



SRS LIMITED

RED HERRING PROSPECTUS

July 23, 2011

Please read Section 60B of the Companies Act, 1956

100% Book Building Issue

The Company was incorporated on August 29, 2000 as a "Public Limited" Company in the name and style of SRS Commercial Company Limited at New Delhi under Registration Number 55-107484 of 2000-01 and obtained the Certificate for Commencement of Business on October 16, 2000. The name of the Company was changed to SRS Entertainment Limited, pursuant to a fresh certificate of incorporation dated January 25, 2005. Further, the name of the Company was changed to SRS Entertainment and Multitrade Limited, pursuant to a fresh certificate of incorporation dated December 15, 2008. Again, the name of the Company was changed to SRS Entertainment & Retail Limited, pursuant to a fresh certificate of incorporation dated January 2, 2009. Subsequently, the name of the Company was changed to SRS Limited, pursuant to a fresh certificate of incorporation dated July 16, 2009. The Corporate Identification Number of the Company is U74999HR2000PLC040183.

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

Phone No.: 91 129 428 2801 -808 Fax No: 91 129 428 2809 / 10

Contact Person: Ms. Mamta Rastogi, Deputy Company Secretary and Compliance Officer

Phone No.: 91 129 428 2811 / 12. **Website:** www.srsparivar.com; Email: ipo@srsparivar.com

For changes in the Registered Office, please refer section titled "History and Certain Corporate Matters" on Page 122.

PROMOTERS OF THE COMPANY

(i) Dr. Anil Jindal (ii) Mr. Sunil Jindal (iii) Mr. Bishan Bansal (iv) Mr. Raju Bansal (v) BTL Industries Limited (vi) BTL Portfolio Limited

PUBLIC ISSUE OF 35,000,000 EQUITY SHARES OF RS. 10/- EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE (INCLUDING A PREMIUM OF RS. [a] PER SHARE) OF SRS LIMITED ("THE COMPANY" OR "THE ISSUER") AGGREGATING RS. [•] MILLIONS (THE "ISSUE") AT THE ISSUE PRICE. THE ISSUE SHALL CONSTITUTE 25.13% OF THE POST-ISSUE SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ADVERTISED IN ALL EDITIONS OF BUSINESS STANDARD (HINDI AND ENGLISH), AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID / ISSUE OPENING DATE

In case of revision in the Price Band, the Bidding Period shall be extended for atleast three (3) additional working days after such revision, subject to the Bidding Period not exceeding ten (10) working days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the Self Certified Syndicate Banks ("SCSBs"), the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release and also by indicating the change on the websites of the Book Running Lead Managers ("BRLMs") and the terminals of the Syndicate Member(s). The Issue is being made through a 100% Book Building Process wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"). 5% of the QIB Portion (excluding Anchor Investors portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. The Company may consider allocation up to 30% of the QIB Portion to Anchor Investors as per the provisions of the ICDR Regulations, out of which atleast one third shall be available for allocation to domestic Mutual Funds only. Further not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders subject to valid Bids being received from them at or above the Issue Price.

All QIB Bidders (except Anchor Investors) and Non Institutional Bidders shall compulsorily apply through Application Supported by Blocked Amount ("ASBA") process. Retail Individual Bidders have the option to participate in this Issue through the ASBA process. Any Bidder participating in the Issue through ASBA process should provide details of the bank account in which the bid amount will be blocked by the Self Certified Syndicate Banks. For details see "Issue Procedure" on page 431 of this Red Herring Prospectus

RISKS IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is Rs. 10/- each and floor price is [•] per share and cap price is [•] per share. The price band (as determined and justified by the issuer and the Book Running Lead Managers and as stated in "Basis for Issue Price" on page 53 of this Red Herring Prospectus) should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active and / or sustained trading in the equity shares of the issuer or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The securities offered in this Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Red Herring Prospectus. **Specific attention of the investors is invited to "Risk Factors" on Page xii of this Red Herring Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

IPO GRADING

This Issue has been graded by ICRA Limited and has been assigned the "ICRA IPO Grade 3", indicating average fundamentals ("IPO Grading"). For details, see section titled "General Information", "Material Contracts and Documents for Inspection" and "Annexure" on pages 11,474 and 477 respectively

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 16, 2010 and January 14, 2011, respectively. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE ISSUE

 Karvy Investor Services Limited "Karvy House", 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034, Andhra Pradesh Tel. No.: +91 40 2342 8774 Fax No.: +91 40 2337 4714 Email: srsipo@karvy.com Website: www.karvy.com Delhi Office: Contact Persons: Mr. Jitin Sadana / Mr. Rohan Menon Tel. No.: +91 11 4587 5028 / 29	 IDBI Capital Market Services Limited 2nd Floor, Mittal Court, C Wing, Nariman Point, Mumbai - 400 021, Maharashtra Tel. No.: +91 22 4322 1212 Fax No.: +91 22 2285 0785 Email: srs_ipo@idbicapital.com Website: www.idbicapital.com Contact Person: Mr. Hemant Bothra / Mr. Keyur Desai	 SPA Merchant Bankers Limited 25, C - Block, Community Centre Janak Puri, New Delhi - 110 058 Tel. +91 11 2551 7371, 4567 5500 Fax +91 11 2553 2644 Email: srs_ipo@spagroupindia.com Website: www.spacapital.com Contact Person: Mr. Nitin Somani	 BEETAL Financial & Computer Services Private Limited Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi - 110 062. Tel.: +91 11 2996 1281 Fax: +91 11 2996 1284 Email: srs_ipo@beetalfinancial.com Website: www.beetalfinancial.com Contact Person: Mr. Puneet Mittal
SEBI Registration No. INM000008365	SEBI Registration No.: INM000010866	SEBI Registration No.: INM 000010825	SEBI Registration No. INR000000262

BID / ISSUE PROGRAMME

DATE OF OPENING OF THE BID / ISSUE	AUGUST 23, 2011
DATE OF CLOSING OF THE BID / ISSUE	AUGUST 26, 2011

The Company may consider participation by Anchor Investors. The Anchor Investor Bid / Issue Period shall be one working day prior to the Bid / Issue Opening Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, the following terms have the meanings given below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Term	Description
“The Company” or “Company” or “The Issuer Company” or “the Issuer” or “SRS Limited” or “SRS”	SRS Limited, a Company constituted under the Companies Act, 1956, having its Registered Office at SRS Multiplex, Top Floor, City Centre, Sector-12, Faridabad, Haryana - 121007, India.

Conventional / General Terms / Abbreviations

Term	Description
Act or Companies Act	The Companies Act, 1956
Admn. /Admin.	Administration
AGM	Annual General Meeting
AS	Accounting Standard
ATP	Average Ticket Price
AVP	Assistant Vice President
Bonus Act	The Payment of Bonus Act, 1965
Bn / bn	Billion
BSE	Bombay Stock Exchange Limited
CAGR	Compound Annual Growth Rate
CAM	Common Area Maintenance
CAO	Chief Accounts Officer
CBDT	Central Board of Direct Taxes
CC	Consumer Complaint
CDSL	Central Depository Services (India) Limited
CESTAT	Customs Excise and Service Tax Appellate Tribunal
CFO	Chief Financial Officer
CIBIL	Credit Information Bureau (India) Limited
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
CO	Compliance Officer
COO	Chief Operating Officer
Corp.	Corporate
CS	Company Secretary
CY	Calendar Year
Cr. P.C.	Code of Criminal Procedure, 1973
Crore	Ten million
CSR	Corporate Social Responsibility
DCS / Dy. CS	Deputy Company Secretary
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
Depository Participant or DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DTH	Direct to Home
DVD	Digital Video / Versatile Disk
EBITDA	Earnings before interest, tax, depreciation and amortization
ECS	Electronic Clearing System
EGM / EoGM	Extraordinary general meeting of the shareholders of the Company

Term	Description
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average number of equity shares during that fiscal year
ESI	The Employees' State Insurance Act, 1948
FC	Foreign currency
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations thereunder
FI	Financial Institutions
Fin. & Acc.	Finance & Accounts
FIIIs	Foreign Institutional Investors (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) registered with SEBI
Financial Year / Fiscal Year / FY	12 months period ending on March 31 of a particular year.
FIPB	Foreign Investment Promotion Board
FIR	First Information Report
FMCG	Fast moving consumer goods
FVCI	Foreign Venture Capital Investor [as defined under the SEBI (Foreign Venture Capital Investor) Regulations, 2000] registered with SEBI
GDP	Gross Domestic Product
GM	General Manager
GoI	The Government of India
H.E.	Honourable
HR	Human Resource
HSEB	Haryana State Electricity Board
HUDA	Haryana Urban Development Authority
HUF	Hindu Undivided Family
IA	Internal Audit
ICAI	The Institute of Chartered Accountants of India
ICDR Regulations / SEBI Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, ICDR Regulations
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IT	Information Technology
I.T. Act	The Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
IPC / Indian Penal Code	Indian Penal Code, 1860
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IRR	Internal Rate of Return
JV	Joint Venture(s)
KVA	Kilovolt Ampere
LIC	Life Insurance Corporation of India
MAT	Minimum Alternate Tax
MD	Managing Director
MIS	Management Information System
MoU	Memorandum of Understanding
Mgt.	Management
MSE	Micro and Small Enterprises
Mts.	Meters
MV Act	The Motor Vehicles Act, 1988
N.A. or N/A	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Financial Company
NCAER	National Council of Applied Economic Research
NCR	National Capital Region
NCT	National Capital Territory

Term	Description
NEFT	National Electronic Fund Transfer
NFE	Net Foreign Exchange
Non Resident / NR	A Person resident outside India, as defined under FEMA and includes a Non-Resident Indian
NRE Account	Non-Resident External Account established in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established in accordance with the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSEZ	Noida Sepcial Economic Zone
p.a.	Per annum
PAN	Permanent Account Number allotted under the Income Tax Act, 1961 of India
PAT	Profit after tax
PCI	Per Capita Income
PIO	Person of Indian origin
PLR	Prime Lending Rate
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RoC	Registrar of Companies, NCT of Delhi and Haryana
RoCE	Return on Capital Employed
RoE	Return on Equity
RoNW	Return on Net Worth
Rs. / Rupees	Indian Rupees
RTGS	Real Time Gross Settlement
SBI	State Bank of India
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprises
Sr.	Senior
STT	Securities Transaction Tax
Trademark Rules	Trademark Rules, 2002
Trademarks Act	The Trademarks Act, 1999
Sq. ft.	Square feet
Sq. mt.	Square Meter
USD / \$	U.S. Dollar
VAT	Value Added Tax
VCDs	Video Compact Disks
VP	Vice President
w.e.f.	With effect from
Weights and Measures Act	Standards of Weights and Measures Act, 1976
WTD	Whole-time Director(s)

Issue Related Terms

Term	Description
Allotted / Allotment / Allot	Unless the context otherwise requires, the issue and allotment of Equity Shares to successful Bidders pursuant to the Issue
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applies under the Anchor Investor category with a minimum Bid of Rs. 100 millions.
Anchor Investor Bid	Bid made by the Anchor Investor
Anchor Investor Bidding Date	The date one day prior to the Bid / Issue Opening Date on which Bid by Anchor Investors shall open and shall be completed
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by the Company in consultation with the BRLMs
Anchor Investor Portion	Up to 30% of the QIB Portion, which may be allocated to Anchor Investors by the Company in consultation with the BRLMs, on a discretionary basis, out of which one third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is being made to Anchor Investors
Application Supported by Blocked Amount or ASBA	The application (whether physical or electronic) used by a Bidder to make a Bid authorizing the SCSB to block the Bid Amount in his / her specified bank account maintained with the SCSB
ASBA Account	Account maintained by an ASBA Bidder with a SCSB which will be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bid cum Application Form	The form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus
ASBA Bidder	Any Bidder who intends to apply through ASBA facility
ASBA Revision Form	The form used by the ASBA Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their ASBA Bid cum Application Forms or any previous revision form(s)
Bankers to the Issue	The Bankers to the Issue, in this case being Axis Bank Limited, HDFC Bank Limited, ICICI Bank Limited, IDBI Bank Limited and State Bank of India
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “Issue Procedure” on page 431
Bid	An intent to make a Bid during the Bid / Issue Period by a Bidder or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form to subscribe to the Equity Shares at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an intention to make a Bid during the Bid / Issue Period by any pursuant to the submission of an ASBA Bid cum Application Form to subscribe to the Equity Shares
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid to purchase Equity Shares and which shall be considered as the application for the issue of Equity Shares pursuant to the terms of the Red Herring Prospectus and the Prospectus including the ASBA Bid cum Application as may be applicable
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, including an ASBA Bidder and Anchor Investor
Bid / Issue Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate and SCSBs will not accept any Bids, which shall be notified in an English national newspaper and a Hindi national newspaper (which is also the regional newspaper), each with wide circulation
Bid / Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate and SCSBs shall start accepting Bids, which shall be notified in an English

Term	Description
	national newspaper and a Hindi national newspaper (which is also the regional newspaper), each with wide circulation
Bid / Issue Period	The period between the Bid / Issue Opening Date and the Bid / Issue Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof
Bid Revision Form	The Form used by the Bidders to modify the quantity of Equity Shares and / or the Bid Price in any of the Bid Options as per the Bid cum Application Forms or any previous Bid Revision Form(s)
Book Building Process	The book building process as described in Schedule XI of the ICDR Regulations, in terms of which this Issue is being made
Book Running Lead Managers / BRLMs	The Book Running Lead Managers to the Issue, in this case being Karvy Investor Services Limited, IDBI Capital Market Services Limited and SPA Merchant Bankers Limited
BRLMs Agreement	The agreement entered into on July 9, 2010, among the Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue
Business Day	Any day (other than Saturday, Sunday and Bank Holiday) on which commercial banks in Mumbai, India are open for business
Cap Price	The higher end of the Price Band above which the Issue Price will not be finalized and above which no Bids will be accepted
Confirmation of Allocation Note / CAN	The note or advice or intimation of allocation of Equity Shares sent to the successful Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revisions thereof. In relation to Anchor Investors, the note or advice or intimation of allocation of Equity Shares sent to the successful Anchor Investors who have been allocated Equity Shares after discovery of the Anchor Investor Issue Price, including any revisions thereof.
Controlling Branches	Such branches of the Escrow Banks / SCSBs, which coordinate Bids received under this Issue by the Escrow Banks / SCSBs.
Cut-off Price	The Issue Price finalized by the Company in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Bidders, whose Bid Amount does not exceed Rs. 200,000/- are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders, a list of which is available on http://www.sebi.gov.in
Designated Stock Exchange	Bombay Stock Exchange Limited
DP ID	Depository Participant's Identification Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated July 9, 2010, prepared in accordance with the ICDR Regulations, which was filed with SEBI and does not contain complete particulars of the price at which the Equity Shares are offered
Equity Shares	Unless the context otherwise indicates, the Equity Shares of the Company with a face value of Rs. 10/- each
Escrow Account	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount
Escrow Agreement	Agreement to be entered into amongst the Company, the Registrar to the Issue, the BRLMs, the Syndicate Member and the Escrow Collection Bank(s) for collection of the Bid Amounts and remitting refunds, if any of the amounts to the Bidders (excluding ASBA Bidders) on the terms and conditions thereof
Escrow Collection Banks	The Escrow Collection Banks, being Axis Bank Limited, HDFC Bank Limited, ICICI Bank Limited, IDBI Bank Limited and State Bank of India, which are clearing members and registered with SEBI as Bankers to the Issue and with whom the Escrow Accounts will be opened.
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form or the ASBA Bid cum Application Form

Term	Description
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalized and below which no Bids will be accepted
Gross Proceeds	Gross Proceeds of the Issue
IDBI Caps	IDBI Capital Market Services Limited
IPO Grading Agency	ICRA Limited
Issue	The public issue of 35,000,000 Equity Shares of Rs. 10/- each at the Issue Price by the Company
Issue Price	The final price at which Equity Shares will be issued and Allotted to the successful Bidders, in terms of the Red Herring Prospectus and the Prospectus. The Issue Price will be decided by the Company in consultation with the BRLMs on the Pricing Date
KISL / Karvy	Karvy Investor Services Limited
Listing Agreement	Listing Agreement entered by the Company with the Stock Exchanges, wherein the listing is proposed
Mutual Funds	Mutual Funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) available for allocation to Mutual Funds, on a proportionate basis. Further, in case of allocation to Anchor Investors, one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds.
Net Proceeds	Proceeds of the Issue that are available to the Company, excluding the Issue related expenses
Net QIB Portion	The portion out of the QIB Portion less the number of Equity Shares allocated to the Anchor Investors.
Non-Institutional Bidders	All Bidders who have Bid for Equity Shares for an amount more than Rs. 200,000/-
Non-Institutional Portion	The portion of the Issue, being not less than 5,250,000 Equity Shares available for allocation to Non-Institutional Bidders
NRI / Non Resident Indian	A person resident outside India, as defined in FEMA and who is a citizen of India or a Person of Indian Origin, as defined under FEMA (Transfer or Issue of Securities by a Person Resident outside India) Regulations, 2000
Pay-in Date	In case of other Bidders, the Bid / Issue Closing Date and which shall with respect to the Anchor Investors, be a date not later than two days after the Bid / Issue Closing Date
Pay-in Period	Except with respect to Anchor Investors, the period commencing on the Bid / Issue Opening Date and extending until the Bid / Issue Closing Date With respect to Anchor Investors, the Anchor Investor Bidding Date and the last specified in the CAN which shall not be later than two days after the Bid / Issue Closing Date.
Price Band	Price band of a minimum price (Floor Price) and the maximum price (Cap Price) and includes revisions thereof including any revision to such Floor Price or Cap Price as may be permitted under the ICDR Regulations. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised in two newspapers (one in English and one in Hindi, which is also the regional newspaper) at least two days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which the Company in consultation with the BRLMs finalizes the Issue Price.
Prospectus	The Prospectus to be filed with the RoC pursuant to Section 60 of the Companies Act, 1956 containing, among other things, the Issue Price that is determined under the Book Building Process on the Pricing Date, including any addenda or corrigenda thereof
Public Issue Account	The account to be opened with the Escrow Banker(s) to the Issue to receive monies from the Escrow Account.
QIB Portion	The portion of the Issue being not more than 17,500,000 Equity Shares to be Allotted to QIBs, including the Anchor Investor Portion.
Qualified Institutional Buyers or QIBs	Public financial institutions specified in Section 4A of the Companies Act, 1956, FIIs (and their sub-accounts registered with SEBI, other than a sub-

Term	Description
	account which is a foreign corporate or foreign individual), scheduled commercial banks, mutual funds registered with SEBI, multilateral and bilateral development financial institutions, Foreign Venture Capital Investors registered with SEBI, domestic Venture Capital Funds registered with SEBI, State Industrial Development Corporations, Insurance Companies registered with the Insurance Regulatory and Development Authority, Provident Funds with a minimum corpus of Rs. 250 million, Pension Funds with a minimum corpus of Rs. 250 million, Insurance Funds set up and managed by the Army, Navy and Air Force of the Union of India, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India and insurance fund set up and managed by the Department of Posts.
Red Herring Prospectus or RHP	Red Herring Prospectus dated July 23, 2011 issued in accordance with Section 60B of the Companies Act, 1956 which does not have complete particulars of the price at which the Equity Shares are offered and which is filed with the RoC at least three days before the Bid / Issue Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date.
Refund Account	Account opened with one or more of the Escrow Collection Bank(s), from which refunds of the whole or part of the Bid Amount (excluding to the ASBA Bidders), if any, shall be made.
Refund Bank(s)	Escrow Collection Bank(s) in which an account is opened and from which a refund of the whole or part of the Bid Amount, if any, shall be made, in this case being, State Bank of India
Registrar to the Issue	Beetal Financial & Computer Services Private Limited
Retail Individual Bidder	Individual Bidders, including HUFs who have Bid for Equity Shares for an amount less than or equal to Rs. 200,000/- in any of the bidding options in the Issue.
Retail Portion	The portion of the Issue, being not less than 12,250,000 Equity Shares at the Issue Price, available for allocation to Retail Individual Bidders
Revision Form	The Form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s).
Self Certified Syndicate Bank (SCSB)	The banks which are registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account, a list of which is available on http://www.sebi.gov.in
SPA	SPA Merchant Bankers Limited
Stock Exchanges	BSE and NSE
Syndicate	Collectively, the BRLMs, the Syndicate Members and the Sub-Syndicate Members
Syndicate Agreement	Agreement amongst the BRLMs, Syndicate Members and the Company in relation to the collection of Bids (excluding Bids received and bid by the SCSBs) in this Issue.
Syndicate Members	Karvy Stock Broking Limited, SPA Securities Limited, Enam Securities Limited, SMC Global Securities Limited and Hem Securities Limited
Transaction Registration Slip or TRS	The slip or document issued by a member of Syndicate to a Bidder as proof of registration of the Bid.
Underwriters	[●]
Underwriting Agreement	The agreement among the Company and the Underwriters to be entered into on or after the Pricing Date.

