. "Earning per Share" computed in accordance with Accounting Standard AS- 20

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
a) Numerator Net Profit after taxation as per Profit & Loss Account	9,75,62,074	8,31,23,557
b) Denominator Weighted average no. of equity shares outstanding for: -Basic & Diluted	20,10,16,000	17,83,44,767
c) Face Value of Share (Rs.)	1.00	1.00
d) Earning per Share -Basic & Diluted	0.49	0.47

17. Figures relating to subsidiaries and Jointly Controlled Entities have been regrouped/reclassified wherever considered necessary to bring them in line with the Company's financial statements.
18. All amounts in the financial statements are presented in Rupees.
19. Schedules 1 to 22 are annexed to and form an integral part of the consolidated Financial Statements of the Company for Financial Year ending 31st March, 2011.

Signature to Schedules 1 to 22
As per our Report of even date attached


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




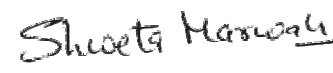

CA Naresh Goyal
(Partner)
Membership No. 501487

Place: Faridabad
Date: 02.09.2011

For and on behalf of the Board


(Dr. Anil Jindal)
Chairman & Managing Director
DIN No. 00005585


(Jitender Kumar Garg)
Whole-Time Director
DIN No. 00088125


(Shweta Marwah)
Company Secretary
Membership No. 18730

NOMINATION FORM

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

To SRS Real Infrastructure Ltd. C/o Beetal Financial & Computer Services (P) Ltd. BEETAL HOUSE, 3 rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi – 110062	From : Name of the Shareholder and address _____ _____ _____ _____ 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 re-patriable basis.
- Transfer of Shares in favor of a nominee shall be a valid discharge by a Company against the legal heir(s).
- Only one person can be nominated for a given folio.
- Details of all holders in a folio need to be filled; else the request will be rejected.
- The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
- Whenever the Shares in the given folio are entirely transferred or dematerialized, then this nomination will stand rescinded.
- Upon receipt of a duly executed nomination form, the Registrar & Transfer Agent (RTA) of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
- The nomination can be varied or cancelled by executing fresh nomination form.
- The Company will not entertain any claims other than those of a registered nominee, unless so directed by Court.
- The intimation regarding nomination/nomination form shall be filed in duplicate with the RTA of the Company who will return one copy thereof to the Shareholder.
- For Shares held in dematerialized mode nomination is required to be filed with the Depository Participant in their prescribed form.

FOR OFFICE USE ONLY

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

SRS REAL INFRASTRUCTURE LIMITED

Regd. Office: SRS Multiplex, Top Floor, City Centre, Sector-12, Faridabad, Haryana-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*		Folio No.	
Client Id*		No. of Shares	

Name and Address of the Shareholder

I hereby record my presence at the 21st Annual General Meeting of the Company to be held on Saturday, 30th September, 2011 at 1.00 P.M at SRS Banquet, Near SRS Multiplex, City Centre, Sector-12, Faridabad

Signature of Shareholder/Proxy

* Applicable for investors holding shares in dematerialized form.

SRS REAL INFRASTRUCTURE LIMITED

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

PROXY

I/We

.....being
Member/Members of SRS REAL INFRASTRUCTURE LIMITED hereby appoint
..... (or failing
him.....of.....) as my/our Proxy
to attend and vote for me/our behalf at the 21st Annual General Meeting of the Company to be held on Saturday, 30th
September, 2011 at 1.00 P.M at SRS Banquet, Near SRS Multiplex, City Centre, Sector-12, Faridabad and at any
adjournment thereof.

Signed thisday of.....2011

Signature_____

Reference Folio No. / DP ID & Client ID*

No. of Shares _____

* 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.

SRS REAL INFRASTRUCTURE LTD.

(AN ISO 9001:2008 CERTIFIED COMPANY)

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

T: 0129 - 4282801 - 08 F: 0129 - 4282809, 810

DELHI OFFICE : 202, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi-110001

T: 011-41571258-60 F : 011-41571269

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