Company Related Terms

Term	Description
Articles of Association or Articles or AoA	The articles of association of the Company, as amended from time to time
Auditors	The statutory auditors of the Company, namely M/s. S. S. Kothari Mehta & Co., Chartered Accountants
Board / Board of Directors / BoD	The Board of Directors of the Company
IPO Committee	Committee of the Board of Directors of the Company authorized to take decisions on matters relating to or incidental to this Issue.
Constitutional Documents	The constitutional documents of the Company, being the certificate of incorporation, memorandum of association and articles of association.
F&B	Foods and Beverages
FBJ	F&B Joints
Food Court	SRS 7 Dayz Multi-ethnic Food Court / Fine Dine Restaurant
Group Companies	The companies, firms and ventures disclosed in “Promoters and Promoter Group” on page 152, promoted by the Promoters, irrespective of whether such entities are covered under section 370(1)(B) of the Companies Act, 1956.
MOU / MoU	Memorandum of Understanding
Multiplex	Includes cinemas food court / restaurants, shopping mall
Promoter Group	The persons and entities constituting the promoter group pursuant to regulation 2(1) (zb) of the ICDR Regulations.
Promoters	(i) Dr. Anil Jindal, (ii) Mr. Sunil Jindal, (iii) Mr. Bishan Bansal (iv) Mr. Raju Bansal, (v) BTL Industries Limited and (iv) BTL Portfolio Limited
Registered Office	“SRS Multiplex”, Top Floor, City Centre, Sector-12, Faridabad, Haryana - 121007, India
Retail Stores / Bazaar(s) / VB	SRS Value Bazaar, SRS Food Bazaar i.e., retail stores set up by the Company.
SKU	Stock Keeping Unit
SRS Cinemas	Brand name of theatre screens set up by the Company
SRS Multiplex	Existing multiplex located at City Centre, Sector 12, Faridabad, (NCR), Haryana - 121 007, India
SRS Value Bazaar	Retail stores set up by the Company

Technical and Industry-Related Terms

Term	Description
B2B	Business to Business
CAD	Computer Aided Design
CAM	Computer Aided Manufacturing
CBD	Central Business District
C&C	Cash & Carry
DG Set	Diesel Genset
EPZ	Export Processing Zone
EVMs	Extra Value Meals
Metros	The four cities in India that is Delhi, Kolkata, Chennai and Mumbai
Mini- Metros	Bangalore, Hyderabad, Pune and Ahmedabad have been categorized as Mini- Metros due to their high purchasing power
OPM	Operating Profit Margin
ORP	Organized Retail Penetration
PFCE	Private Final Consumption Expenditure
QSRs	Quick Service Restaurants
SEZ	Special Economic Zone
SSS	Same Store Sale
Tier II cities	These are the cities smaller than the metros and the mini metros in terms of population, area and purchasing power. Out of the set of smaller cities, the cities included in the Tier II based on SEC classifications and population are Nagpur, Ludhiana, Chandigarh, Surat, Jaipur, Kanpur, Lucknow, Indore, Bhopal etc. The Company has further classified tier II cities on the basis of population, retail penetration and expected growth in that city and is tabulated as under: T1A- Largest population, medium retail penetration T1B- Smaller population, medium retail penetration, fast growth TIC- Smaller population, medium retail penetration, slow growth T2A- Larger population, low retail penetration T2B- Small population, low retail penetration
Tier III cities	Indicative list of Tier III cities are as follow: Valsad, Panipat, Wardha, Jhansi, Bhuj, Dhanbad, Morbi, Siliguri, Moradabad, Kota , Solapur, Bharuch etc.

USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Financial Data

Unless indicated otherwise, the financial data in this Red Herring Prospectus is derived from the audited financial information for the financial year ending on March 31, 2011, 2010, 2009, 2008 and 2007 prepared in accordance with the Generally Accepted Accounting Principles in India (“**Indian GAAP**”) and the Companies Act, 1956, as amended (“**Companies Act**”) and restated in accordance with the ICDR Regulations.

The financial year commences on April 1 and ends on March 31, so all references to a particular financial year are to the twelve-month period ended March 31 of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

The financial information prepared in accordance with Indian GAAP and restated in accordance with the ICDR Regulations, included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices, Indian GAAP, the Companies Act and the ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the ICDR Regulations on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Industry and Market Data

Unless stated otherwise, industry data and the market data used throughout this Red Herring Prospectus have been obtained from industry publications, websites and a report issued by CRISIL hereinafter referred as the CRISIL Report. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, the Company believes that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the readers familiarity with the understanding of the methodologies used in compiling such data. There are no standard valuation methodologies or accounting policies in the said industry in India and methodologies and assumptions may vary widely among different industry sources.

Currency Information

All references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S.\$”, “U.S. Dollar(s)” or “US Dollar(s)” are to United States Dollars, the official currency of the United States of America.

FORWARD LOOKING STATEMENTS

This Red Herring Prospectus contains certain words or phrases, including, “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “would”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from the Company’s expectations include, among others:

- Changes in law and regulations that apply to the industries in India, wherein the Company is operating;
- Increasing competition and the conditions of the customers of the Company;
- Changes in Government Policies;
- The Company’s ability to successfully implement its strategy, growth and expansion plans;
- General economic and business conditions in the markets in which the Company operates and in the local, regional and national economies;
- Changes in the value of the Rupee vis-à-vis other currencies;
- Changes in political and socio-economic conditions in India;
- The Company’s ability to meet its capital expenditure requirements;
- Fluctuations in operating costs;
- Company’s ability to attract and retain qualified personnel;
- Changes in technology;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which the Company is involved.

For further discussion of factors that could cause actual results to differ, see the section titled “**Risk Factors**” on page xii of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. The Company, the members of the Syndicate and their respective affiliates do not have any obligation to and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with ICDR Regulations, the Company and the BRLMs will ensure that the Red Herring Prospectus will be updated with respect to all the material developments. Further, the Company and the BRLMs will ensure that all the material developments will be informed / communicated to the investors until such time as the Company obtains listing and trading permission from the Stock Exchange in respect of the Equity Shares allotted in this Issue.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. The Investors should carefully read all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares of the Company. To obtain a complete understanding, the investors should read this section in conjunction with sections titled “**Business Overview**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 85 and 300 respectively, as well as, the other financial and statistical information contained in this Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that the Company currently faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have an adverse effect on its business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the business, results of operations and financial condition of the Company could suffer, the price of the Equity Shares of the Company could decline and the investor may lose all or part of its investment.

This Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. The actual results of the Company could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. Unless otherwise stated in the relevant risk factors set forth below, the Company is not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of the Company used in this section is derived from its audited financial statements under Indian GAAP, as restated.

In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Issue, including the merits and risks involved.

I. INTERNAL RISK FACTORS

RISKS RELATED TO THE COMPANY

1. **The Company and its Promoters are involved in various legal proceedings which, if determined against them, could affect the business and financial conditions of the Company.**

The Company and its Promoters are party to several legal proceedings. No assurances can be given as to whether these proceedings will be settled in their favor or against them. If a claim is determined against the Company and it is required to pay all or a portion of the disputed amount, it could have an adverse effect on the results of operations and cash flows of the Company. A classification of the legal proceedings instituted against and by the Company and the monetary amount involved in these cases is mentioned in brief below:

a. **Proceedings initiated against the Company**

Category	Number of Litigations	Aggregate amount involved (Rs. in Mn.)
Criminal	1	Not Ascertainable
Civil	3	4.93
Labour	2	0.26
Income Tax	3	Not Ascertainable
Sales Tax	5	Not Ascertainable
Service Tax	1	Not Ascertainable

b. Proceedings initiated against the Promoters (Individuals and Corporate)

Category	Number of Litigations	Aggregate amount involved (Rs. In Mn.)
Criminal	3*	Not Ascertainable
Civil	6*	Not Ascertainable
Income Tax	3#	Not Ascertainable

*cases against the promoters due to their position held as Director / Managing Director / and other positions in the Company and Promoter Group Companies

out of the three cases the amount involved in one case is Rs.1.01 mn.

c. Proceedings initiated against the Promoter Group Companies

Category	Number of Litigations	Aggregate amount involved (Rs. In Mn.)
Criminal	5	Not Ascertainable
Civil	42	41.25
Income Tax	13	Not Ascertainable
SEBI Notices / Summons	2	Not Ascertainable

d. Proceedings initiated against the Directors

Category	Number of Litigations	Aggregate amount involved (Rs. in Mn.)
Criminal	Nil	Nil
Civil	1*	Not Ascertainable
Income Tax dispute	2^	0.67

* These cases are covered under litigation against group companies. The directors have become a party to the said litigations due to the position they hold in the organization / the said companies.

^ Three disputes related to Income tax are separately covered under (b. Proceedings initiated against the Promoters) above.

e. Proceedings initiated by the Company

Category	Number of Litigations	Aggregate amount involved (Rs. in Mn.)
Criminal	2	5.83
Civil	7*	Not Ascertainable

*out of the seven cases the amount involved in five cases are Rs. 3.88 mn.

f. Proceedings initiated by the Promoters (Individuals and Corporate): Nil**g. Proceedings initiated by the Promoter Group Companies**

Category	Number of Litigations	Aggregate amount involved (Rs. in Mn.)
Criminal	281	18.51
Civil	Nil	Nil

For further details, please refer “**Outstanding Litigation and Material Developments**” on page 320.

2. Certain Promoters and Promoter Group Companies were prohibited by SEBI from accessing and being associated with the capital markets in the past.

One of the Promoter Group Companies, namely SRS Real Infrastructure Limited (earlier known as Manu Finlease Limited) came with an IPO in the year 1995. After the public issue, Securities and Exchange Board of India (SEBI), on the grounds of alleged malpractices in the public issue ordered investigations to be conducted to ascertain the truth of allegations. The Chairman of SEBI passed an order dated November 29, 2002, whereby M/s. Manu Finlease Limited, Mr. Anil Kumar Jindal, Mr. J.K. Garg, Mr. P.K. Kapoor and Mrs. Ritu Garg were debarred from accessing and being associated with the capital market for a period of 5 years (i.e., upto November 28, 2007). In this regard, an appeal was filed against the said order before the Securities Appellate Tribunal (SAT) in 2003. The appeal was dismissed by the SAT vide order dated October 27, 2003. Further, an appeal was filed before the Supreme Court. The Supreme Court vide its order dated April 18, 2006 reduced the period of debarment by approximately one year and one month (i.e. upto October 31, 2006). The relevant extracts of the said Supreme Court order are as follows:

“Without expressing any view regarding the merits of the respective contentions of the respective parties as to the correctness of the order and leaving the questions of law open, the Court directs that in the facts and circumstances of this case M/s. Manu Finlease Limited, Anil Kumar Jindal, J.K. Garg and P.K. Kapoor and Ritu Garg will not access or be associated with the capital market upto 31st October, 2006. The civil appeals are disposed of accordingly. No order as to costs.”

Presently, none of the Promoters or the Promoter group entities is debarred from accessing and being associated with the capital markets. For further details please refer **“Other Regulatory and Statutory Disclosures”** on page 411 of this Red Herring Prospectus.

3. In case of proposed public issue of one of the erstwhile Group Companies, the SEBI has withdrawn its acknowledgement card in 1996.

Bansla Finlease Limited (later known as S.B.S Finance limited) merged with SRS Finance Limited, a group company of the issuer had received SEBI acknowledgement card no. 5/1116/96/NRO/2351 dated June 29, 1996 in respect of its proposed public issue. However, SEBI subsequently withdrew the said acknowledgement card stating that the Draft Prospectus filed by Bansla Finlease Limited did not clearly bring out the irregularities in the public issue of Manu Finlease Limited (now SRS Real Infrastructure Limited), a group company. Bansla Finlease Limited did not proceed with the public issue subsequent to filing of Draft Prospectus with the Registrar of Companies, NCT of Delhi & Haryana.

4. Contingent liability as on March 31, 2011

As per the Restated Financial Statements, the Company has certain contingent liabilities which, if determined against the Company in future, may impact its financial position adversely. Details of the contingent liabilities of the Company as on March 31, 2011 are given in the following table:

		(Rs. in millions)
		As at March 31, 2011
Particulars		
Claims against Company not acknowledged as debt (excluding interest & penalty, if any) for Legal Cases*		5.16
Total Contingent Liabilities		5.16

*For further details, see **“Outstanding Litigation and Material Developments”** on page 320.

5. Of the proposed area of 1,800 sq. mts. for setting up of its jewellery manufacturing unit at Noida Special Economic Zone, the Company proposes to apply shortly for the leasehold rights of land measuring 1,155 sq. mtr. Any delay or failure in obtaining the approval for remaining 1,155 sq. mtr. of land may adversely affect the business strategy of the Company.

The Company has received approval for setting up its jewellery manufacturing unit on 645 sq. mts. at Noida Special Economic Zone and started commercial operations thereof. The Company proposes to apply shortly for the leasehold rights for land measuring 1,155 sq. mtr.

Any delay or failure in the same may adversely affect the business strategy of the Company. For further details please refer the sections titled “Objects of the Issue” on page 39 of the Red Herring Prospectus.

6. The Company may require a number of approvals, licenses, registrations and permits for its business(s) and the failure to obtain or renew them in a timely manner may adversely affect its operations.

The Company requires a number of approvals, licenses, registrations and permits for its business(s). Additionally, it may need to apply for renewal of approvals which expire from time to time and as and when required in the ordinary course. The details of approvals, licenses, registrations and permits required by the Company is mentioned under the Chapter titled “Government and Other Approvals” on page 357 of the RHP.

Further, the Company has applied for certain approvals and not received the same. Also, the Company has not applied for certain registrations. These include approvals in relation to its Cinemas, Food Courts / Restaurants Retail business and Jewellery business. For details in relation to the same, see **“Government and Other Approvals”** on page 357.

The brief details of approvals, licences, registrations and permits required by the Company, that are pending for approval / not applied are as under:

A. Cinemas

Sr. No.	Pending license	Current Status	Possible Legal Implication
1	Cinema License for SRS Cinema, Om Shubham Tower, Neelam Chowk, Faridabad, Haryana	Expired on March 25, 2011. Applied for renewal on January 28, 2011.	The Punjab Cinemas (Regulation) Act, 1952 prohibits cinemas exhibition except at a place licensed there under. Failure to obtain cinema license, may attract a penalty not exceeding one thousand rupees and, in case the breach is a continuing one, then a further penalty not exceeding one hundred rupees for every day after the first during which the breach continues.
2	Public Performance Certificate in relation to SRS Cinema, 3rd floor, Eldeco station One Mall, Site No. 1, Sector 12, Faridabad, Haryana	The Company vide letter dated April 20, 2011 applied for issuance of the said certificate.	Failure to obtain Public Performance Certificate may be deemed to be infringement of copyrights and shall be punishable under the Copyrights Act, 1957. The Copyrights Act, 1957 provides that any person who knowingly infringes or abets the infringement of the copyright in a work, shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than fifty thousand rupees but which may extend to two lakh rupees.
3	Grant of permission for computerization of tickets under the Punjab Entertainment Duty Act, 1955 for SRS Cinema, Omaxe Plaza Mall, Sector 49, Gurgaon, Haryana	Intimation/ application made to the Entertainment Tax Dept, Gurgaon, Haryana for permission for grant of NOC for computerized tickets duly acknowledged on December 1, 2006.	In the event this approval is not granted to the Company it may adversely affect the ability of the Company to sell computerized tickets at the cinema.

Sr. No.	Pending license	Current Status	Possible Legal Implication
4	Grant of permission for computerization of tickets under the Punjab Entertainment Duty Act, 1955 for SRS Cinemas, Omaxe Wedding Mall, Sector 49, Gurgaon, Haryana	Intimation/ application made to the Entertainment Tax Dept, Gurgaon, Haryana for permission for grant of NOC for computerized tickets duly acknowledged.	In the event this approval is not granted to the Company it may adversely affect the ability of the Company to sell computerized tickets at the cinema.
5	Cinema License for SRS Cinemas Shopper's Pride Mall, Shastri Chowk, Bijnor, Uttar Pradesh	Expired on March 31, 2011. Applied for renewal on February 8, 2011.	The Uttar Pradesh Cinemas (Regulation) Act, 1955 prohibits cinemas exhibition except at a place licensed there under. Failure to obtain cinema license, may be punishable with simple imprisonment for a term upto six months or with fine which may extend to five thousand rupees, or with both and in the case of continuing offence with a further fine which may extend to five hundred rupees for each day during which the offence continues.
5	Grant of permission for computerization of tickets under the Punjab Entertainment Duty Act, 1955 for SRS Cinemas, Omaxe Wedding Mall, Sector 49, Gurgaon, Haryana	Intimation/ application made to the Entertainment Tax Dept, Gurgaon, Haryana for permission for grant of NOC for computerized tickets duly acknowledged.	In the event this approval is not granted to the Company it may adversely affect the ability of the Company to sell computerized tickets at the cinema.
6	Cinema License for SRS Cinema, 3 rd floor, Eldeco station One Mall, Site No. 1, Sector 12, Faridabad, Haryana	Expired on July 18, 2011. The Company has filed an <i>application for renewal</i> on June 28, 2011	The Punjab Cinemas (Regulation) Act, 1952 prohibits cinemas exhibition except at a place licensed there under. Failure to obtain cinema license, may attract a penalty not exceeding one thousand rupees and, in case the breach is a continuing one, then a further penalty not exceeding one hundred rupees for every day after the first during which the breach continues.

B. Food Courts/ Restaurants

S. No.	Pending license	Current Status	Possible Legal Implication
1	Clearance/ License for Sale of Food Items for SRS 7 Dayz Restaurant, TMU Mall, Moradabad, Uttar Pradesh	Application for registration has been filed by the Company on March 25, 2011.	In case of offences committed under the Prevention of Adulteration Act, 1954 (the "PFA Act"), the PFA Act prescribes fine and imprisonment for every person who at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company.
2	Registration of Establishment under the Uttar Pradesh	Application for nomination has been filed by the Company	Registration of offices and commercial establishments is mandatory under the Uttar Pradesh Dookan Aur Vanijya Adhishthan

S. No.	Pending license	Current Status	Possible Legal Implication
	Dookan Aur Vanijya Adhishtan Adhiniyam, 1962 for SRS 7 Dayz Restaurant, TMU Mall, Moradabad, Uttar Pradesh.	on March 30, 2011	Adhiniyam, 1962 (the "UP Shops Act"). Failure of obtain the said registration may attract a fine of upto one hundred rupees for the first offence, and upto five hundred rupees for every subsequent offence.
3	License for the retail vend of foreign liquor at Punjabi Handi, Westend Mall, Ludhiana	Expired on March 31, 2011. Applied for renewal on January 20, 2011.	Failure to obtain license under the Punjab Excise Act, 1914 [as adopted by Haryana] shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to twenty five thousand rupees, or with both.
4	No objection letter for fire safety for SRS 7 dayz, sweet shop, Prithla, Palwal	Applied for approval vide application dated May 30, 2011	Failure to obtain the said approval may attract penalty from the fire department.
5	No objection letter SRS 7 dayz restaurant, TMU Mall, Moradabad, Uttar Pradesh	Yet to apply	Failure to obtain the said approval may attract penalty from the fire department.

C. Value Bazaar/ Retail Stores

S. No.	Pending license	Current Status	Possible Legal Implication
1	License for sale/ purchase/ storage/ processing of agricultural produce at SRS Value Bazaar, City Centre, SRS Multiplex, Sector 12, Faridabad, Haryana.	Expired on March 31, 2010. Applied for renewal on April 7, 2011.	The Punjab Agricultural Produce Markets Act, 1961 [as adopted by Haryana] provides that failure to obtain the said license may be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than fifty rupees, but may extend to five hundred rupees, or with both; and in the case of a continuing contravention, with a further fine which may extend to fifty rupees per day during which the contravention is continued after the first conviction.
2	License for sale/ purchase/ storage/ processing of agricultural produce at SRS Value Bazar, Ground Floor, Shri Ram Complex, C Block, Near Maple Height, Sushant Lok-I, Gurgaon, Haryana	Application dated April 8, 2010 made for license. Further, the said application was re-filed by the Company on April 7, 2011. Approval pending.	The Punjab Agricultural Produce Markets Act, 1961 [as adopted by Haryana] provides that failure to obtain the said license may be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than fifty rupees, but may extend to five hundred rupees, or with both; and in the case of a continuing contravention, with a further fine which may extend to fifty rupees per day during which the contravention is continued after the first conviction.
3	License for sale/ purchase/ storage/ processing of agricultural produce at SRS Value Bazaar, 1 st 60 ft Road, Tejpur, Molarband	Application for license made on April 27, 2010.	The Delhi Agricultural Produce Marketing (Regulation) General Rules, 2000 provides that failure to obtain the said license may attract a penalty of upto five thousand rupees.

S. No.	Pending license	Current Status	Possible Legal Implication
	Extension, Badarpur, New Delhi		
4	License for sale/ purchase/ storage/ processing of agricultural produce at SRS Value Bazar, D-78, Main Market, Malviya Nagar, New Delhi	Application for license made on April 27, 2010.	The Delhi Agricultural Produce Marketing (Regulation) General Rules, 2000 provides that failure to obtain the said license may attract a penalty of upto five thousand rupees.
5	License for sale/ purchase/ storage/ processing of agricultural produce at SRS Value Bazaar - Celebration Mall, Atrium Ground Floor, Batala Road, Amritsar, Punjab	Yet to apply	The Punjab Agricultural Produce Markets Act, 1961 provides that failure to obtain the said license may be punishable with imprisonment for a term which may extend to one month or with fine which shall not be less than fifty rupees, but may extend to five hundred rupees, or with both; and in the case of a continuing contravention, with a further fine which may extend to thirty rupees for every day after the date of the first conviction during which the contravention is continued.
6	Fire NOC for SRS Value Bazar (Fashion Wear), Shop No. 28 & 29, G.F., Crown Interior Mall, Sector 35, Faridabad, Haryana	July 20, 2011.	Failure to obtain the said approval may attract penalty from the fire department.

D. Jewellery

S. No.	Pending license	Current Status	Possible Legal Implication
1	BIS certification Marks for SRS Jewells located at SRS Multiplex, Sector 12, Faridabad, Haryana	Expired on July 22, 2011. Applied for renewal on June 3, 2011. Approval pending.	Failure to obtain the said approval will result in Company, not being able to use the certification mark for selling its own manufactured jewellery in this outlet.

E. Others

S. No.	Pending license	Current Status	Possible Legal Implication
1	No Objection Letter for Fire Safety for Company's office located at E-18, Nehru Ground, NIT, Faridabad, Haryana	Application for NOC made on May 30, 2011. Approval pending.	Failure to obtain the said approval may attract penalty from the fire department.

The Company's failure to receive the approvals within the time frames anticipated or at all could result in interruption of its operations and may have an adverse material effect on its business and financial position.

Furthermore, the government approvals and licenses are subject to various conditions. If it fails to comply, or a regulator claims that the Company has not complied with these conditions, its business, financial position and operations would be materially adversely affected. For more information, see the section titled **“Government and Other Approvals”** on page 357.

7. The Company is promoted by first generation entrepreneurs.

The Promoters of the Company are first generation entrepreneurs and in spite of having a key executive team to support, the Company’s business may suffer if they are not able to manage the operations of the Company and the challenges which it may face on account of the growth and competition in different segments of business.

8. The Statutory Auditors of the Company have qualified their Report for the financial year ended March 31, 2010, stating that there has been a slight delay in few cases in depositing undisputed statutory dues with the appropriate authorities.

As per the Report of Statutory Auditors of the Company in their financials for the year ended March 31, 2010, there is a qualification that there has been a delay in few cases in depositing undisputed statutory dues and also in respect of Fringe Benefit Tax (Rs.0.39 mn.) as on March 31, 2009 and Advance Tax (Rs. 1.45 mn.) as on March 31, 2008 with the appropriate authorities. However, the Auditors in their Report have also stated that the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues and delay in only for few cases. Further, as on date of this Red Herring Prospectus, the Company has already deposited the statutory dues for Fringe Benefit Tax of Rs. 0.39 mn. and Advance Tax of Rs. 1.45 mn. with the appropriate authorities alongwith interest.

9. The Company may face difficulties in executing strategy including its expansion plans for setting up of new cinemas, food courts / restaurants, retail stores and jewellery manufacturing facility and there can be no assurance that its planned capital expenditures will result in growth and / or additional profitability for the Company.

The proposed expansion in operations requires significant capital expenditures. The Company is proposing to set up 15 new cinemas with 51 screens by deploying Rs. 1,011.76 mn., 29 new retail stores by deploying Rs. 536.88 mn., 33 new food courts / restaurants by deploying Rs. 399.51 mn, a jewellery manufacturing unit and 17 jewellery retail stores by deploying Rs. 167.04 mn., out of the proceeds of this issue.

Delays in execution / implementation of any of the projects could result in loss or delayed receipt of earnings, increase in financing costs and the failure to meet profit and earnings budgets may require the Company to reschedule or reconsider its planned capacity expansions and accordingly would have an adverse effect on the Company’s financial position and its operations. Further, in case the Company is unable to utilize fully its expanded project capacities, its operations could be adversely affected. There is no assurance that the present and planned initiatives will yield the expected or desired benefits, in terms of process efficiencies or an expansion in the business.

10. The operations of the Company are subject to risks, including disruptions in or lack of infrastructure such as electricity, water supply and IT Systems, which could increase the operating costs or interrupt its operations.

The Company currently owns and operate 11 cinemas with 30 screens, 23 retail stores, 14 food courts / fine dining restaurants and 3 jewellery retail showrooms and 1 banquet in northern India. As the Company’s operations are exposed to disruptions in infrastructural facilities such as electricity and water supply to such units, which could require it to incur additional costs.

The Company relies extensively on its information technology systems to provide connectivity across its business functions through its software, hardware and connectivity systems. Any disruptions in the functioning of the IT system could affect its ability to track, record and analyze the merchandise / products that the Company sells. Further, this may affect its operations, including, among others, its ability to process shipments of goods, process financial information or credit card transactions, deliver products or engage in similar activities.

11. The Company has not registered some of the brands / trade marks. As a result, the Company may have lesser recourse to initiate legal proceedings to protect the brands.

As on date of filing of this RHP, the Company holds six registered trademarks. Out of which, the trademarks named SRS WORLD (Class 41); SRS world (Class 42); and SRS CINEMAS (Class 41) are registered in the name of SRS Commercial Company Limited (erstwhile name of the Company). The application for change of name of the Company to SRS Limited has been filed with the Registrar of Trademark on December 15, 2009. Further, the registered trademark named SRS Value Bazaar (Class 35) and SRS club (Class 41) are registered in the name of SRS Entertainment Limited (erstwhile name of the Company). The application for change of name of the Company to SRS Limited, for said registered trademark has been filed with the Registrar of Trademark on May 12, 2010.

The trademark named SRS (under Class 14) is registered (retrospectively from May 19, 2008) in the name of SRS Limited vide certificate dated January 13, 2011.

Additionally, as on date of filing of this RHP, the Company had already applied for registration of 36 trademarks, which are pending for registration. Further, the Company is not the sole & exclusive owner of the aforesaid trademarks, as the Company has issued a “No Objection Certificate” in favour of the other group companies, who have also applied for / registered for some of the similar trademarks, though under different classes. Therefore, the group appears to have conflicts to the extent of similar / over-lapping registration of trademarks.

Further, the Company is also receiving Rs.5,00,000/- per annum from SRS Meditech Limited as consideration from July 20, 2010, for granting the permission to use the word and the logo “SRS”.

The Company may have a lesser recourse to initiate legal proceedings to protect the brands / trademarks. For further details, please refer section titled “**Government and Other Approvals**” on page 357 of the Red Herring Prospectus.

The Company’s success with its brands depends, partly on its ability to protect and defend its current and future intellectual property rights relating to such brands / trademarks.

12. The operating results of Company’s business depend on the effectiveness of the Company’s marketing and advertising programs.

Revenues in the business segment, where the Company operates, are influenced by brand marketing and advertising. The Company’s marketing and advertising campaign may not be successful and the Company may, therefore, fail to attract new customers or expand its customer base, which may materially affect its financial performance.

13. Any inability to manage the rapid growth could disrupt the business of the Company.

The Company’s business has experienced high growth in recent periods. The total sales of the Company have grown from Rs. 1,543.63 mn. in the financial year ended March 31, 2008 to Rs. 20,055.66 mn. in the financial year ended March 31, 2011 at a CAGR of 135.09%. However, the future growth plans of the Company can place significant demands on its management and other resources. There can be no assurance that the Company will be able to execute its business strategy on time and within the stipulated budget or that it will meet the expectations of the customers and sustain the high growth rates in future.

14. The business of the Company depends on its ability to attract customers and maintain consistency in customer service.

There is huge demand for personnel having relevant experience in the food and beverages and retail industry. The Company’s ability to maintain high standards of customer service in its stores is critical to its success. This will depend on its ability to hire the right personnel and also train the new personnel in the implementation of its processes effectively. In addition, the attrition rate of employees is high in the food and beverages and retail industry and in the event the Company loses employees at a higher rate or it cannot recruit fresh talent, this may adversely affect its financial performance.

15. Any defect in the title / ownership of the owner(s) (including the Promoters / Promoter Group), from whom the Company has taken commercial / retail space on lease, may adversely affect the operations of the Company resulting in loss of business.

With a view to expand the Company's presence, the Company may take properties on lease for some of the proposed projects, by entering into transactions in the nature of long-term lease or sub-lease or leave and license or conducting basis and / or other contractual arrangements basis with third parties and / or its Promoters or the Promoter Group Companies. Any defect in the title / ownership of its landlords (including its Promoters or the Group Companies) from whom the Company has taken commercial / retail space on lease to operate its Cinemas / Food Courts / Restaurants / Retail Stores may adversely affect the operations of the Company resulting in loss of business.

Of the properties taken on lease by the Company, only one property has been taken on lease from a Promoter Group Company namely, SRS Real Infrastructure Limited, for use of its land situated at Prithila, Faridabad (Haryana) for manufacturing of Sweets and Namkeens that is sold by the Company under the brand name of 'SRS 7 Dayz'. The Company is paying Rs.5,00,000/- per month as rent for the same. The details of the same have been provided on Page 111 of this RHP.

16. The Company is dependent on a number of key personnel and the loss of such persons or its inability to attract or retain key personnel in the future, could adversely affect the business operations of the Company.

The success of the Company depends on the continued services and performance of its team members, including the Chairman, Managing Director and other key employees. Demand for senior management personnel in its various business segments, is intense and it may not be able to retain the existing senior management personnel, attract senior management personnel of similar capabilities / skill-sets or retain new senior management personnel in the future. The loss of the services of the senior management team or other key personnel could adversely affect the business and operations and financial position of the Company.

17. The insurance coverage taken by the Company may not be adequate to protect against certain business risks and this may have an affect on the business operations.

The Company's insurance coverage is likely to cover all normal risks associated with the operations of the business but there can be no assurance that any claim under the insurance policies maintained by it will be honored fully, in part or on time. To the extent that the Company suffers loss or damage that is not covered by insurance or exceeds its insurance coverage, the Company's financial performance and cash flow may be adversely affected.

18. The Company has acquired a commercial property situated at DLF Tower, Jasola, New Delhi, under an Agreement to Sell. The Seller has not executed any Sale Deed for the same. Further, the Company has not registered the property documents with competent authorities or stamped the same in accordance with the applicable Stamp Act.

The Owner of the commercial property situated at DLF Tower, Jasola, New Delhi has entered into an Agreement to Sell on December 14, 2007 with the Company for the sale of the said property. The purchase price for the said property was determined based on the then prevailing market prices and mutual negotiations and the consideration was paid by the Company from its internal accruals. No part of the proceeds of the initial public offering will be adjusted / used for the said property.

The Seller has not executed any Sale Deed with the Company. The Company has not registered the property documents with competent authorities nor has the same been stamped in accordance with the applicable Stamp Act. Consequently, the said Agreement to Sell may not be admissible as evidence in a court of law, unless the defects are rectified.

In the absence of a registered sale deed, the Company may loose consideration already paid i.e., Rs. 15,008,554/- and this may adversely affect the financial position of the Company to that extent.

The Company has presently not undertaken any steps to rectify the defects in the said Agreement to Sell. For details please refer "**Business Overview**" on page 85 of the RHP.

19. The lease agreements pertaining to certain immovable properties are not adequately stamped and registered in accordance with the applicable Stamp Act and Registration Act, 1908.

The lease documents pertaining to various properties have not been registered under the provisions of the Registration Act, 1908 and have not been adequately stamped in accordance with the applicable Stamp Act. In case of non registration of document and inadequacy of stamp duty, the Company maybe liable to pay the applicable registration fee and stamp duty alongwith imposed penalty to the appropriate authorities, which may go upto a maximum of ten times of applicable Registration Fee and Stamp Duty.

In case of any legal proceedings, the lease agreements which are not adequately stamped and registered in accordance with the applicable law may not be admissible as evidence in the court of law.

20. The Company has had negative cash flows in the past three years, as stated in the table below:

(in Rs. millions)			
Particulars	Year Ended March 31, 2011	Year Ended March 31, 2010	Year Ended March 31, 2009
Net cash from operating activities	(471.80)	(955.85)	(240.71)
Net cash used in investing activities	(271.85)	919.79	(507.49)
Net cash used in financing activities	863.53	194.27	672.42

The Company's cash flows from operating activities have been negative in the financial years ended March 31, 2009, 2010 and 2011 mainly because of increase in the Company's operations which have resulted in substantial increase in working capital required by it.

21. The Company is subject to restrictive covenants under financing arrangements provided to Company by the lending Banks.

The Company has entered into a financing arrangement with State Bank of India and other consortium Banks. Pursuant to the financing arrangement, the consortium banks have imposed on the Company certain restrictive covenants such as, to obtain prior permission, for change in capital structure, formulate any scheme of amalgamation or reconstructions, implement any scheme of expansion / diversification / modernization other than incurring routine capital expenditure; to make any corporate investments or investment by way of share capital or debenture or lend or advance funds to or place deposits with any other concern; enter into borrowing arrangement either secured or unsecured with any other bank, financial institutions and firm or otherwise; undertake guarantee obligations on behalf of any other firm; declare dividend for any year out of the profits relating to that year or of the previous years, withdraw loans / deposits secured from Directors and Promoters of the firm; give guarantee on behalf of any third party and dispose-off whole or substantially the whole of the undertaking. The above conditions imposed by State Bank of India and other Consortium Banks for financing arrangement could adversely affect the Company's ability to conduct its business and operations. The Company has obtained consent from the banks for the proposed IPO.

For further details see "**Financial Indebtedness**" on page 269. Failure to meet any of the conditions may have an adverse effect on the business and operations of the Company.

22. There has been a delay in schedule of implementation in the Objects of the Issue and any further delay in the same may have an adverse impact on the expansion plans of the Company.

There has been a delay in schedule of implementation in the Objects of the Issue and any further delay in the same may have an adverse impact on the expansion plans of the Company. The implementation of the Objects of the Issue is based on timely raising of funds from the Initial Public Offering and any delay in the same may result in further delay in implementation and cost overrun. For details on the same please refer section titled "**Objects of the Issue**" on Page 39 of this Red Herring Prospectus.

23. The Company is raising funds for objects, some of which have contributed less than 25% of the revenue in the past three financial years.

The Company is presently raising Rs. 1,011.76 mn. for cinemas and Rs. 399.51 mn. for food & beverages, which contributed less than 25% each, of the total revenue in the past three financial years. The details of contribution of said business segments as percentage of total revenue in last three financial years are stated hereinbelow:

Segment	FY 2010-11	FY 2009-10	FY 2008-09
Cinemas	1.81%	1.67%	3.65%
Food & Beverages	1.04%	1.30%	2.68%

24.

24. The unsecured loans, taken by the Company can be recalled by the lenders at any time which may have an adverse effect on the Company's business operations.

As on May 31, 2011, the Company has Unsecured Loans amounting to Rs. 2.50 mn. outstanding, which can be recalled at any given point of time from its lenders during the ordinary course of business.

25. The ability of the Company to pay dividends in the future will depend upon its future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

The Company has not declared or paid any dividend in the preceding 5 financial years. The amount of the future dividend payments, if any, will depend upon the future earnings, financial condition, cash flows, working capital requirements and capital expenditures of the Company. There can be no assurance that the Company will be able to pay dividends.

26. The Promoters of the Company may have the ability to determine the outcome of any shareholder resolution.

The Promoters and Promoters Group will continue to be the largest shareholders' group, holding 74.04% (approx.) of post-issue equity capital of the Company. As majority shareholders, the Promoters and the Promoters Group will have the ability to determine the outcome of any shareholders' resolutions which may be prejudicial to the interest of other shareholders.

27. The Company's funding requirements and the deployment of the proceeds of the Issue are based on current business plan and management estimates and have not been independently appraised.

The Company's funding requirements and the deployment of the proceeds of the Issue are based on current business plan and management estimates and have not been appraised by any bank or financial institution. The estimates of the Company in respect of requirement of funds may change.

However, Oriental Bank of Commerce has sanctioned a loan of Rs. 200 Million, details of which are given under the Section titled "**Object of the Issue**".

28. The Company has not entered into any lease / purchase agreement for premises and have not placed orders for the machinery and equipments required for the proposed projects Any delay in finalization of premises or placement of order for plant and machinery may have an adverse impact on the Company's operations.

The Company has not entered into lease / purchase agreement for the proposed projects, which the Company proposes to fund from the proceeds of the Issue. Non-availability of premises at the desired locations / areas and delay in placement of orders for plant and machinery for proposed projects may adversely affect the operations of the Company. Out of the total cost of the project, the management's estimates to the extent of Rs. 122.56 mn. (comprising 5.79% of the total project cost) are not based on quotations from vendors. For details please refer to "**Objects of the Issue**" on page 39 of this Red Herring Prospectus.

29. The deployment of the Issue proceeds is entirely at the discretion of the Issuer and is not subject to any monitoring by an independent agency.

The Company has not appointed any independent monitoring agency to monitor the utilization of the proceeds raised from this Issue. The Issue proceeds will be utilized at the sole discretion of the Board of Directors of the Company. Pursuant to Clause 49 of the listing agreement, the Board has empowered the Audit Committee to monitor the utilization of the proceeds of the Issue. For further details please refer to “Objects of the Issue” on page 39 of this Red Herring Prospectus.

30.

30. Some of the Promoter Group Companies have objects conflicting with the business of the Company.

Some of the Promoter Group Companies have objects similar to that of the Company and are conflicting in nature. Out of the Promoter Group companies, following eight Companies have main objects which conflict with the present business activities of the Company.

Cinema Exhibition

SRS Movies Pvt. Ltd. and SRS Entertainment Ltd. have Cinema exhibition business as one of its main objects. Presently, these Companies are not carrying out any business activities.

Food & Beverages

SRS Seven Dayz Restaurants Ltd. has Food & Beverages business as one of its main objects. Presently, this Company is not carrying out any business activity.

Retail and Cash & Carry

SRS Commercial Company Ltd., SRS Superb Marktrade Ltd., SRS Value Bazaar Ltd. and SRS Retail Ltd. have retail business as one of their main objects. SRS Commercial Company Ltd. is only receiving rental income from its business activities and other three Companies are not carrying out any business activity.

SRS Modern Sales Ltd. has Retail and Cash & Carry business as one of its main objects which is in conflict with the business of SRS Limited. However, presently, this Company has major income coming from trading of building material like steel, cement etc. This Company also operates eight Kissan Bazaars where products like: (a) Fertilizer, Manures & Cattle feed; and (b) Kirana items like Sugar, Flour etc. are sold.

The Promoter Group Companies may compete in the same industries, businesses and locations in which the Company operates. There cannot be assurance that conflict of interest between the Company and its Promoter Group Companies would not arise. Such conflict could adversely affect the prospects, business, results of operations and financial condition of the Company.

The Company has executed, Non-Compete Agreement(s) on October 1, 2010 with the aforesaid eight promoter group companies. Further, the Company has executed Addendum to aforesaid Non-Compete Agreement(s) on May 25, 2011, wherein the Company has agreed to pay a non-compete fee of Rs. 100,000 per annum to each company.

For details on the businesses carried on by the Promoter Group Companies, please refer section titled "Promoters and Promoter Group" on page 152 of the RHP.

31. Any future issuance of Equity Shares may dilute prospective investors' shareholding and sales of Equity Shares by Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by the Company may lead to the dilution of Investors' shareholdings in the Company. Any future equity issuances by the Company or sales of Equity Shares by the Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares of the Company.

32. There is no guarantee that the Equity Shares of the Company will be listed on the Stock Exchanges in a timely manner or at all.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Such approval will require all other relevant documents authorizing the issue of the Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares of the Company on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict the ability of investors to dispose of the Equity Shares.

SEGMENT SPECIFIC RISKS

A. CINEMA EXHIBITION

33. The business of the Company is seasonal and its results of operations may fluctuate from quarter-to-quarter.

Historically, the revenues of the Company have been higher during the first half of the fiscal year due to summer vacations and release of big budget Indian movies during this period. As a result of this, the quarter-to-quarter financial performance of the Company may not be comparable or a meaningful indicator of its future performance.

34. The business of the Company is dependent on the popularity of the films it exhibits.

The Company's ability to attract patrons to its cinemas is dependent on the popularity of the films it displays on its screens. The film industry may not be in a position to produce and release blockbuster films or films with widespread audience appeal on continuous basis. If the films, the Company exhibits are not popular, the number of its patrons will decline, which would adversely affect the business and financial performance of the Company.

35. The Company has no control over distributors of the films and this business may be adversely affected if its access to motion pictures is limited or delayed.

The Company relies on distributors of motion pictures. Major motion picture distributors normally offer and license films to exhibitors, including the Company, on a film-by-film and Cinema-by-Cinema basis. Consequently, the Company cannot assure itself for a supply of motion pictures by entering into long-term arrangements with major distributors, but must compete for its licenses on a film-by-film and Cinema-by-Cinema basis. Further, the risk of formation of a cartel amongst the distributors or in a scenario of a strike may make the procurement of films from distributors difficult or unduly expensive and thereby affecting its business and financial performance adversely.

36. The cost of exhibition of a film varies across films and cinemas and if the Company is unable to procure films on competitive terms the results of operations may be adversely affected.

For hiring a film, the distributor's share is normally a percentage of ticket receipts (net of entertainment taxes) and the applicable percentage is negotiated on a film to film basis in respect of films produced in India and periodically for film releases by international studios. Distributors work on a non-exclusive basis and there is a competition between exhibitors to acquire in-demand films. Competitive pressures may result in increasing the cost at which the Company acquires the rights to exhibit the films. If the Company is unable to recover such increased costs through higher box office collections or other forms of revenue generation, its results of operations would be adversely affected.

37. Digital projection technologies may render the traditional film projection equipment obsolete, requiring the Company to incur significant capital expenditure.

Traditionally, motion pictures were filmed using 35 milli-meter (mm) celluloid film cameras and screened using traditional projectors. Today, the technology has shifted towards using Digital Projectors. Currently, out of the 30 screens the Company uses analog projectors in 22 screens, digital projectors in 3 screens and 5 screens having both analog and digital projectors. In order to keep up with the latest available technology, the Company would need to use projectors (Digital) that cost more than the cost of celluloid film projectors. In order to remain competitive, the Company may be required to

make incremental capital investments in digital projectors, failing which its business and operations may be adversely affected.

38.

38. The Company's existing cinema business may not be able to generate additional ancillary revenues.

The Company intends to continue to pursue ancillary revenue opportunities such as advertising, promotions and alternative uses of the cinemas during non-peak hours. Some of the Company's competitors may make significant investments in new forms of advertising delivery like, digital advertising or co-branding and the success of any such new delivery system could make it more difficult for the Company to compete for advertising revenue.

39. Piracy and home-viewing may reduce the number of cinema patrons.

On account of increasing piracy and home-viewing options, the number of cinema patrons may reduce in the future, which may have a material adverse effect on the revenues and operations of the Company.

40. The withdrawal of or refusal to grant entertainment tax incentives or the grant of entertainment tax incentives on commercially unviable terms for the Company's existing and proposed Cinemas would have a material adverse effect on its results of operation and financial position.

One of the considerations influencing the decision of the Company to open new cinemas is availability of entertainment tax holidays and incentives announced by various state governments. Entertainment tax rates vary from state to state where the Company currently operates. The withdrawal of the announced tax holidays and incentives or the refusal by relevant authorities to grant entertainment tax exemptions for the existing or proposed Cinemas would have a material adverse effect on its operations and financial position and may also affect its decision to proceed with such Cinemas, thus hampering the expansion plans of the Company.

For details of the entertainment tax exemptions / incentives available in the states where it operates, please refer section titled "Regulations and Policies" on page 112.

41. The Company is required to bear the onus for gaps in levels of customer service provided by the developers of the multiplexes / cinemas which could lead to unforeseen claims by patrons.

Certain common infrastructure / services such as air conditioning, lift, general cleanliness etc. are typically provided by the developers of multiplexes / cinema where the Company operates. Gaps in any such services will affect the customer's decision to revisit the cinemas and also unforeseen compensation claims made by patrons on account of accidents and damages suffered, if any, during their visits to the Company's cinemas could adversely affect the Company's goodwill / brand image and results of operation.

B. FOOD & BEVERAGES

42. Increasing cost of raw materials and other costs could adversely affect the profitability.

An increase in any of the Company's operating costs will affect its profitability. Certain factors such as increased cost of raw materials and inflation may adversely affect the operating costs. Most of the factors affecting costs are beyond the control of the Company and the Company may not be able to pass on such costs to its customers. Most ingredients used in food products and dishes, including cooking oil, flour, milk and milk products, meat products and vegetables etc., are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand in local and international markets. The Company has no control over fluctuations in the prices and availability of these ingredients or variations in products caused by these factors. Furthermore, any shortage of raw materials in the market generally could impact the prices imposed by its suppliers, making the cost of raw materials dearer.

43. The Company is dependent upon the adequate and timely delivery of quality ingredients by its suppliers and distributors, the failure of which could have an adverse effect on its business, operations and financial position.

The operations of the Company are dependent on adequate and timely deliveries of quality ingredients, including fresh produce. The Company depends substantially on suppliers for such deliveries and vendors may be unable to provide the Company with a sufficient quantity of quality ingredients for it to meet customer demand for its products. If the quality of suppliers' ingredients declines, the Company may not be able to obtain replacement for quality ingredients on commercially agreeable terms in the open market. If, food quality of the Company declines due to the inferior quality of ingredients or due to interruptions in the flow of ingredients and similar factors, customer base may decline and negatively affect its results. In addition, the Company does not have exclusive supply arrangements with its suppliers and these suppliers may choose to work with the competitors. In the event of a major disruption to the timely supply of quality ingredients, alternative suppliers of food and / or distribution services (as the case may be) may only be available at higher prices.

44. The Company may be unable to accurately forecast demand for its food products.

The supply of raw materials for the Company's food products is based primarily on forecasts and requirements prepared by its food courts / restaurants managers in consultation with its business heads. These forecasts are based on past sales as well as anticipated demand, which is based to a certain extent on the subjective assessment of the food courts / restaurants managers. Inability to accurately forecast demand for the Company's food products would lead to excess supply (i.e., leading to expiry of perishable items) or a shortage in the supply of raw materials, which would have a material adverse impact on Company's brand, profit margins and operations.

45. The food service market is affected by consumer preferences and perceptions. Changes in these preferences and perceptions may lessen the demand for products of the Company.

Food service businesses are affected by changes in consumer tastes, national, regional and local economic conditions and demographic trends. Market perception of the home delivery and convenience food industry may change which could impact on the Company's continued business success and future profitability. In particular, an increasing number of government and media initiatives to create increased awareness of healthy eating could impact on the public's perception of the home delivered and convenience food industry, which could adversely affect its business, financial condition or prospects, through resulting decreased sales. For example, the Ministry of Health and Family Welfare, Government of India, may issue reports, publications or notices advising citizens against food products prepared by the quick service restaurant industry. Customers may turn to the Company's competitors offering healthier convenience food options such as lower-calorie ready meals. If the Company is unable to adapt its products to successfully meet changes in consumer tastes and trends, its business and financial condition may be materially adversely affected.

C. RETAIL

46. The business depends on the Company's ability to obtain and retain quality retail spaces.

Success of this business depends upon the ability of the Company to identify and acquire quality retail space at appropriate terms and conditions. The Company competes with other large retailers for acquiring quality real estate properties. If the Company fails to acquire properties at appropriate locations, it may result in cost overruns or otherwise adversely affect its business, operations and profitability.

In addition, most of the Company's retail stores are taken on lease or license, which may or may not be renewed. The termination of the leases or licenses or disputes that may arise with store owners may result in closure of stores, thus affecting the Company's business and profitability.

47. The success of this business is also dependent on supply chain management.

The Company strives to keep optimum inventory at its stores and distribution centre to control its working capital requirements. Ensuring shelf availability for its products warrants quick turnaround time and high level of coordination with suppliers. Food and grocery items require efficient supply chain management as this involves items which are perishable or have limited shelf life. Inefficient supply chain management may lead to unavailability of merchandise.

The Company relies on its supply chain and adopts operational processes to optimize its inventory position and reduce cost. The Company strives to keep optimum inventory at its stores and distribution centers to control its working capital requirements. For instance, on back of its supply chain management, the Company does not provide for dedicated storage spaces in most of its stores. In addition, the Company does not have any long-term arrangements with its suppliers and vendors. Inefficient supply chain management could adversely affect the operations and profitability of the Company.

48. Presently, all the stores are located in Northern India. The growth strategy of the Company's Retail Business, to expand into new geographic areas poses risks.

Part of the Company's growth strategy has been to expand its business into new geographic areas. The Company proposes to continue with this strategy of entering new geographic areas. The Company may face additional risks if it undertakes projects in geographic areas in which it does not possess the same level of familiarity with the development, ownership and management of retail business and the customer preferences. In the event the Company is unable to successfully manage the risks of such an expansion, it could have a material adverse effect on its financial position.

49. The growth in retail sector requires additional capital, which may not be available on terms acceptable to the Company.

The retail industry is capital intensive and requires significant expenditures for store establishment, sourcing of products and raw materials. The Company intends to pursue a strategy of continued investment in additional retail stores. The Company anticipates that it will need to obtain additional financing as it expands its operations. The Company may not be successful in obtaining additional funds in a timely manner, on favorable terms or at all. In addition, restrictions on the foreign direct investment in the retail sector for multi-brand format or retail chain in India is likely to impact its funding options.

50. Certain products like apparels may go out of style / fashion on account of changing customer preferences. This may lead to dead stock or increased cost of carrying that stock and as well as witnessing a downgrade in the realizable value of the same.

Stock that may go out of style / fashion may require to be held in godowns. Such a scenario will lead to increased cost of carrying that stock and reducing their realizable value. This could adversely impact the results of operations of the Company.

51. In the cash & carry business, the Company buys and stocks goods in bulk and further sells to the retailers on a sales or returns basis. In the event of any unsold perishable products or any sales return, the Company's profitability will be adversely affected.

In the cash & carry business, the Company buys and stocks goods in bulk. The perishable goods which are not sold within time would become dead-stock (spoilt) and does not have any realizable value. Further, the goods are sold on credit basis to the retailers and the Company is under obligation to accept the returned goods from the retailers, even if the goods are expired. In such events, the financial performance of the Company could be adversely affected.

- 52. In the cash & carry business, the whole-sale goods purchased by the Company are subject to commodity price fluctuations. Any significant negative variation in such prices will adversely impact the results of operation of the Company.**

In the cash & carry business, the whole-sale goods purchased by the Company are subject to global commodity price fluctuations. However, the Company does not have any hedging policy to mitigate the effect of unfavorable price movements. Any such significant movements / volatility in prices could adversely impact the results of operations of the Company.

D. JEWELLERY

- 53. The Company has limited operating and financial history in undertaking jewellery business.**

The Company entered in Jewellery business in the year 2008 and presently operates three retail outlets, one each in New Delhi, Faridabad and Palwal, Haryana and two wholesale outlets in Delhi. The growth of its retail jewellery operations will be dependent principally upon the opening of new stores and capitalizing on its existing marketing and distribution network, increased sales volume and profitability from the existing and new stores. The ability to operate its existing and new stores successfully is subject to various contingencies, many of which are beyond its control. These contingencies include the ability to secure suitable locations for the outlets on a timely basis and on favourable terms, the ability to hire, train and retain qualified personnel and the successful integration of the new outlets with the existing marketing and distribution network. There can be no assurance that suitable locations will be available for the proposed outlets as per the Company's requirement or that the Company's proposed expansion in retail operations will be successfully implemented or integrated with its existing operations. The costs associated with acquiring, assimilating and opening new stores may adversely affect the profitability of the Company.

- 54. The Company's inability to keep pace with technology, process and designs can adversely affect its sales and the demand for its products.**

The gems and jewellery industry is characterized by continuous up-gradation in terms of technology, manufacturing process and design capability. The Company has to, on a regular basis, meet with the aforesaid demands and invest continuously to upgrade the technology and process and keep abreast with the latest innovations in the gems and jewellery industry.

The Company's jewellery offerings must reflect the tastes and preferences of a wide range of consumers whose preferences may change regularly. Its strategy has been to offer a wide variety of styles of fine Jewellery, but there can be no assurance that these styles will continue to be popular with consumers in the future. If the styles, the Company offers, become less popular with consumers and the Company is not able to adjust the inventory in a timely manner, the sales of the Company may decline or fail to meet expected levels.

- 55. Any fluctuations in the cost of raw materials for manufacturing processes may affect the Company's profitability.**

Gold typically constitute major component of raw material cost and any adverse price fluctuations in gold would substantially increase cost of materials and adversely affect Company's profit margins. Further, if there is a significant upward variation in the prices of gold, the consumers may hold back / reduce their purchases. This may adversely affect the Company's results of operation.

II. EXTERNAL RISK FACTORS

56. A slowdown in economic growth in India could adversely affect the business operations of the Company.

The performance and the growth of the Company's business are necessarily dependent on the health of the overall Indian economy. As a result, a slowdown in the Indian economy could adversely affect the business operations of the Company. India's economy could be adversely affected by a general rise in interest rates, inflation, increases in commodity and energy prices and protectionist efforts in other countries or various other factors. It is difficult to gauge the impact of these fundamental economic changes on the business of the Company. Any slowdown in the Indian economy or adverse Global factors could adversely affect the business operations of the Company.

57. The Company operates in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures may adversely affect its business, financial condition and operations.

The Company faces competition in all the segments it operates including cinema exhibition, food and beverages, retail stores and jewellery business. Some of its competitors may have greater financial resources than the Company and may be in a better position to invest in new projects or to sustain losses from such projects. The Company may also face competition from global enterprises.

In cinema exhibition segment, the Company faces competition from alternative entertainment channels including, television, film DVDs, radio, internet and theatre, hand-held equipments etc. These other forms of entertainment compete with cinemas for the discretionary spending of patrons and for the ad-spend of advertisers. The retail jewellery industry is highly fragmented and controlled by the unorganized sector which may offer their products at highly competitive rates.

In the event that the Company is unable to compete effectively, it may lose some of its revenue and this may affect its financial performance.

58. Risk of force majeure

Certain events that are beyond control such as, earthquakes, fire, floods and drought and similar natural calamities may cause interruption in the business of the Company that could adversely affect its results of operation.

59. Political instability or changes in the Government could adversely affect economic conditions in India and consequently the business operations of the Company.

The performance and the market price and liquidity of the Equity Shares of the Company may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The business of the Company and the market price and liquidity of its Equity Shares may be affected by changes in Government policies, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Governments have usually been multi-party coalitions with differing agendas. Any political instability could affect the process of economic liberalization and the specific laws and policies affecting foreign investment and the industry in particular. A significant change in India's economic liberalization and de-regulation policies could adversely affect business and economic conditions and its business, if new restrictions on the private sector are introduced or if existing restrictions are increased.

60. Instability in Indian financial markets could adversely affect the results of operations and financial condition of the Company.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in Asian emerging market countries. Financial turmoil in Asia, the United States of America, Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other markets may increase volatility in Indian financial markets and indirectly, in the Indian economy in general.

61. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect financial markets and the business operations of the Company.

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which the Equity Shares of the Company trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, making travel and other services more difficult and ultimately adversely affecting the business.

India has also witnessed civil disturbances in certain parts of the country in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the business operations of the Company. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on the business and the price of its Equity Shares.

Other acts of violence or war outside India, including those involving the United States, the United Kingdom or other countries, may adversely affect worldwide financial markets and could adversely affect the world economic environment, which could adversely affect the business, results of operations, financial condition and cash flows of the Company and more generally, any of these events could lower confidence in India.

62. Significant differences exist between Indian GAAP and other accounting principles, such as IFRS, which may be material to investors' assessments of the Company's financial condition. The failure to successfully adopt proposed IFRS could have a material adverse effect on the financial condition of the Company.

The financial statements, including the financial information provided in this Red Herring Prospectus, are prepared in accordance with Indian GAAP and restated in accordance with the ICDR Regulations. The Institute of Chartered Accountants of India, the body that regulates the accounting firms in India, had announced a road map for the adoption of and convergence with, the International Financial Reporting Standards or IFRS, pursuant to which it had proposed that Indian GAAP would be IFRS compliant.

The date of implementing such converged Indian accounting standards has not yet been determined, and will be notified by the Ministry of Corporate Affairs in due course as stated vide Press Release dated February 25, 2011.

Accordingly, the Company may be required to adopt IFRS. Because there is significant lack of clarity on the adoption of and convergence with IFRS and there is not yet a significant body of established practice on which to draw in forming judgments regarding its implementation and application, the Company has not determined with any degree of certainty the impact that such adoption will have on its financial reporting. There can be no assurance that the financial condition, results of operations, cash flows or changes in shareholders' equity of the Company will not appear materially worse under IFRS than under Indian GAAP. There can be no assurance that the adoption of IFRS will not adversely affect the reported results of operations or financial condition of the Company and any failure to successfully adopt IFRS could have a material adverse effect on its financial condition.

63. After this Issue, the price of the Equity Shares of the Company may be highly volatile or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares of the Company on the Stock Exchanges may fluctuate after this Issue as a result of several factors, including: volatility in the Indian and global securities market; its operations and performance; performance of its competitors; the perception of the market with respect to its investments in its business operations; changes in the estimates of its performance or recommendations by financial analysts; significant developments in India's economic liberalization and de-regulation policies; and significant developments in India's fiscal regulations. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue.

64. There are restrictions on daily movements in the price of the Equity Shares of the Company, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Following the Issue, the Company will be subject to a daily 'circuit breaker' imposed by the Stock Exchanges, which does not allow transactions beyond specified increases or decreases in the price of its Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by stock exchanges. The percentage limit on the circuit breakers will be set by the Stock Exchanges based on the historical volatility in the price and trading volume of its Equity Shares.

The Stock Exchanges do not inform the Company about the percentage limit of the circuit breaker from time to time and change it without its knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding the investors' ability to buy or sell the Equity Shares or the price at which the investor may be able to buy or sell the Equity Shares at any particular time.

65. Conditions in the Indian securities market may affect the price and liquidity of the Equity Shares of the Company.

Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced difficulties that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on various occasions between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of or trading stoppage on, either of BSE or NSE could adversely affect the trading price of the Equity Shares of the Company.

66. The Investor will not be able to sell immediately on an Indian stock exchange any of the Equity Shares that they purchase in the Issue until the Issuer receives the required trading approvals.

The Equity Shares of the Company will be listed on BSE and NSE. Pursuant to Indian regulations, certain activities must be completed before the Equity Shares can be listed and dealt-in. Upon receipt of final approval from the Stock Exchange(s), trading in the Equity Shares is expected to commence within 12 working days from the Bid / Issue Close Date. The Company cannot assure that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence, within the time periods specified above. Any delay in obtaining the approvals would restrict the investors' ability to dispose of its Equity Shares.

PROMINENT NOTES

1. The net worth of the Company as at March 31, 2011 is Rs. 3,131.77 million, as per restated consolidated financial statements and Rs. 3,130.53 million, as per standalone financial statements of the Company in this Red Herring Prospectus. The book value per Share of the Company as per restated consolidated and standalone financial statements for March 31, 2011 is Rs. 30.03 and Rs. 30.02, respectively.
2. Public Issue of 35,000,000 Equity Shares of Rs. 10/- each for cash at a price of Rs. [•] per Equity Share including share premium of Rs. [•] per equity share aggregating to Rs. [•] millions. The Issue shall constitute 25.13% of the post-Issue share capital of the Company.
3. The average cost of acquisition per Equity Share by the Promoters of the Company is as under:-

Name of the Promoter	Number of Equity Shares Held	Average cost of acquisition per Equity Shares (Rs.)
Individuals:		
Dr. Anil Jindal	6,710,800	19.53
Mr. Sunil Jindal	168,100	12.29
Mr. Raju Bansal	1,811,500	10.09
Mr. Bishan Bansal	778,500	10.53
Corporate Promoters:		
BTL Industries Limited	20,567,555	20.34
BTL Portfolio Limited	11,747,635	19.16

4. For details of transactions by the Company with Group Companies during the last year, see **“Financial Information”** on page 198.
5. The Company has entered into related party transactions for an aggregate amount of **Rs. 114.46 mn.** in the financial year 2010-11. The details of these transactions are summarized as below:

(Rs. in Million)

Sr. No.	Particulars	Year ended March 31, 2011
1	Advance Received and Paid (Net)	0.68
2	Display Charges received (including Service Tax)	27.58
3	Investment in Shares	3.38
4	Job Work Charges	5.34
5	Lease Rent Paid	6.36
6	Loan Given and Received Back	9.30
7	Office Rent and Other Income Received	4.20
8	Payment to Director	23.67
9	Purchase of Space	18.88
10	Purchases of Fixed Assets (including CWIP)	4.43
11	Purchases of Goods	1.24
12	Reimbursement of Exp (net)	2.49
13	Sale of Fixed Assets	5.25
14	Sale of Goods	1.28
15	Transfer of Party Account*	0.38
Total		114.46

*During the FY 2010-11 SRS Finance Limited has transferred security deposit paid by it for restobar situated at Faridabad to SRS Limited aggregating Rs. 0.38 mn. as the Company has taken

over said restobar with effect from April 1, 2010. The said security was later on recovered by the Company in May, 2011, due to closure of said restobar.

For details of the Group Companies having business interests or other interests in the Company please refer **“Promoter and Promoter Group”** and **“Related Party Transactions”** on page 152 and 196, respectively.

6. There are no financing arrangements whereby the Promoter Group, the Directors of the Promoter Group Companies which are the Promoters of the Issuer and the Directors of the Company or their relatives have financed the purchase by any other person of securities of the Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing the Red Herring Prospectus.
7. The Promoters and certain Directors of the Company are interested in the Company by virtue of their shareholding in the Company and remuneration payable to them. For further details, please refer to **“Capital Structure”, “Management”** and **“Related Party Transactions”** on page 21, 133 and 196, respectively.
8. Trading in Equity Shares of the Company for all investors shall be in dematerialized form only.
9. The Company was incorporated on August 29, 2000 under the name ‘SRS Commercial Company Limited’. Subsequently, the name of the Company was changed to ‘SRS Entertainment Limited’ on January 25, 2005. The name of the Company was further changed to ‘SRS Entertainment and Multitrade Limited’ on December 15, 2008. Moreover, the name of the Company was changed to ‘SRS Entertainment & Retail Limited’ on January 2, 2009 before changing to the present name ‘SRS Limited’ on July 16, 2009. For information on reasons for change of name and changes in the Memorandum of Association, please refer **“History and Certain Corporate Matters”** on page 122.
10. The Company and the BRLMs will update the Red Herring Prospectus in accordance with the Companies Act and the SEBI ICDR Regulations and the Company and the BRLMs will keep the public informed of any material changes relating to the Company till the listing of its Equity Shares on the Stock Exchanges. No selective or additional information would be made available to a section of investors in any manner whatsoever.
11. Any clarification or information relating to the Issue shall be made available by the BRLMs and the Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the BRLMs who have submitted the due diligence certificate to SEBI for any complaints pertaining to the Issue.

SECTION III - INTRODUCTION

SUMMARY OF INDUSTRY

Segmentation of film exhibition

The film exhibition sector can be divided into two segments – single screen cinemas and multiplex cinemas (a cinema theatre with two or more screens). Most of the 13,000 odd cinema screens spread over the country are single screen, owned by individual entrepreneurs, operating in an unorganised environment. However, the scenario is fast changing with the ushering of multiplexes and a number of organised players entering the sector.

Key growth drivers for multiplexes

a) Higher disposable income and purchasing power

Disposable incomes of Indian consumers have increased significantly during 2001-02 to 2009-10. Households with income above Rs 1 million per annum have grown at a CAGR of around 11 per cent, and those with income in the range of Rs 90, 000 and Rs 1 million per annum have grown at a CAGR of 6 per cent during the same period.

b) Sufficient scope for increase in screen density

As per an industry survey, the screen density in India is less than 12 screens per million population compared to 117 screens per million in the US and more than 40 screens per million for most European countries. Of the 13,000 odd screens in India, 97.5 per cent are single-screens, with poor infrastructure, low levels of maintenance, low capacity utilization and high entertainment taxes. This, consequently, offers sufficient scope for growth of organised players in the industry.

c) Multiplex are the preferred choice in Tier I cities; steady growth expected in Tier II and III cities

Over the last few years, multiplexes have increased and have become the preferred choice to watch films, at least in bigger cities. This represents a growing trend in the metro cities.

Multiplex cinemas score over single-screen cinemas in terms of both occupancy and realisations. The average occupancy of multiplexes is estimated to be between 30-35 per cent, while that of single-screen cinemas ranges from 15-35 per cent. Ticket prices are also much higher in multiplexes than in single-screen cinemas. The occupancy rates have been lower on account of lack of good releases and also the wide spread unorganised market for DVDs.

The film industry has grown from Rs. 101 bn. in 2007 to Rs. 142 bn. in 2010, at a CAGR of 12.02 per cent. Within the Indian film industry, the film exhibition segment has grown at an even higher rate, from Rs. 76 bn. in 2007 to approx. Rs. 107 bn. in 2010 at a CAGR of 12.07 per cent.

(Source: CRISIL Research Report, April 2011)

Foods & Beverages

The Indian food industry has grown significantly on the back of increasing expenditure on food items over the years. The mix of food items has changed with an increased spending on fruits and vegetables, beverages and processed foods. Industry sources forecast the Indian foods industry to reach US\$ 300-350 billion by 2015 from an estimated US\$ 150-200 billion (in 2006-07).

The food service industry segment refers to the sale of foods and beverages for immediate consumption from designated eating joints or areas. This can be further divided into organised and unorganised sub-segments each with distinct business dynamics.

The food service industry growth is also closely linked with the growth of retail destinations – malls in India. Favourable demographics such as rising disposable incomes, expanding population of working women and increase in migrants have influenced the growth of mall culture in India. The setting up of different retail verticals such as apparel, consumer electronics, home furnishings, food and beverage and F&B joints under one roof has translated into considerable footfalls at malls. This is expected to expand the share of the organised foods segment (currently approximately 10 %) in the total industry.

(Source: CRISIL Research Report, April 2011)

Retail Sector

Over the last five years (2004-05 to 2009-10), the retail sector in India has grown at a CAGR of 10-12 per cent driven by favourable demographics, rising disposable income and increasing urbanisation. The retail sector has evolved dramatically over the last two decades mainly with the growing urbanisation and development of the mall culture.

During 2004-05 to 2009-10, organised retail grew rapidly at 28 per cent due to under penetration (i.e., the share of organised retail as a proportion of total retail), ambitious expansion plans by existing retailers and entry of several new players. Over the past 2 years, even though the pace of growth of the sector was impacted by the economic slowdown, the impact was not too severe. In the long-term, the industry is expected to revive with an anticipated recovery in consumer sentiments.

(Source: CRISIL Research Report, April 2011)

Gems & Jewellery Sector

The gems and jewellery market is one of the leading contributors to India's export revenues. The Indian jewellery retail market was estimated to be about Rs. 973 billion (\$14.6 billion) in 2009-10. Of this, the urban jewellery market is valued at Rs. 280 billion (\$5.8 billion) and the rural and semi-rural market is valued at Rs. 420 billion (\$8.8 billion).

Based on its characteristics, processing techniques, preciousness (in terms of price range and marketability), the gems and jewellery sector can be categorised into the following sub-sectors:

Gemstones - Diamonds and coloured stones (precious, semi-precious and synthetic)

Jewellery - Plain gold, studded, silver, costume

Pearls

Gold and diamond jewellery are the two major segments in the Indian gems and jewellery market. While gold jewellery accounts for around 80 per cent of the Indian jewellery market, the balance comprises of fabricated studded jewellery (including diamond jewellery). A sizeable quantity of gold jewellery manufactured in India is consumed in the domestic market.

(Source: CRISIL Research Report, April 2011)

SUMMARY OF BUSINESS

SRS Limited is a diversified Company with a business portfolio comprising of Cinema Exhibition, Food & Beverages, Retail and Manufacturing & Retailing of Jewellery. The Company was incorporated on August 29, 2000 with the objective of trading in FMCG Goods and it later entered into other business segments. The four business verticals of the Company enable it to profitably exploit the business synergies, as well as, smoothen out seasonal business fluctuations. The four business verticals of the Company are categorised as below:

- **Cinema Exhibition: SRS Cinemas** is the cinema exhibition brand under which the Company operates a chain of cinemas spread across six cities. This includes 11 properties at strategic locations having 30 screens and 7,608 seats. It is a brand that is fast spreading its footprint across the major cities of North India. SRS brand is a well recognized film exhibition brand in North India.
- **Food & Beverages:** The food & beverages segment of the Company operates a chain of food courts, fine dining restaurants and banquets across several cities. The food courts are run under the **SRS 7dayz** brand and currently, the Company operates 11 food courts across North and Central India. The fine dining restaurants are operated under the brand **Punjabi Haandi** and currently, the Company operates three Fine Dining Restaurants that are located at Faridabad, Gorakhpur and Ludhiana. All these outlets are strategically located at high footfalls areas such as malls and high street markets to ensure higher visibility and walk-ins. Apart from this, the Company offers indoor and outdoor catering services through its brand **SRS Banquets**, which is located at Faridabad. The **SRS 7dayz** brand also sells packaged snack food such as *namkeens*, cookies and bakery products through the Company's own retail stores as well as through other retailers.
- **Retail and Cash & Carry:** The Company operates a chain of retail stores under the brand name of **SRS Value Bazaar** that offer FMCG products including food and groceries, apparels, cosmetics / home care / personal care products, crockery, appliances, accessories, etc. **SRS Fashion Wear** is the other brand under which the Company retails multi-brand apparels. The Company has 23 retail stores in North India with a total floor space of more than 0.132 mn. sq. ft. Apart from this, the Company is also active player in the cash& carry business.
- **Jewellery:** The Company procures jewellery from its 100% subsidiary having manufacturing facility at Patparganj, New Delhi and through third parties. In this division, the Company is into whole-selling and retailing of jewellery. It sells a wide range of gold and diamond jewellery under the brand name of **SRS Jewells**. The product portfolio includes gold coins, necklaces, rings, pendants, bracelets, earrings, bangles etc. Skilled craftsmen are employed by the Company for manufacturing of jewellery pieces based on international and trendy designs. The Company at present has three retail showrooms at Delhi, Faridabad and Palwal and two wholesale outlets at Chandni Chowk and Karol Bagh, Delhi. Recently, the Company has also started the manufacturing facility at Noida SEZ.

SUMMARY OF FINANCIAL INFORMATION

The following tables sets forth the selected historical financial information of SRS Limited derived from its restated and audited financial statements for the financial years ended March 31, 2011, 2010, 2009, 2008 and 2007, as prepared in accordance with Indian GAAP, the Companies Act, 1956 and ICDR Regulations and restated as described in the Auditor's Report of M/s. S.S. Kothari Mehta & Co., included in the section titled "Financial Information" on page 198 of this Red Herring Prospectus and should be read in conjunction with those financial statements and notes thereon.

SUMMARY OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(Rs. in mn.)

Particulars		For the year ended March 31,	
		2011	2010
A	FIXED ASSETS		
	Gross Block (at cost)	2,614.05	2,068.99
	Less: Depreciation	312.70	198.87
	Net Block	2,301.35	1,870.12
	Less: Revaluation Reserve	-	-
	Net Block after adjustment for Revaluation Reserve	2,301.35	1,870.12
	Capital Work in Progress	18.89	279.51
	Total (A)	2,320.24	2,149.63
B	INVESTMENTS (B)	-	-
C	CURRENT ASSETS, LOANS AND ADVANCES		
	Inventories	1,023.55	1,234.03
	Sundry Debtors	2,709.46	999.78
	Cash and Bank Balances	305.43	184.57
	Other Current Assets	3.56	1.28
	Loans and Advances	239.41	257.73
	Total (C)	4,281.41	2,677.39
D	LIABILITIES AND PROVISIONS		
	Secured Loans	2,735.22	1,610.46
	Unsecured Loans	2.50	12.40
	Deferred Tax Liability	137.60	114.10
	Current Liabilities	498.48	277.09
	Provisions	96.08	45.61
	Total (D)	3,469.88	2,059.66
E	NET WORTH (A+B+C-D)	3,131.77	2,767.36
F	REPRESENTED BY:		
	Share Capital	1,042.91	1,042.91
	Reserves	2,101.48	1,726.36
	Less: Revaluation Reserves	-	-
	Reserves (net of revaluation reserves)	2,101.48	1,726.36
	Total (F)	3,144.39	2,769.27
G	Miscellaneous Expenditure (to the extent not written off/adjusted)	12.62	1.91
H	NET WORTH (F-G)	3,131.77	2,767.36

Note: The above statement should be read with the Notes to the Consolidated Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as included in the section titled "Financial Information" on Page 198.

SUMMARY OF CONSOLIDATED PROFITS & LOSSES ACCOUNT, AS RESTATED**(Rs. in mn.)**

Particulars	For the year ended March 31,	
	2011	2010
<u>INCOME</u>		
SALES		
-of Products Manufactured	9,458.69	7,418.15
-of Products Traded	10,598.69	5,433.03
-Direct Incomes	352.35	226.47
Other Income	18.42	3.63
Increase / (Decrease) in Inventories	348.92	217.40
Total	20,777.07	13,298.68
<u>EXPENDITURE</u>		
Raw materials consumed	8,471.55	6,422.05
Purchases of Goods for resale	10,541.94	5,566.96
Staff cost	181.13	128.90
Other manufacturing /operational expenses	215.20	139.30
Administrative expenses	378.56	329.64
Selling and distribution expenses	53.64	37.44
Depreciation	120.19	82.11
Finance Cost	245.28	167.13
Total	20,207.49	12,873.53
Net Profit before Tax and extraordinary items	569.58	425.15
Less: Taxations	194.46	163.58
Net Profit before extraordinary Items	375.12	261.57
Extraordinary items (net of tax)	-	-
Net Profit after extraordinary Items	375.12	261.57
Less: Pre-acquisition profits of a Subsidiary *	-	-
Net Profit after Tax, as restated	375.12	261.57
APPROPRIATIONS:		
Add: Balance brought forward from last year	628.51	366.94
Less: Transfer to General Reserve	-	-
Less: Proposed Dividend & tax thereon	-	-
Balance carried forward, as restated	1,003.63	628.51

* Considered nil, actual amount being only Rs. 449/-

Notes: The above statement should be read with the Notes to the Consolidated Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as included in the section titled **“Financial Information”** on page 198 of this Red Herring Prospectus.

SUMMARY OF CONSOLIDATED CASH FLOW STATEMENT, AS RESTATED

(Rs. in mn.)

Particulars	For the year ended March 31,	
	2011	2010
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax and Extraordinary Items, as restated	569.58	425.15
Adjustments for:		
Depreciation	120.19	82.11
Amount w/off (net)	0.94	18.18
Loss / (Profit) on Capital Assets	0.17	13.67
Fixed Assets & CWIP written off	2.58	16.96
Interest Expenses	245.28	167.13
Interest Income	(14.20)	(1.65)
Pre-acquisition profits before interest and Tax of the Subsidiary	-	(0.02)
Operating profits before working capital changes	924.54	721.53
Adjustments for:		
Inventories	210.48	(970.25)
Trade & Other Receivables	(1,702.50)	(708.38)
Trade Payable & Other Liabilities	218.47	94.19
Cash Generated from Operations	(349.01)	(862.91)
Direct Tax paid	(122.22)	(92.94)
Cash flow before Extraordinary Items	(471.23)	(955.85)
Extraordinary items	-	-
Net cash from Operating Activities (A)	(471.23)	(955.85)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of fixed assets (including CWIP & Capital Advance)	(363.92)	(158.23)
Refund back of Capital Advances for Projects	-	811.64
Proceeds from Sale of Fixed Assets & CWIP	80.58	266.37
Adjustment on acquisition of interest in Subsidiary	-	0.05
Capital Reserve on acquisition of interest in Subsidiary *	-	-
Interest received	11.92	0.51
Net cash used in investing Activities (B)	(271.42)	920.34
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from long term borrowings	13.84	150.89
Repayments of Long Term Borrowings	(266.29)	(499.48)
Net Proceeds from Short Term Borrowing	1,367.31	504.18
Proceeds from Issue of Shares	-	220.80
Share Issue Expenses	(10.71)	(1.91)
Interest Paid	(240.63)	(180.21)
Net cash used in Financing Activities (C)	863.52	194.27
Net Increase in cash and cash equivalents (A+B+C)	120.87	158.76
Cash and Cash equivalents at beginning of the year	184.56	25.81
Cash and Cash equivalents at end of the year	305.43	184.57
Net Increase/(Decrease) in cash & cash Equivalent	120.87	158.76

Notes: The above statement should be read with the Notes to the Consolidated Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as restated appearing in Annexure IV, as included in the section titled “Financial Information” on page 198 of this Red Herring Prospectus.

SUMMARY OF STANDALONE ASSETS AND LIABILITIES, AS RESTATED

(Rs. in mn.)

Particulars		As at March 31,				
		2011	2010	2009	2008	2007
A	FIXED ASSETS					
	Gross Block (at cost)	2,611.09	2,068.99	1,608.64	947.13	611.01
	Less: Depreciation	312.48	198.87	126.58	62.30	35.20
	Net Block	2,298.61	1,870.12	1,482.06	884.83	575.81
	Less: Revaluation Reserve	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	2,298.61	1,870.12	1,482.06	884.83	575.81
	Capital Work in Progress	18.89	279.51	865.80	1,024.11	71.19
	Total (A)	2,317.50	2,149.63	2,347.86	1,908.94	647.00
B	INVESTMENTS (B)	3.88	0.50	-	-	-
C	CURRENT ASSETS, LOANS AND ADVANCES					
	Inventories	1,023.55	1,234.03	263.78	134.64	37.41
	Sundry Debtors	2,709.46	999.78	322.96	38.13	62.66
	Cash and Bank Balances	303.90	184.02	25.81	101.59	87.94
	Other Current Assets	3.55	1.28	0.15	0.05	0.65
	Loans and Advances	239.29	257.73	1,089.38	946.91	445.47
	Total (C)	4,279.75	2,676.84	1,702.08	1,221.32	634.13
D	LIABILITIES AND PROVISIONS					
	Secured Loans	2,735.22	1,610.46	1,441.97	1,265.15	426.97
	Unsecured Loans	2.50	12.40	101.04	17.91	10.37
	Deferred Tax Liability	137.56	114.11	85.38	66.25	36.86
	Current Liabilities	499.72	277.05	205.90	128.29	53.43
	Provisions	95.60	45.59	3.74	12.74	6.61
	Total (D)	3,470.60	2,059.61	1,838.03	1,490.34	534.24
E	Shares Application Money (pending allotment)	-	-	69.17	243.30	-
F	NET WORTH (A+B+C-D-E)	3,130.53	2,767.36	2,142.74	1,396.62	746.89
G	REPRESENTED BY:					
	Share Capital	1,042.91	1,042.91	1,006.31	723.95	362.92
	Reserves	2,100.24	1,726.36	1,136.43	672.67	383.97
	Less: Revaluation Reserves	-	-	-	-	-
	Reserves (net of revaluation reserves)	2,100.24	1,726.36	1,136.43	672.67	383.97
	Total (G)	3,143.15	2,769.27	2,142.74	1,396.62	746.89
H	Miscellaneous Expenditure (to the extent not written off/adjusted)	12.62	1.91	-	-	-
I	NET WORTH (G-H)	3,130.53	2,767.36	2142.74	1396.62	746.89

Note: The above statement should be read with the Notes to the Standalone Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as included in the section titled “Financial Information” on page 198 of this Red Herring Prospectus.

SUMMARY OF STANDALONE PROFITS & LOSSES ACCOUNT, AS RESTATED**(Rs. in mn.)**

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
<u>INCOME</u>					
SALES					
-of Products Manufactured	9,456.97	7,418.15	-	-	-
-of Products Traded	10,598.69	5,433.03	4,787.56	1,543.63	334.15
-Direct Incomes	352.35	226.47	215.93	172.55	161.94
Other Income	18.42	3.57	11.95	64.54	76.54
Increase / (Decrease) in Inventories	348.91	217.40	129.14	97.23	22.92
Total	20,775.34	13,298.62	5,144.58	1,877.95	595.55
<u>EXPENDITURE</u>					
Raw materials consumed	8,471.55	6,422.05	-	-	-
Purchases of Goods for resale	10,541.17	5,566.96	4,283.36	1,339.65	273.53
Staff cost	178.38	128.90	138.60	58.67	33.81
Other manufacturing /operational expenses	219.76	139.30	151.62	85.23	43.72
Administrative expenses	377.84	329.60	284.95	134.98	69.89
Selling and distribution expenses	53.64	37.44	38.66	14.72	7.65
Depreciation	119.97	82.11	64.85	28.39	17.42
Finance Cost	245.27	167.13	103.60	52.84	18.65
Total	20,207.58	12,873.49	5,065.64	1,714.48	464.67
Net Profit before Tax and extraordinary items	567.76	425.13	78.94	163.47	130.88
Taxations	193.88	163.56	23.03	58.72	29.77
Net Profit before extraordinary Items	373.88	261.57	55.91	104.75	101.11
Extraordinary items (net of tax)	-	-	-	-	-
Net Profit after extraordinary Items, as restated	373.88	261.57	55.91	104.75	101.11
APPROPRIATIONS:					
Add: Balance brought forward from last year	628.51	366.94	311.03	206.28	105.17
Less: Transfer to General Reserve	-	-	-	-	-
Less: Proposed Dividend & tax thereon	-	-	-	-	-
Balance carried forward, as restated	1,002.39	628.51	366.94	311.03	206.28

Note: The above statement should be read with the Notes to the Standalone Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as included in the section titled “**Financial Information**” on page 198 of this Red Herring Prospectus.

SUMMARY OF STANDALONE CASH FLOW STATEMENT, AS RESTATED

(Rs. in mn.)

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>					
Net Profit Before Tax and Extraordinary Items, as restated	567.76	425.13	78.94	163.47	130.88
Adjustments for:					
Depreciation	119.97	82.11	64.85	28.39	17.42
Foreign Exchange Fluctuation	-	-	2.71	3.14	-
Provision for Doubtful Debts	-	-	-	-	0.12
Amount w/off (net)	0.94	18.18	-	1.20	-
Conversion of Fixed Assets into Stock in Trade	-	-	8.83	-	-
Loss / (Profit) on Capital Assets	0.17	13.67	(5.20)	(37.31)	(0.51)
Preliminary Expenses W/Off	-	-	-	-	7.95
Profit on Sale of Current Investment - Agriculture Land	-	-	-	-	(74.14)
Fixed Assets & CWIP written off	2.58	16.96	-	-	-
Interest Expenses	245.27	167.13	103.60	52.84	18.65
Interest Income	(14.20)	(1.65)	(4.94)	(0.50)	(0.93)
Operating profits before working capital changes	922.49	721.53	248.79	211.23	99.44
Adjustments for:					
Inventories	210.48	(970.25)	(129.14)	(97.23)	(22.93)
Trade & Other Receivables	(1,702.37)	(708.38)	(411.64)	(19.20)	(54.82)
Trade Payable & Other Liabilities	219.70	94.19	75.16	69.21	7.25
Cash Generated from Operations	(349.70)	(862.91)	(216.83)	164.01	28.94
Direct Tax paid	(122.10)	(92.94)	(23.88)	(19.36)	(20.26)
Cash flow before Extraordinary Items	(471.80)	(955.85)	(240.71)	144.65	8.68
Extraordinary items	-	-	-	-	-
Net cash from Operating Activities (A)	(471.80)	(955.85)	(240.71)	144.65	8.68
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>					
Purchase of fixed assets (including CWIP & Capital Advance)	(360.97)	(158.23)	(520.86)	(2,105.42)	(172.53)
Refund back of Capital Advances for Projects	-	811.64	-	366.73	-
Proceeds from Sale of Fixed Assets & CWIP	80.58	266.37	8.53	63.40	1.19
Purchases of Investments	-	-	-	-	(29.66)
Purchase of Shares of Subsidiary	(3.38)	(0.50)	-	-	-
Sales of Investments	-	-	-	-	103.80
Interest received	11.92	0.51	4.84	0.46	0.93
Net cash used in investing Activities (B)	(271.85)	919.79	(507.49)	(1,674.83)	(96.27)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>					
Proceeds from long term borrowings	13.84	150.89	158.23	1,042.26	199.48
Repayments of Long Term Borrowings	(266.29)	(499.48)	(195.30)	(241.48)	(28.39)
Net Proceeds from Short Term Borrowing	1,367.31	504.18	294.30	41.79	14.05
Proceeds from Issue of Shares	-	220.80	516.08	788.28	23.40
Share Issue Expenses	(10.71)	(1.91)	-	-	(0.77)
Interest Paid	(240.62)	(180.21)	(100.89)	(87.02)	(43.34)
Net cash used in Financing Activities (C)	863.53	194.27	672.42	1,543.83	164.43
Net Increase in cash and cash equivalents (A+B+C)	119.88	158.21	(75.78)	13.65	76.84
Cash and Cash equivalents at beginning of the year	184.02	25.81	101.59	87.94	11.10
Cash and Cash equivalents at end of the year	303.90	184.02	25.81	101.59	87.94
Net Increase/(Decrease) in cash & cash Equivalent	119.88	158.21	(75.78)	13.65	76.84

Note: The above statement should be read with the Notes to the Standalone Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as included in the section titled **“Financial Information”** on page 198 of this Red Herring Prospectus.

THE ISSUE

Public Issue of	35,000,000 Equity Shares
Of Which	
a. QIB Portion ⁽¹⁾	Not more than 17,500,000 Equity Shares (out of which 5%, excluding Anchor Investor Portion, shall be available for allocation to Mutual Funds on a proportionate basis)
b. Non-Institutional Portion	Not less than 5,250,000 Equity Shares
c. Retail Portion	Not less than 12,250,000 Equity Shares
Equity Shares outstanding prior to the Issue	104,291,009 Equity Shares
Equity Shares outstanding after the Issue	139,291,009 Equity Shares
Use of Net Proceeds	See <i>“Objects of the Issue”</i> on page 39

⁽¹⁾ - The Company in consultation with the BRLMs may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds. For further details, see ***“Issue Procedure”*** on page 431. In the event of under subscription or non allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the net QIB Portion.

Allocation to all categories, except the Anchor Investor Portion, if any, shall be made on a proportionate basis.

Under-subscription if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of the Company in consultation with the BRLMs and the Designated Stock Exchange.

The present Issue has been authorized by the Board of Directors of the Company pursuant to the resolution passed in its meeting held on March 31, 2010 and by the Shareholders of the Company pursuant to the resolution passed in their meeting held on April 27, 2010.

GENERAL INFORMATION

INCORPORATION

The Company was incorporated on August 29, 2000 as a “Public Limited” Company with the name of SRS Commercial Company Limited under Registration Number 55-107484 of 2000-01 and obtained the Certificate for Commencement of Business on October 16, 2000. The name of the Company was changed to SRS Entertainment Limited with effect from January 25, 2005. Further, the name of the Company was changed to SRS Entertainment and Multitrade Limited with effect from December 15, 2008. Again, the name of the Company was changed to SRS Entertainment & Retail Limited with effect from January 2, 2009. Further, the name of the Company was changed to SRS Limited with effect from July 16, 2009. The change in name of the Company over a period of time reflects the business activities which have been undertaken by it.

For details of changes in the Registered Office, see section titled “History and Certain Corporate Matters” on page 122.

Registered Office of the Company

SRS Limited

“SRS Multiplex”,
 Top Floor, City Centre,
 Sector-12, Faridabad,
 Haryana -121007, India.
 Phone No.: +91 129 4282 801-08
 Fax No.: +91 129 4282 809-10
 Email: ipo@srsparivar.com
 Website: www.srsparivar.com

Details	Registration/ Identification number
Company Identification Number	U74999HR2000PLC040183
Registration Number	040183

Address of the Registrar of Companies

The Company is registered with the RoC, NCT of Delhi and Haryana, situated at the following address:

Registrar of Companies,

NCT of Delhi & Haryana
 4th Floor, IFCI Tower,
 61, Nehru Place,
 New Delhi – 110019.
 Tel: +91 11 2623 5703-04
 Fax: +91 11 2623 5702

Board of Directors

The Company is currently managed by the Board of Directors comprising of 12 Directors.

The Board of SRS Limited comprises of:

Sr. No.	Name	Designation
1	Dr. Anil Jindal	Chairman
2	Mr. Sunil Jindal	Managing Director
3	Mr. Raju Bansal	Whole-time Director
4	Mr. Vinod Kumar	Whole-time Director
5	Mr. Jitender Kumar	Non Executive Director
6	Mr. Praveen Kumar Kapoor	Non Executive Director
7	Mr. Parveen Gupta	Independent Director
8	Mr. Shiv Mohan Gupta	Independent Director

9	Mr. Nishant Goel	Independent Director
10	Mr. Joginder Lal Chhabra	Independent Director
11	Mr. Kailash Kumar	Independent Director
12	Mr. Lalit Kumar	Independent Director

For further information, see “**Management**” on page 133 of this Red Herring Prospectus.

Bankers to the Company

State Bank of India

Address: A-5 South Extension Part -1, New Delhi – 110049.
 Tel.: +91 11 2463 2822
 Fax: +91 11 2465 2655
 E-mail: sbi.00730@sbi.co.in
 Contact Person: Mr. Sushil Aggarwal

Union Bank of India

Address: F-14/15, Connaught Place, New Delhi – 110001.
 Tel.: +91 11 2335 4234
 Fax: +91 11 2332 3809
 E-mail: dgmconnaughtplace@unionbankofindia.com
 Contact Person: Mr. V. K. Narulla

State Bank of Travancore

Address: 18/4, Arya Samaj Road, Karol Bagh, New Delhi – 110005.
 Tel.: +91 11 2875 8886
 Fax: +91 11 2875 5036
 E-mail: newdelhi@sbt.co.in
 Contact Person: Mr. Anil Garg

Oriental Bank of Commerce

Address: A-30 to 33 1st Floor, Connaught Place, New Delhi – 110001.
 Tel.: +91 11 2332 6995
 Fax: +91 11 2332 6407
 E-mail: bm0179@sbi.co.in
 Contact Person: Mr. C.S. Gupta

State Bank of Patiala

Address: 36, Chandralok Building, Janpath, New Delhi – 110001.
 Tel.: +91 11 23312274
 Fax: +91 11 2335 4365
 E-mail: sbpcbnd@yahoo.co.in
 Contact Person: Mr. M.N. Chaddha

Bank of India

Address: 37, Saheed Bhagat Singh Marg, New Delhi - 110001
 Tel.: +91 11 2336 5621
 Fax: +91 11 2334 5603
 E-mail: corporatebanking.newdelhi@bankofindia.com
 Contact Person: Mr. Sunil Kumar Bansal

State Bank of Bikaner & Jaipur

Address: A-1/19, Safdarjung Enclave, New Delhi – 110029.
 Tel.: +91 11 2618 4795
 Fax: +91 11 2619 4513
 E-mail: sbbj10579@sbbj.co.in
 Contact Person: Mr. A. B. Khakha

Indian Overseas Bank

Address: SCO 35, Sector - 12, Faridabad – 121 008.
 Tel.: +91 129 2284 281 / 2283 056
 E-mail: farid12br@chasco.iobnet.co.in
 Contact Person: Mr. P. K. Gupta

Issue Management Team

Book Running Lead Managers to the Issue Karvy Investor Services Limited

“Karvy House”, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad - 500 034
 Andhra Pradesh
 Tel.: +91 40 2342 8774 / 2331 2454
 Fax : +91 40 2337 4714
 Email: srsipo@karvy.com
 Website: www.karvy.com

Delhi Office:

Contact Persons: Mr. Jitin Sadana / Mr. Rohan Menon
 Tel. No.: +91 11 4587 5028 / 29

SEBI Registration No. INM000008365

IDBI Capital Market Services Limited

2nd Floor, Mittal Court, C Wing, Nariman Point,
Mumbai – 400 021

Maharashtra

Tel.: +91 22 4322 1212

Fax: +91 22 2285 0785

Email: srs.ipo@idbicapital.com

Investor Grievance Email:

redressal@idbicapital.com

Website: www.idbicapital.com

Contact Person: Mr. Hemant Bothra / Mr. Keyur
Desai

SEBI Registration No.: INM000010866

SPA Merchant Bankers Limited

25, C - Block, Community Centre
Janak Puri, New Delhi - 110 058

Tel. +91 11 2551 7371, 4567 5500

Fax +91 11 2553 2644

Email: srs.ipo@spagroupindia.com

Website: www.spacapital.com

Contact Person: Mr. Nitin Somani

SEBI Registration No.: INM 000010825

Registrars to the Issue**BEETAL Financial & Computer Services Private Limited**

Beetal House, 3rd Floor, 99 Madangir,

Behind Local Shopping Centre,

Near Dada Harsukh Dass Mandir,

New Delhi – 110 062.

Tel.: 91 11 2996 1281

Fax: 91 11 2996 1284

Email: srs_ipo@beetalfinancial.com

Website: www.beetalfinancial.com

Contact Person: Mr. Puneet Mittal

SEBI Registration No.: INR000000262

Legal Advisor to the Issue**Vaish Associates Advocates**

803, Tower A, Signature Towers,

South City-I, NH-8,

Gurgaon - 122001, India

Tel.: +91 124 454 1000

Fax: +91 124 454 1010

Email: hitender@vaishlaw.com

akshay@vaishlaw.com

Website: www.vaishlaw.com

Contact Person: Mr. Hitender Mehta / Mr. Akshay
Saxena

Escrow Collection Bankers / Bankers to the Issue**State Bank of India**

CMP Centre, 31 Mahal Industrial Estate,

Off Mahakali Caves Road,

Andhari (East), Mumbai – 400 093

Tel.: 91 22 2681 4805

Fax: 91 22 2687 5060 / 1

Email: agmpi.cmp@sbi.co.in

utkarsh.chandra@sbi.co.in

Website: www.statebankofindia.com

Contact Person: Mr. Ejaz Hussain

SEBI Registration No.: INBI00000038

Axis Bank Limited

SCO 40, Main Market,

Sector 7, Faridabad – 121 006

Tel.: 91 99719 00083 / 95828 00393

Fax: 91 129 221 1916

Email: rajan.arora@axisbank.com

aman.sheoran@axisbank.com

Website: www.axisbank.com

Contact Person: Mr. Rajan Arora / Mr. Aman
Sheoran

SEBI Registration No.: INBI00000017

ICICI Bank Limited

Capital Market Devision,

30, Mumbai Samachar Marg,

Mumbai – 400 001.

Tel.: 91 22 6631 0322 / 12

Fax: 91 22 6631 0350

Email: anil.gadoo@icicibank.com

Website: www.icicibank.com

Contact Person: Mr. Anil Gadoo

SEBI Registration No.: INBI00000004

HDFC Bank Limited

FIG-OPS Department – Lodha I,

Think Techno Campus, O-3 Level,

Next to Kanjurmarg Railway Station,

Kanjumarg (East),

Mumbai – 400 042.

Tel.: 91 22 3075 2928

Fax: 91 22 2579 9801

Email: deepak.rane@hdfcbank.com

uday.dixit@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Mr. Deepak Rane / Mr. Uday Dixit

SEBI Registration No.: INBI00000063

IDBI Bank Limited

Unit No. 2, Corporate Park,
Near Swastik Chambers,
Saion-Trombay Road, Chembur,
Mumbai – 400 071.
Tel.: 91 22 6690 8402
Fax: 91 22 6690 8024
Email: ipoteam@idbi.co.in
Website: www.idbibank.com
Contact Person: Mr. M.N. Kamat
SEBI Registration No.: INBI00000076

Refund Bankers

State Bank of India
CMP Centre, 31 Mahal Industrial Estate,
Off Mahakali Caves Road,
Andhari (East), Mumbai – 400 093
Tel.: 91 22 2681 4805
Fax: 91 22 2687 5060 / 1
Email: agmpi.cmp@sbi.co.in /
utkarsh.chandra@sbi.co.in
Website: www.statebankofindia.com
Contact Person: Mr. Ejaz Hussain
SEBI Registration No.: INB00000038

Syndicate Members**Karvy Stock Borking Limited**

‘Karvy House’ 46, Avenu 4,
Street No. 1, Banjara Hills,
Hyderabad – 500 034.
Tel. 91 40 2331 2454
Fax: 91 40 6662 1474
Email: ksblredressal@karvy.com
Website: www.karvy.com
Contact Person: Mr. Ramapriyan P.B.
SEBI Registration No: INB010770138 (BSE) /
INB230770138 (NSE)

SPA Securities Limited

101 - A, 10th Floor
Mittal Court, Nariman Point
Mumbai - 400 021
Tel. 91 22 2280 1240 / 2280 1249
Fax 91 22 2284 1192
Email: srs.ipo@spagroupindia.com
Website: www.spacapital.com
Contact Person: Mr. Rajesh Gandhi
SEBI Registration No: INB011178234 (BSE) /
INB231178238 (NSE)

Enam Securities Private Limited

Khatau Building, 2nd Floor,
44 Bank Street, Fort,
Mumbai – 400 001
Tel. 91 22 2267 7901
Fax: 91 22 2266 5613
Email: vinay@enam.com
Website: www.enam.com
Contact Person: Mr. Vinayak Ketkar
SEBI Registration No: INB011207852 (BSE) /
INB230468336 (NSE)

SMC Global Securities Limited

11/6, Shanti Chambers,
Pusa Road,
New Delhi – 110 005
Tel. 91 11 3011 1000
Fax: 91 11 2575 4365
Email: rakesh@smcindiaonline.com
Website: www.smctradeonline.com
Contact Person: Mr. Rakesh Gupta
SEBI Registration No: INB011343937 (BSE) /
INB230771431

Hem Securities Limited

203, Jaipur Tower,
M I Road, Jaipur – 302 001.
Tel.: 91 141 3257 368
Fax: 91 141 5101 757
Email: babita@hemonline.com
Website: www.hemonline.com
Contact Person: Ms. Babita Singh
SEBI Registration No.: INB011069953 (BSE)

Deputy Company Secretary and Compliance Officer**Ms. Mamta Rastogi**

SRS Multiplex, Top Floor,
 City Centre, Sector-12,
 Faridabad - 121007, (NCR), Haryana.
 Tel.: +91 129 4282 811 / 12
 Fax: +91 129 4036 560
 E-mail: ipo@srsparivar.com

Company Secretary**Dr. (Mrs.) Navneet Kwatra**

SRS Multiplex, Top Floor,
 City Centre, Sector-12,
 Faridabad - 121007, (NCR), Haryana.
 Tel.: +91 129 4282 801-08
 Fax: +91 129 4282 809-10
 E-mail: ipo@srsparivar.com

Auditors to the Company**M/s. S. S. Kothari Mehta & Co.**

146-149, Tribhuvan Complex, Ishwar Nagar,
 Mathura Road,
 New Delhi - 110065
 Tel.: +91 11 4670 8888,
 Fax: +91 11 6662 8889
 E-mail: n.aggarwal@sskmin.com /
v.gupta@sskmin.com
 Website: www.sskmin.com
 Contact Person: Mr. Naveen Aggarwal /
 Mr. Vijay Kumar

Note: Investors are advised to contact the Registrar to the Issue / Compliance Officer in case of any pre-issue / post-issue related queries such as non-receipt of Red Herring Prospectus / Prospectus / Letter of Allotment / Share Certificate(s) / Refund Orders / Demat Credit etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as application no. name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA account number and the Designated Branches.

For all Issue related queries and for redressal of complaints, investors may also write to BRLMs. All complaints, queries or comments received by SEBI shall be forwarded to the BRLMs, who shall respond to the same.

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSBs collecting the ASBA Bid cum application form, please refer the above mentioned SEBI website.

Brokers to the Issue

All the members of the recognized stock exchanges would be eligible to act as brokers to the Issue.

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES BETWEEN BRLMs

The responsibilities and co-ordination roles for various activities in the IPO have been distributed between Karvy Investor Services Limited, IDBI Capital Market Services Limited and SPA Merchant Bankers Limited, the Book Running Lead Managers, which are as under:

Sr. No.	Activities	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, etc.	Karvy IDBI Caps SPA	Karvy
2.	Drafting and design of Offer Document and of statutory advertisement or publicity material including newspaper advertisement and brochure or memorandum containing salient	Karvy IDBI Caps SPA	Karvy

Sr. No.	Activities	Responsibility	Co-ordinator
	features of the Offer Document.		
3.	Selection of various agencies connected with the Issue including Registrars to the Issue, Printers, Advertising Agencies etc.	Karvy IDBI Caps SPA	Karvy
4.	Marketing of the Issue, which shall <i>inter-alia</i> , formulating marketing strategies, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) centers for holding conferences of stock brokers, investors, etc. (iii) Bankers to the Issue, (iv) collection centers as per Schedule III, (v) Brokers to the Issue, and underwriters and underwriting arrangements, distribution of publicity and issue material including application form, prospectus and brochure and deciding upon the quantum of issue material.	Karvy IDBI Caps SPA	Karvy
5.	Post Issue activities, which shall involve essential follow-up steps including follow-up with Bankers to the Issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the Issuer Company about the closure of the Issue, based on correct figures, finalization of basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit or refunds and co-ordination with various agencies connected with post-issue activity such as the Registrars to the Issue, Bankers to the Issue, Self Certified Syndicate Bankers etc.	Karvy IDBI Caps SPA	SPA

Credit Rating

As this is an Issue of Equity Shares, a credit rating is not required.

IPO Grading Agency

ICRA Limited Building No. 8, Tower A, 2nd Floor,
DLF Cyber City, Phase - II
Gurgaon – 122 002.
Tel.: 91 124 4545 310
Fax: 91 124 4050 424
Email: vivek@icraindia.com
Website: www.icra.in
Contact Person: Mr. Vivek Mathur
SEBI Registration No.: IN/CRA/003/1999

IPO Grading

This Issue has been graded by ICRA Limited and has been assigned ICRA IPO Grade 3 indicating average fundamentals. The IPO grading is assigned on a five point scale from 1 to 5 with an “IPO Grade 5” indicating strong fundamentals and an “IPO Grade 1” indicating poor fundamentals. For details in relation to the report of the grading agency, please refer to Annexure I on page 477.

Monitoring Agency

The issue size is less than Rs. 5,000 million, therefore appointment of monitoring agency is not mandatory pursuant to Regulation 16(1) of ICDR Regulations. The Audit Committee of the Company will monitor the use of the proceeds of the Issue.

Appraisal Entity

The objects of this Issue have not been appraised by any agency. The objects of this Issue and means of finance therefore are based on internal estimates of the Company.

Expert Opinion

Except for the report of ICRA Limited in respect of the IPO Grading of this Issue (a copy of which is annexed to this Red Herring Prospectus), furnishing the rationale for its grading and the reports of the Auditors of the Company, S.S. Kothari Mehta & Co. (the Statutory Auditors), in respect of the information contained in “**Financial Information**” and “**Statement of Tax Benefit**” on pages 198 and 56, respectively, the Company has not obtained any expert opinions.

Trustees

As this is an Issue of Equity Shares, the appointment of trustees is not required.

Book Building Process

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus. The Issue Price is finalized after the Bid / Issue Closing Date. The principal parties involved in the Book Building Process are:

- The Company;
- The BRLMs;
- Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE / NSE and eligible to act in their capacity as Underwriters. The Syndicate Members are appointed by the BRLMs;
- Registrars to the Issue;
- Escrow Collection Banks / Bankers to the Issue; and
- SCSBs.

The ICDR Regulations permits issue of securities to the public through the 100% Book Building Process, wherein not more than 50% of the Issue shall be allotted on a proportionate basis to QIBs out of which 5%, excluding Anchor Investor portion, shall be available for allotment on a proportionate basis to Mutual Funds and the balance to all QIBs including Mutual Funds. Further, not less than 15% of the Issue shall be available for allotment on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allotment on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

The Company may consider allocation upto 30% of the QIB portion to Anchor Investors, out of which at least one-third will be available for allocation to Domestic Mutual Funds, as per the provisions of the ICDR Regulations. In the event of under subscription in Anchor Investors portion, the balance equity will be added to the QIB portion.

QIBs are not allowed to withdraw their Bid after the Bid / Issue Closing Date. For further details, please refer “**Issue Procedure**” on page 431 of this Red Herring Prospectus.

Pursuant to SEBI circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011 all non- retail Investors i.e. QIBs and Non Institutional Investors should compulsorily apply through ASBA Process in this Issue. Retail Individual Bidders have the option to participate in this Issue through the ASBA process. For further details please see the section titled “Issue Procedure” on page 431 of this RHP.

Anchor Investors do not have the option of bidding through ASBA process.

In accordance with the ICDR Regulations, QIBs are not allowed to withdraw their Bids after the Bid / Issue Closing Date. In addition, QIBs (including the Anchor Investors) bidding in the Net QIB Portion are required to pay the Bid Amount upon submission of their Bid and allocation to QIBs will be on a proportionate basis. For further details, see the sections titled “**Terms of the Issue**” and “**Issue Procedure**” on pages 428 and 431, respectively.

The Company will comply with the ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, the Company has appointed the BRLMs to manage the Issue and procure subscriptions to the Issue.

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)

The Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20/- to Rs. 24/- per Equity Share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the website of the BSE (www.bseindia.com), the NSE (www.nseindia.com), and at the bidding centers during the bidding period. The illustrative book as set forth below shows the demand for the Equity Shares of the Issuer Company at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to issue the desired quantity of equity shares is the price at which the book cuts off, i.e. Rs. 22/- in the above example. The Issuer, in consultation with the BRLMs will finalize the Issue Price at or below such cut-off price, i.e. at or below Rs. 22/- per Equity Share. All bids at or above this Issue Price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding

1. Check eligibility for making a Bid (see section titled “Issue Procedure - Who Can Bid?” on page 431 of this Red Herring Prospectus);
2. Ensure that bidder has a demat account and the DP ID, beneficiary account and PAN details are correctly mentioned in the Bid cum Application Form and the ASBA Bid cum Application Form;
3. Ensure that the Bid cum Application Form or ASBA Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form and the ASBA Bid Cum Application Form;
4. Except for Bids on behalf of the Government, state governments, court-appointed officials and residents of the state of Sikkim for Bids of all values ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid cum Application Form and the ASBA Bid cum Application Form (see section titled “**Issue Procedure - PAN or GIR**” on page 431).
5. Ensure the correctness of your demographic details (as defined in the “**Issue Procedure-Bidders Depository Account and Bank Account Details**” on page 431 given in the Bid cum Application Form and the ASBA Bid cum Application Form, with the details recorded with your Depository Participant.
6. Bids by QIBs (including Anchor Investors) will have to be submitted to members of the Syndicate or their affiliates or SCSBs only.
7. Bids by ASBA Bidders may be submitted with Syndicate (in specified cities) or to the designated branches of the SCSBs. ASBA Bidders should ensure that their bank accounts have adequate credit in their account to ensure that the ASBA Bid cum Application Form is not rejected.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue anytime after the Bid / Issue Opening Date but before the Allotment of Equity Shares. In such an event, a public notice would be issued in the newspapers, in which the pre-Issue advertisements were published, within two working days of the Bid / Issue Closing Date, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the day of receipt of such notification. The Company shall

also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which the Company shall apply for only after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

In the event the Company in consultation with the BRLMs withdraws the Issue after the Bid / Issue Closing Date, a fresh offer document will be filed with SEBI in the event the Company subsequently decides to proceed with the initial public offering.

In the event of withdrawal of the Issue anytime after the Bid / Issue Opening Date but before the allotment of Equity Shares, the Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after the Company become liable to repay it, i.e. from the date of withdrawal, then the Company, and every Director of the Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money.

In terms of the ICDR Regulations, QIBs bidding in the QIB Portion shall not be allowed to withdraw their Bids after the Bid / Issue Closing Date

Bid / Issue Programme

BID / ISSUE OPENS ON	August 23, 2011
BID / ISSUE CLOSES ON	August 26, 2011

The Company may consider participation by Anchor Investors. The Anchor Investor Bid / Issue Period shall be one working day prior to the Bid/ Issue Opening Date.

The Company, in consultation with the Book Running Lead Managers, may allocate up to 30% of the QIB Portion, i.e. 5,250,000 Equity Shares, to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed. For further details, see the section titled "Issue Procedure" on page 431.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 am and 5.00 pm (Indian Standard Time) during the Bid / Issue Period as mentioned above at the bidding centers mentioned in the Bid cum Application Form. In case of Bids submitted on the Bid / Issue Closing Date, Bids shall be accepted only between 10.00 am and 3.00 pm (Indian Standard Time) and uploaded until (i) 4.00 pm (Indian Standard Time) in case of Bids by QIB Bidders and Non-Institutional Bidders; and (ii) until 5.00 pm (Indian Standard Time) in case of Bids by Retail Individual Bidders which may be extended for Retail Individual Bidders upto such time as may be deemed fit by the Stock Exchanges. Due to limitation of time available for uploading the Bids on the Bid Closing Date, the Bidders, except Anchor Investors, are advised to submit their Bids one day prior to the Bid / Issue Closing Date and, in any case, not later than 3.00 pm (Indian Standard Time) on the Bid / Issue Closing Date. Bidders other than Anchor Investors are cautioned that in the event a large number of Bids are received on the Bid / Issue Closing Date, as is typically experienced in IPOs, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded shall not be considered for allocation in the Issue. If such Bids are not uploaded, the Company, the BRLMs and the Syndicate Members shall not be responsible. Bids will be accepted only on working days.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per the bid file received from the Stock Exchanges may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid / Issue Period in accordance with the ICDR Regulations. The Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of Equity Shares. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price as disclosed at least two working days prior to the Bid / Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid / Issue Period will be extended for three (3) additional Working Days after revision of the Price Band subject to the total Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs, and at the terminals of the members of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price and the allocation of the Equity Shares, but prior to the filing of the Prospectus with the RoC, the Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that the respective Syndicate Members do not fulfill their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its Syndicate / Sub-Syndicate. The Underwriting Agreement is dated [●]. [Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.

Name and Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (In Rs. million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

In the opinion of the Board of Directors (based on certificates given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. The Board of Directors / Committee of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of the Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the BRLMs and the Syndicate Members shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment / withdrawal of Bids by the Bidders, the respective Underwriter, shall procure / subscribe to Equity Shares to the extent of the short-fall in subscription.

The underwriting arrangement mentioned above shall not apply to the subscriptions received through ASBA Bid cum application form and bidded by the Designated Branches of SCSBs in this Issue.

CAPITAL STRUCTURE

The Equity Share capital of the Company as at the date of this Red Herring Prospectus is set forth below:

(in Rs. except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
1.	Authorised Share Capital		
	150,000,000 Equity Shares of Rs. 10/- each	1,500,000,000	
	Total	1,500,000,000	
2.	Issued, Subscribed and Paid-up Capital before the Issue		
	104,291,009 Equity Shares of Rs. 10/- each	1,042,910,090	
3.	Present Issue in terms of this Red Herring Prospectus		
	Issue of: 35,000,000 Equity Shares of Rs. 10/- each	350,000,000	[●]
	Of Which:		
	QIB Portion of not more than 17,500,000 Equity Shares	175,000,000	[●]
	Non-Institutional Portion of not less than 5,250,000 Equity Shares	52,500,000	[●]
	Retail Portion of not less than 12,250,000 Equity Shares	122,500,000	[●]
4.	EQUITY CAPITAL AFTER THE ISSUE		
	139,291,009 Equity Shares of Rs. 10/- each	1,392,910,090	
5.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue	1,097,853,760	
	After the Issue	[●]	[●]

The present Issue has been authorized by the Board of Directors vide its meeting dated March 31, 2010 and the shareholders of the Company, pursuant to the resolution passed in their meeting dated April 27, 2010.

Notes to the Capital Structure

1. Increase in the Authorised Capital

Sr. No.	Particulars of the Increase (Rupees in million)		Date of Meeting	Nature of Meeting
	From	To		
1	1.00	10.00	March 1, 2002	EOGM
2	10.00	30.00	May 15, 2002	EOGM
3	30.00	125.00	August 1, 2002	EOGM
4	125.00	150.00	January 6, 2005	EOGM
5	150.00	200.00	March 10, 2005	EOGM
6	200.00	600.00	June 30, 2005	EOGM
7	600.00	750.00	March 27, 2008	EOGM
8	750.00	1,250.00	April 11, 2008	EOGM
9	1,250.00	1,500.00	June 18, 2010	EOGM

2. Equity Share Capital History of the Company:

The following is the history of the equity share capital and share premium account of the Company:

Date of Allotment and Date when Made fully Paid-up	No. of shares allotted	Face Value (Rs.)	Cumulative no. of shares	Offer Price (Rs.)	Nature of payment	Consideration (In Rs.)	Cumulative Share Premium (Rs.)	Nature of Issue and reason for allotment
August 29, 2000	700	10/-	700	10/-	Cash	7,000	-	Subscribers to Memorandum
December 31, 2001	99,300	10/-	100,000	10/-	Cash	993,000	-	Preferential Allotment to Promoter , Promoter Group & Non-Promoters
March 31, 2002	830,000	10/-	930,000	10/-	Cash	8,300,000	-	Preferential Allotment to Promoter, Promoter Group & Non-Promoters
August 10, 2002	1,747,000	10/-	2,677,000	10/-	Cash	17,470,000	-	Preferential Allotment to Promoter, Promoter Group & Non-Promoters
September 30, 2002	500,000	10/-	3,177,000	10/-	Cash	5,000,000	-	Preferential Allotment to Promoter, Promoter Group & Non-Promoter
December 16, 2002	862,000	10/-	4,039,000	10/-	Cash	8,620,000	-	Preferential Allotment to Promoter, Promoter Group & Non-Promoters
March 29, 2003	1,378,000	10/-	5,417,000	10/-	Cash	13,780,000	-	Preferential Allotment to

Date of Allotment and Date when Made fully Paid-up	No. of shares allotted	Face Value (Rs.)	Cumulative no. of shares	Offer Price (Rs.)	Nature of payment	Consideration (In Rs.)	Cumulative Share Premium (Rs.)	Nature of Issue and reason for allotment
								Promoters, Promoter Group & Non-Promoter
June 12, 2003	870,000	10/-	6,287,000	10/-	Cash	8,700,000	-	Preferential Allotment to Promoters, Promoter Group & Non-Promoters
August 31, 2003	2,474,000	10/-	8,761,000	10/-	Cash	24,740,000	-	Preferential Allotment to Promoters, Promoter Group & Non-Promoter
November 5, 2003	1,575,800	10/-	10,336,800	10/-	Cash	15,758,000	-	Preferential Allotment to Promoters, Promoter Group & Non-Promoters
February 20, 2004	2,163,200	10/-	12,500,000	10/-	Cash	21,632,000	-	Preferential Allotment to Promoters, Promoter Group & Non-Promoters
January 7, 2005	1,000,000	10/-	13,500,000	10/-	Cash	10,000,000	-	Preferential Allotment to Promoter & Promoter Group
February 28, 2005	1,500,000	10/-	15,000,000	20/-	Cash	30,000,000	15,000,000	Preferential Allotment to Non-Promoters
March 28, 2005	2,038,500	10/-	17,038,500	20/-	Cash	40,770,000	35,385,000	Preferential Allotment to Promoter, Promoter Group & Non-Promoters
August 12, 2005	10,000,000	10/-	27,038,500	20/-	Cash	200,000,000	135,385,000	Preferential Allotment to Promoter, Promoter Group & Non-Promoters
December 20, 2006	4,230,085	10/-	31,268,585	20/-	Cash	84,601,700	177,685,850	Preferential Allotment to Promoters, Promoter Group & Non-Promoters
March 21, 2007	3,000,000	10/-	34,268,585	10/-	Cash	30,000,000	177,685,850	Preferential Allotment to Non-Promoter

Date of Allotment and Date when Made fully Paid-up	No. of shares allotted	Face Value (Rs.)	Cumulative no. of shares	Offer Price (Rs.)	Nature of payment	Consideration (In Rs.)	Cumulative Share Premium (Rs.)	Nature of Issue and reason for allotment
March 31, 2007	2,023,000	10/-	36,291,585	10/-	Cash	20,230,000	177,685,850	Preferential Allotment to Promoter & Promoter Group
June 30, 2007	13,853,500	10/-	50,145,085	10/-	Cash	138,535,000	177,685,850	Preferential Allotment to Promoter Group & Non-Promoters
July 30, 2007	3,854,915	10/-	54,000,000	10/-	Cash	38,549,150	177,685,850	Preferential Allotment to Promoters & Promoter Group
March 31, 2008	18,395,000	10/-	72,395,000	20/-	Cash	367,900,000	361,635,850	Preferential Allotment to Promoters & Promoter Group
April 30, 2008	14,918,000	10/-	87,313,000	20/-	Cash	298,360,000	510,815,850	Preferential Allotment to Promoter & Promoter Group
June 30, 2008	1,638,000	10/-	88,951,000	20/-	Cash	32,760,000	527,195,850	Preferential Allotment to Promoter Group
August 31, 2008	9,500,000	10/-	98,451,000	20/-	Cash	190,000,000	622,195,850	Preferential Allotment to Non-Promoters
September 11, 2008		1/-	984,510,000	Sub-division of equity shares from face value of Rs. 10/- each to face value of Re. 1/- each.				
November 30, 2008	8,152,500	1/-	992,662,500	4/-	Cash	32,610,000	646,653,350	Preferential Allotment to Promoters, Promoter Group & Non-Promoter
March 31, 2009	13,648,000	1/-	1,006,310,500	10/-	Cash	136,480,000	769,485,350	Preferential Allotment to Promoter Group
July 31, 2009	14,254,700	1/-	1,020,565,200	10/-	Cash	142,547,000	897,777,650	Preferential Allotment to Promoter, Promoter Group & Non-Promoters
September 15, 2009	7,602,790 *	1/-	1,028,167,990	9.86	Conversion of Debenture	75,000,000	965,174,860	Preferential Allotment to Non-Promoter
October 15, 2009		10/-	102,816,799	Consolidation of equity shares from face value of Re. 1/- each to face value of Rs. 10/- each.				
December	1,474,210	10/-	104,291,009	100/-	Cash	147,421,000	1,097,853,760	Preferential

Date of Allotment and Date when Made fully Paid-up	No. of shares allotted	Face Value (Rs.)	Cumulative no. of shares	Offer Price (Rs.)	Nature of payment	Consideration (In Rs.)	Cumulative Share Premium (Rs.)	Nature of Issue and reason for allotment
11, 2009								Allotment to Promoters, Promoter Group & Non-Promoters

**Issued to HT Media Limited upon conversion of 750,000 - 0% Fully Convertible Debentures.*

3. The following is the capital build up of the present shareholding of the Promoters of the Company:

Name of Promoters	Date of Allotment / Purchase / Sale/date when became fully paid up	Consideration	Nature of Transaction	No. of Shares	Consideration per share (Rs.)	Total Consideration (Rs.)	% of pre-issue paid up capital	% of post issue paid up capital
Individual Promoters								
Dr. Anil Jindal	21.04.2007	Cash	Purchase	38,300	17.00	651,100	0.04	0.03
	30.06.2007	Cash	Purchase	228,500	10.00	2,285,000	0.22	0.16
	30.06.2007	Cash	Purchase	10,000	15.00	150,000	0.01	0.01
	30.06.2007	Cash	Purchase	229,500	17.00	3,901,500	0.22	0.16
	30.06.2007	Cash	Purchase	247,000	20.00	4,940,000	0.24	0.18
	31.03.2008	Cash	Purchase	5,957,500	20.00	119,150,000	5.71	4.28
Total				6,710,800		131,077,600	6.43	4.82
Mr. Sunil Jindal	29.08.2000	Cash	Subscription to the Memorandum of Association	100	10.00	1,000	0.00	0.00
	31.12.2001	Cash	Preferential Allotment	500	10.00	5,000	0.00	0.00
	15.04.2004	Cash	Purchase	129,000	10.00	1,290,000	0.12	0.09
	24.01.2005	Cash	Purchase	7,000	20.00	140,000	0.01	0.01
	20.12.2006	Cash	Preferential Allotment	31,500	20.00	630,000	0.03	0.02
				168,100		2,066,000	0.16	0.12
Mr. Bishan Bansal	12.06.2003	Cash	Preferential Allotment	25,000	10.00	250,000	0.02	0.02
	31.03.2008	Cash	Purchase	712,500	10	7,125,000	0.68	0.51
	31.03.2008	Cash	Purchase	41,000	20	820,000	0.04	0.03
Total				778,500		8,195,000	0.75	0.56
Mr. Raju Bansal	12.06.2003	Cash	Preferential Allotment	25,000	10.00	250,000	0.02	0.02
	20.02.2004	Cash	Preferential Allotment	20,000	10.00	200,000	0.02	0.01
	20.12.2006	Cash	Preferential Allotment	16,500	20.00	330,000	0.02	0.01
	31.03.2008	Cash	Purchase	1,750,000	10.00	17,500,000	1.68	1.26
Total				1,811,500		18,280,000	1.74	1.30
Corporate Promoters								

Name of Promoters	Date of Allotment / Purchase / Sale/date when became fully paid up	Consideration	Nature of Transaction	No. of Shares	Consideration per share (Rs.)	Total Consideration (Rs.)	% of pre-issue paid up capital	% of post issue paid up capital
BTL Industries Ltd.	29.03.2003	Cash	Preferential Allotment	138,000	10.00	1,380,000	0.13	0.10
	31.08.2003	Cash	Preferential Allotment	830,000	10.00	8,300,000	0.80	0.60
	05.11.2003	Cash	Preferential Allotment	370,800	10.00	3,708,000	0.36	0.27
	20.02.2004	Cash	Preferential Allotment	98,200	10.00	982,000	0.09	0.07
	07.01.2005	Cash	Preferential Allotment	200,000	10.00	2,000,000	0.19	0.14
	20.12.2006	Cash	Preferential Allotment	646,750	20.00	12,935,000	0.62	0.46
	30.07.2007	Cash	Preferential Allotment	750,000	10.00	7,500,000	0.72	0.54
	31.03.2008	Cash	Preferential Allotment	5,430,000	20.00	108,600,000	5.21	3.90
	31.03.2008	Cash	Purchase	945,055	10.00	9,450,550	0.91	0.68
	31.03.2008	Cash	Purchase	97,000	20.00	1,940,000	0.09	0.07
	30.04.2008	Cash	Preferential Allotment	1,579,500	20.00	31,590,000	1.51	1.13
	20.09.2008	Cash	Purchase	2,050,000	17.00	34,850,000	1.97	1.47
	30.11.2008	Cash	Preferential Allotment*	200,125*	40.00	8,005,000	0.19	0.14
	28.02.2009	Cash	Purchase*	200,000*	17.00	3,400,000	0.19	0.14
	12.03.2009	Cash	Purchase*	1,128,125*	20.00	22,562,500	1.08	0.81
	30.04.2009	Cash	Purchase*	780,000*	20.00	15,600,000	0.75	0.56
	31.07.2009	Cash	Preferential Allotment*	21,500*	100.00	2,150,000	0.02	0.02
	03.10.2009	Cash	Purchase* ³	475,000*	20.00	9,500,000	0.46	0.34
	25.11.2009	Cash	Purchase ⁴	4,110,000	20.00	82,200,000	3.94	2.95
	11.12.2009	Cash	Preferential Allotment ⁵	67,500	100.00	6,750,000	0.06	0.05
	25.06.2010	Cash	Purchase ⁶	450,000	100.00	45,000,000	0.43	0.32
Total				20,567,555		418,403,050	19.72	14.77
BTL Portfolio Limited	15.04.2004	Cash	Purchase	606,700	10.00	6,067,000	0.58	0.44
	24.01.2005	Cash	Purchase	388,000	20.00	7,760,000	0.37	0.28
	28.03.2005	Cash	Preferential Allotment	185,000	20.00	3,700,000	0.18	0.13
	12.08.2005	Cash	Preferential Allotment	255,000	20.00	5,100,000	0.24	0.18
	20.12.2006	Cash	Preferential Allotment	379,000	20.00	7,580,000	0.36	0.27
	01.03.2007	Cash	Purchase	165,000	17.00	2,805,000	0.36	0.27
	01.03.2007	Cash	Purchase	97,000	20.00	1,940,000	0.16	0.12
	01.03.2007	Cash	Purchase	5,000	22.50	112,500	0.09	0.07
	31.03.2007	Cash	Preferential Allotment	503,000	10.00	5,030,000	0.48	0.36
	30.07.2007	Cash	Preferential Allotment	614,000	10.00	6,140,000	0.59	0.44
	31.03.2008	Cash	Preferential Allotment	1,520,000	20.00	30,400,000	1.46	1.09

Name of Promoters	Date of Allotment / Purchase / Sale/date when became fully paid up	Consideration	Nature of Transaction	No. of Shares	Consideration per share (Rs.)	Total Consideration (Rs.)	% of pre-issue paid up capital	% of post issue paid up capital
	31.03.2008	Cash	Purchase	32,810	20.00	656,200	0.03	0.02
	11.08.2008	Cash	Purchase	110,000	17.00	1,870,000	0.11	0.08
	20.09.2008	Cash	Purchase	100,000	17.00	1,700,000	0.10	0.07
	30.11.2008	Cash	Preferential Allotment*	75,125*	40.00	3,005,000	0.07	0.05
	12.03.2009	Cash	Purchase *	5,200,000*	20.00	104,000,000	4.99	3.73
	11.12.2009	Cash	Preferential Allotment	12,000	100.00	1,200,000	0.01	0.01
	08.01.2010	Cash	Purchase	1,500,000	24.00	36,000,000	1.44	1.08
Total				11,747,635		225,065,700	11.26	8.43

Note: 1. The company had subdivided its equity Shares into Re.1/- on October 10, 2008 and consolidated the same on November 10, 2009 into Rs.10/-.

2. * denotes the transactions where the equity shares at the time of transactions have face value of Re. 1/-, but for the purpose of reconciliation of total number of present share holding, the face value, the issue price and the total number of shares have been adjusted for the face value as Rs. 10/- per equity share.

3. On October 3, 2009 BTL Industries Limited had purchased 475,000 Equity Shares from Swami Hitech Projects Limited at Rs.20/- per share (face value Rs.10/-each). The said purchase price of Rs. 20/- was arrived at by negotiation between BTL Industries Limited and Swami Hitech Projects Limited.

4. On November 25, 2009 BTL Industries Limited had purchased 4,110,000 Equity Shares from BTL Impex (India) Limited, a Promoter Group Company at Rs.20/- per share (face value Rs.10/-each). The said purchase price of Rs. 20/- was arrived at by negotiation between BTL Industries Limited and BTL Impex (India) Limited.

5. On December 11, 2009 BTL Industries Limited had been allotted 67,500 Equity Shares at Rs. 100/- per share including a premium of Rs. 90/- per share (face value Rs.10/-each), by SRS Limited. The allotment was made after considering the calculation made by a chartered accountant and future prospects of the Company.

6. On June 25, 2010, BTL Industries Limited had purchased 450,000 Equity Shares from Naaz Builders Private Limited at Rs.100/- per share including premium of Rs.90/- (face value Rs.10/-each). The said purchase price of Rs. 100/- was arrived at by negotiation between BTL Industries Limited and Naaz Builders Private Limited.

4. The following is the detail of the present shareholding of the Promoter Group and of the Directors of the Corporate Promoters of the Company:

Promoter Group	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
Mr. Rajesh Mangla	484,600	0.46
Mrs. Sunita Mangla	265,400	0.25
Mr. Praveen Kumar Kapoor	46,000	0.04
Mr. Jitender Kumar	45,000	0.04
Mr. Naresh Goyal	45,000	0.04
Mr. Vinod Jindal	20,000	0.02

Promoter Group	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
Mr. Raju Gupta	200	0.00
Mr. Vinod Kumar	100	0.00
BTL Impex (India) Ltd.	2,319,375	2.22
Madhavtech India Pvt. Ltd.	2,100,000	2.01
Neelabh Engineers Pvt. Ltd.	1,650,000	1.58
SRS Commercial Company Limited	2,615,125	2.51
SRS Superb Marktrade Ltd.	2,147,250	2.06
SRS Realbuild Pvt. Ltd.	3,280,950	3.15
SRS Professional Services Ltd.	5,178,200	4.97
SRS Developers Pvt. Ltd.	3,061,217	2.94
SRS Seven Dayz Restaurants Ltd.	3,116,430	2.99
SRS Communications Pvt. Ltd.	3,020,738	2.90
SRS International Ltd.	13,167,674	12.63
SRS Promoters Pvt. Ltd.	2,675,000	2.56
SRS Educational Institutions Pvt. Ltd.	2,275,000	2.18
SRS Realtech Pvt. Ltd.	2,077,546	1.99
SRS Events & Media Ltd.	1,975,000	1.89
SRS Facilities Pvt. Ltd.	1,053,775	1.01
SRS IT Solutions Pvt. Ltd.	5,071,725	4.86
SRS Infracon Ltd.	692,035	0.66
SRS Infrabuild Pvt. Ltd.	487,565	0.47
SRS Mines & Minerals Ltd.	550,000	0.53
SRS Tours & Travels Pvt. Ltd.	137,900	0.13
SRS Movies Pvt. Ltd.	20,100	0.02
SRS Buildcon Pvt. Ltd.	1,731,435	1.66
SRS Heights Pvt. Ltd.	41,600	0.04
SRS Real Estate Ltd.	100	0.00
Total	61,352,040	58.83

5. **Details of individuals holding shares in the Company and reason for becoming part of promoter group**

Individual Promoter Group	Mode of acquisition	Share-holding	Reason for becoming part of Promoter Group
Mr. Rajesh Mangla	Purchase	484,600	Person acting in concert with the Promoters
Mrs. Sunita Mangla	Purchase	265,400	Person acting in concert with the Promoters
Mr. Praveen Kumar Kapoor	Purchase	46,000	Non Executive Director of the Company and the person acting in concert with the Promoters
Mr. Jitender Kumar	Purchase	45,000	Non Executive Director of the Company and the person acting in concert with the Promoters
Mr. Naresh Goyal	Purchase	45,000	Brother-in-law of Dr. Anil Jindal and Mr. Sunil Jindal
Mr. Vinod Jindal	Purchase	20,000	Brother of Dr. Anil Jindal and Mr. Sunil Jindal
Mr. Raju Gupta	Purchase	200	Person acting in concert with the Promoters
Mr. Vinod Kumar	Purchase	100	Executive Director of the Company and the person acting in concert with the Promoters

6. Details of transactions in Equity Shares by the Promoters, Directors, Promoter Group, the Directors of the Company which is the Promoter of the Company and their immediate relatives within six months immediately preceding the date of filing of the Draft Red Herring Prospectus dated July 9, 2010, with SEBI:

Sr. No	Name	Date of Transaction	Nature of Transaction	No. of Shares (Face Value of Rs. 10 each)	Transaction Price (Rs.)	Consideration
1.	Mr. Nanak Chand	15.04.2010	Sale	(45,000)	40.00	Cash
		16.04.2010	Sale	(45,000)	40.00	Cash
		20.04.2010	Sale	(46,000)	40.00	Cash
2.	BTL Portfolio Ltd.	08.01.2010	Purchase	1,500,000	24.00	Cash
3.	SRS Housing Finance Ltd. (now known as SRS Global Securities Limited)	08.01.2010	Sale	(1,500,000)	24.00	Cash
		31.03.2010	Sale	(1,280,950)	11.71	Cash
		31.03.2010	Sale	(21,230)	12.00	Cash
		31.03.2010	Sale	(200,950)	17.00	Cash
		31.03.2010	Sale	(2,018,000)	20.00	Cash
		31.03.2010	Sale	(80,000)	21.80	Cash
		31.03.2010	Sale	(87,375)	40.00	Cash
		31.03.2010	Sale	(57,300)	100.00	Cash
		24.06.2010	Sale	(1,196,435)	11.45	Cash
4.	SRS Finance Ltd.	25.03.2010	Sale	(25,252,136)	20.00	Cash
		25.03.2010	Sale	(395,000)	40.00	Cash
		25.03.2010	Sale	(100,200)	50.00	Cash
		25.03.2010	Sale	(1,295,500)	10.50	Cash
		25.03.2010	Sale	(12,555)	22.50	Cash
		25.03.2010	Sale	(30,000)	21.00	Cash
		25.03.2010	Sale	(1,996,000)	17.00	Cash
		25.03.2010	Sale	(874,190)	100.00	Cash
		30.03.2010	Sale	(2,197,280)	100.00	Cash
		24.06.2010	Sale	(6,504,030)	10.00	Cash
		25.06.2010	Sale	(1,0,192,624)	10.00	Cash
5.	Mr. Praveen Kumar Kapoor	20.04.2010	Purchase	46,000	40.00	Cash
6.	Mr. Jitender Kumar Garg	15.04.2010	Purchase	45,000	40.00	Cash
7.	Mr. Naresh Goel	16.04.2010	Purchase	45,000	40.00	Cash
8.	SRS Commercial Company Ltd.	25.03.2010	Purchase	1,959,500	20.00	Cash
		25.03.2010	Purchase	395,000	40.00	Cash
		25.03.2010	Purchase	100,200	50.00	Cash
		31.03.2010	Purchase	13,750	20.00	Cash
		31.03.2010	Purchase	87,375	40.00	Cash
		31.03.2010	Purchase	57,300	100.00	Cash
9.	SRS Superb Marktrade Ltd.	25.03.2010	Purchase	2,125,000	20.00	Cash

Sr. No	Name	Date of Transaction	Nature of Transaction	No. of Shares (Face Value of Rs. 10 each)	Transaction Price (Rs.)	Consideration
10.	SRS Realbuild Pvt. Ltd.	25.03.2010	Purchase	2,000,000	20.00	Cash
		31.03.2010	Purchase	1,280,950	11.71	Cash
11.	SRS Professional Services Ltd.	25.03.2010	Purchase	3,075,000	20.00	Cash
		24.06.2010	Purchase	21,03,200	10.00	Cash
12.	SRS Developers Pvt. Ltd.	25.03.2010	Purchase	1,295,500	10.50	Cash
		25.03.2010	Purchase	12,555	22.50	Cash
		25.03.2010	Purchase	1,375,000	20.00	Cash
		25.03.2010	Purchase	348,162	17.00	Cash
		25.03.2010	Purchase	30,000	21.00	Cash
13.	SRS Seven Dayz Restaurants Ltd.	25.03.2010	Purchase	2,125,000	20.00	Cash
		31.03.2010	Purchase	21,230	12.00	Cash
		31.03.2010	Purchase	200,950	17.00	Cash
		31.03.2010	Purchase	604,250	20.00	Cash
		31.03.2010	Purchase	80,000	21.80	Cash
		24.06.2010	Purchase	85,000	100.00	Cash
14.	SRS Communications Pvt. Ltd.	25.03.2010	Purchase	1,168,588	17.00	Cash
		25.03.2010	Purchase	1,850,000	20.00	Cash
15.	SRS International Ltd.	25.03.2010	Purchase	2,950,000	20.00	Cash
		25.06.2010	Purchase	10,192,624	10.00	Cash
16.	SRS Promoters Pvt. Ltd.	25.03.2010	Purchase	1,950,000	20.00	Cash
		31.03.2010	Purchase	725,000	20.00	Cash
17.	SRS Educational Institutions Pvt. Ltd.	25.03.2010	Purchase	2,275,000	20.00	Cash
18.	SRS Realtech Pvt. Ltd.	25.03.2010	Purchase	479,250	17.00	Cash
		25.03.2010	Purchase	1,592,636	20.00	Cash
		24.06.2010	Purchase	5,660	100.00	Cash
19.	SRS Events & Media Ltd.	25.03.2010	Purchase	1,975,000	20.00	Cash
20.	SRS Facilities Pvt. Ltd.	31.03.2010	Purchase	675,000	20.00	Cash
		24.06.2010	Purchase	378,775	100.00	Cash
21.	SRS Movies Private Limited	22.06.2010	Purchase	12,100	100.00	Cash
		24.06.2010	Purchase	8,000	100.00	Cash

Sr. No	Name	Date of Transaction	Nature of Transaction	No. of Shares (Face Value of Rs. 10 each)	Transaction Price (Rs.)	Consideration
22.	BTL Industries Limited	25.06.2010	Purchase	450,000	100.00	Cash
23.	BTL Investments & Securities Ltd.	24.06.2010	Sale	(5,660)	100.00	Cash
24.	SRS Mines & Minerals Ltd.	26.06.2010	Purchase	500,000	100.00	Cash
25.	SRS Infrabuild Pvt. Ltd.	24.06.2010	Purchase	432,565	100.00	Cash
26.	SRS Infracon Ltd.	24.06.2010	Purchase	43,500	100.00	Cash
		26.06.2010	Purchase	567,035	100.00	Cash
27.	SRS IT Solutions Pvt. Ltd.	24.06.2010	Purchase	568,295	100.00	Cash
		24.06.2010	Purchase	4,400,830	10.00	Cash
28.	SRS Portfolio Ltd.	24.06.2010	Sale	(185,500)	100.00	Cash
29.	SRS Tours & Travels Pvt. Ltd.	25.06.2010	Purchase	125,000	100.00	Cash
31.	SRS Heights Pvt. Ltd.	24.06.2010	Purchase	41,600	100.00	Cash
32.	SRS Buildcon Pvt. Ltd.	24.06.2010	Purchase	535,000	100.00	Cash
		24.06.2010	Purchase	1,196,435	11.45	Cash
33.	Mr. Raju Gupta	19.06.2010	Purchase	100	100.00	Cash
		25.06.2010	Purchase	100	100.00	Cash
34.	Mr. Vinod Kumar Gupta	19.06.2010	Purchase	100	100.00	Cash
35.	SRS Real Estate Ltd.	19.06.2010	Purchase	100	100.00	Cash

Further, the Promoters, Directors, Promoter Group, Directors of the Corporate Promoters and their immediate relatives have not sold or purchased any shares of the Company from the date of Draft Red Herring Prospectus till the date of Red Herring Prospectus.

7. Promoters' Contribution and Lock-in:-

a) 3 years lock-in

Name of Promoter	Date of acquisition / when fully paid up	Nature of allotment	No. of equity shares	Acquisition Price	% of pre-issue paid up capital	% of post issue paid up capital	Lock-in period
Dr. Anil Jindal	21.04.2007	Purchase	38,300	17.00	0.04	0.03	3 years from the date of allotment in the Public
	30.06.2007	Purchase	228,500	10.00	0.22	0.16	
	30.06.2007	Purchase	10,000	15.00	0.01	0.01	

Name of Promoter	Date of acquisition / when fully paid up	Nature of allotment	No. of equity shares	Acquisition Price	% of pre-issue paid up capital	% of post issue paid up capital	Lock-in period
	30.06.2007	Purchase	229,500	17.00	0.22	0.16	Issue.
	30.06.2007	Purchase	247,000	20.00	0.24	0.18	
	31.03.2008	Purchase	5,957,500	20.00	5.71	4.28	
	Sub Total		6,710,800		6.43	4.82	
Mr. Sunil Jindal	29.08.2000	Subscription to MoA	100	10.00	0.00	0.00	3 years from the date of allotment in the Public Issue.
	31.12.2001	Preferential Allotment	500	10.00	0.00	0.00	
	15.04.2004	Purchase	129,000	10.00	0.12	0.09	
	24.01.2005	Purchase	7,000	20.00	0.01	0.01	
	20.12.2006	Preferential Allotment	31,500	20.00	0.03	0.02	
	Sub Total		168,100		0.16	0.12	
Mr. Bishan Bansal	12.06.2003	Preferential Allotment	25,000	10.00	0.02	0.02	3 years from the date of allotment in the Public Issue.
	31.03.2008	Purchase	712,500	10.00	0.68	0.51	
	31.03.2008	Purchase	41,000	20.00	0.04	0.03	
	Sub Total		778,500		0.75	0.56	
Mr. Raju Bansal	12.06.2003	Preferential Allotment	25,000	10.00	0.02	0.02	3 years from the date of allotment in the Public Issue.
	20.02.2004	Preferential Allotment	20,000	10.00	0.02	0.01	
	20.12.2006	Preferential Allotment	16,500	20.00	0.02	0.01	
	31.03.2008	Purchase	1,750,000	10.00	1.68	1.26	
	Sub Total		1,811,500		1.74	1.30	
BTL Industries Ltd.	31.03.2008	Preferential Allotment	5,430,000	20.00	5.21	3.90	3 years from the date of allotment in the Public Issue.
	31.03.2008	Purchase	945,055	10.00	0.91	0.68	
	31.03.2008	Purchase	97,000	20.00	0.09	0.07	
	30.04.2008	Preferential Allotment	1,579,500	20.00	1.51	1.13	
	20.09.2008	Purchase	2,050,000	17.00	1.97	1.47	
	30.11.2008	Preferential Allotment*	200,125*	40.00	0.19	0.14	
	28.02.2009	Purchase*	200,000*	17.00	0.19	0.14	
	12.03.2009	Purchase*	1,128,125*	20.00	1.08	0.81	
	30.04.2009	Purchase*	780,000*	20.00	0.75	0.56	
	Sub Total		12,409,805		11.90	8.91	
BTL Portfolio Ltd.	31.03.2008	Preferential Allotment	520,000	20.00	0.50	0.37	3 years from the date of allotment in the Public Issue
	31.03.2008	Purchase	32,810	20.00	0.03	0.02	
	11.08.2008	Purchase	110,000	17.00	0.11	0.08	
	20.09.2008	Purchase	100,000	17.00	0.10	0.07	
	30.11.2008	Preferential Allotment*	75,125*	40.00	0.07	0.05	
	12.03.2009	Purchase *	5,200,000*	20.00	4.99	3.73	
	Sub Total		6,037,935		5.79	4.33	
	Grand Total		27,916,640		26.77	20.04	

Notes: 1. The company had sub-divided its equity Shares into Re. 1/- on October 10, 2008 and consolidated the same again on November 10, 2009 into Rs.10/-.

2. * denotes the transactions where the equity shares at the time of transactions have face value of Re. 1/-, but for the purpose of reconciliation of total number of present share holding, the face

value, the issue price and the total number of shares have been adjusted for the face value as Rs. 10/- per equity share.

The Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution. In this connection, the Company confirms the following:

1. The Equity Shares offered for minimum 20% Promoters' contribution are not acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or un-realised profits or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
2. The minimum Promoters' contribution does not include any Equity Shares acquired during the preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
3. The Company has not been formed by the conversion of a partnership firm into a company;
4. The Equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge;
5. The minimum Promoters' contribution does not consist of any private placement made by solicitation of subscriptions from unrelated persons either directly or through any intermediary; and

The Company has obtained specific written consent from the Promoters for inclusion of the Equity Shares held by them in the minimum Promoters' contribution subject to lock-in. Further, the Promoters have given an undertaking to the effect that they shall not sell / transfer / dispose of in any manner, Equity Shares forming part of the minimum Promoters' contribution from the date of filing the Red Herring Prospectus till the date of commencement of lock-in in accordance with ICDR Regulations.

The entire pre-issue shareholding of the Promoters, other than the Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

b) Detail of Equity Shares locked in for 1 year

In terms of Regulation 36(b) and 37 of the ICDR Regulations, apart from the minimum contribution of 20% of the post-Issue shareholding of the Company held by the Promoters and locked in for three years as specified above, the remaining pre-Issue share capital of the Company will be locked in for a period of one year from the date of Allotment in this Issue.

Further, Equity Shares Allotted to Anchor Investors, in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment of Equity Shares in this Issue.

c) Other requirements in respect of lock-in:

As per Regulation 39 read with Regulation 36 (b) of the ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, may be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan. Provided that if any Equity Shares are locked in as minimum Promoter's contribution under Regulation 36(a) of the ICDR Regulations, the same may be pledged, only if, in addition to fulfilling the above requirement, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the Objects of the Issue.

As per Regulation 40 of the ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding Equity Shares which are locked-in as per Regulation 37 of the ICDR Regulations, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

In terms of Regulation 40 of the ICDR Regulations, the Equity Shares held by the Promoters may be transferred *inter-se* any Promoter or persons constituting the Promoter Group or to new promoters or persons in control of the Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

8. Pre-Issue and Post-Issue Shareholding pattern of the Company

The table below presents the shareholding pattern before the proposed Issue and as adjusted for the Issue:

Category code	Category of shareholder	Number of Share holders	Total Number of shares	Total shareholding as a percentage of total number of shares		Total post issue shareholding *		Shares pledged or otherwise encumbered	
				As a percentage of (A+B)	As a percentage of (A+B+C)	Total Number of shares	As a percentage of (A+B+C)	Total number	As a percentage of (A+B+C)
(A)	Promoter and Promoter Group								
(1)	Indian								
	Individuals/ Hindu Undivided Family	12	10,375,200	9.95	9.95	10,375,200	7.45	-	-
	Central Government / State Government (s)	-	-	-	-	-	-	-	-
	Bodies Corporate	27	92,760,930	88.94	88.94	92,760,930	66.59	-	-
	Sub-Total (A)(1)	39	103,136,130	98.89	98.89	103,136,130	74.04	-	-
(2)	Foreign								
	Individuals (Non Resident Individuals / Foreign individuals)	-	-	-	-	-	-	-	-
	Bodies Corporate	-	-	-	-	-	-	-	-
	Financial Institutions/ Banks	-	-	-	-	-	-	-	-
	Any Other (specify)	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	39	103,136,130	98.89	98.89	103,136,130	74.04	-	-
(B)	Public Shareholding					36,154,879	25.96	-	-
	Institutions		-	-	-				
	Sub-Total (B)(1)	-	-	-	-				
	Non Institutions								
	(a) Bodies Corporate	1	760,279	0.73	0.73				
	(b) Individuals								

Category code	Category of shareholder	Number of Share holders	Total Number of shares	Total shareholding as a percentage of total number of shares		Total post issue shareholding *		Shares pledged or otherwise encumbered	
				As a percentage of (A+B)	As a percentage of (A+B+C)	Total Number of shares	As a percentage of (A+B+C)	Total number	As a percentage of (A+B+C)
	Shareholders holding nominal share capital upto Rs. 1 lac	11	64,600	0.06	0.06				
	Shareholders holding nominal share capital in excess of Rs. 1 lac	10	330,000	0.32	0.32				
	Total Public Shareholding	22	1,154,879	1.11	1.11				
	TOTAL (A)+(B)	61	104,291,009	100.00	100.00				
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-				
	GRAND TOTAL (A)+(B)+(C)	61	104,291,009	100.00	100.00	139,291,009	100	-	-

The entire shareholding of the Promoters and Promoter Group is in dematerialised form.

9. Details of top ten shareholders:

(a) As on date of filing of the Red Herring Prospectus with RoC, are as follows:

Sr. No.	Name of Shareholders	No. of Shares	% of Pre-Issue paid up Capital
1	BTL Industries Ltd.	20,567,555	19.72
2.	SRS International Limited	13,167,674	12.63
3	BTL Portfolio Ltd.	11,747,635	11.26
4	Dr. Anil Jindal	6,710,800	6.43
5	SRS Professional Services Ltd.	5,178,200	4.97
6	SRS IT Solutions Pvt. Ltd.	5,071,725	4.86
7	SRS Realbuild Pvt. Ltd.	3,280,950	3.15
8	SRS Seven Dayz Restaurants Ltd.	3,116,430	2.99
9	SRS Developers Pvt. Ltd.	3,061,217	2.94
10	SRS Communications Pvt. Ltd.	3,020,738	2.90

(b) 10 days prior to filing this Red Herring Prospectus with RoC are as follows:

Sr. No.	Name of Shareholders	No. of Shares	% of Pre-Issue paid up Capital
1	BTL Industries Ltd.	20,567,555	19.72
2.	SRS International Limited	13,167,674	12.63
3	BTL Portfolio Ltd.	11,747,635	11.26
4	Dr. Anil Jindal	6,710,800	6.43
5	SRS Professional Services Ltd.	5,178,200	4.97
6	SRS IT Solutions Pvt. Ltd.	5,071,725	4.86
7	SRS Realbuild Pvt. Ltd.	3,280,950	3.15
8	SRS Seven Dayz Restaurants Ltd.	3,116,430	2.99
9	SRS Developers Pvt. Ltd.	3,061,217	2.94
10	SRS Communications Pvt. Ltd.	3,020,738	2.90

(c) 2 years prior to the date of filing of this Red Herring Prospectus with RoC are as follows:

Sr. No.	Name	No. of Equity Shares*	% of Paid up Share Capital as on July6, 2009#
1	SRS Finance Limited	35,063,945	34.84
2	BTL Industries Ltd.	15,443,555	15.35
3	BTL Sales Ltd. (name changed to BTL Portfolio Limited)	10,235,635	10.17
4	Dr. Anil Jindal	6,811,000	6.77
5	BTL Impex (India) Ltd.	6,417,125	6.38
6	BTL Commercial Ltd.(name changed to SRS Housing Finance Limited) (further, changed to SRS Global Securities Limited)	6,212,240	6.17
7	Nakshatra Realtech Pvt. Ltd.	3,020,000	3.00
8	Swami Foods Limited	2,150,000	2.14
9	Madhavtech India Pvt. Ltd.	2,100,000	2.09
10	Swami Enterprises Ltd. (Presently known as Swami Hitech Projects Ltd.)	2,050,000	2.04

#the paidPaid-up equity shares of the Company as on July 6, 2009, was 100,631,050.

*As on July 6, 2009, the equity shares had a face value of Re. 1/- each, but for the purpose of comparison with present total number of equity shares, the number of shares has been adjusted for face value of Rs. 10/- per equity share.

10. The Company, Directors, Promoters, Promoter Group, their respective directors and the BRLMs have not entered into any buy-back arrangements for purchase of Equity Shares from any person.
11. Except as stated in the section titled “**Management**” on page 133, none of the Directors or key management personnel holds any Equity Shares in the Company.
12. No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash, kind, services or otherwise, to any Bidder.
13. The Company has not raised any bridge loan against the proceeds of the Issue. For details on use of proceeds, see section titled “**Objects of the Issue**” on page 39.

14. The Issue is being made through a 100% Book Building Process wherein not more than 50% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”). 5% of the QIB Portion (excluding Anchor Investors portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. The Company may consider allocation up to 30% of the QIB Portion to Anchor Investors as per the provisions of the ICDR Regulations. Further not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders subject to valid Bids being received from them at or above the Issue Price.
15. Under-subscription, if any, in any category would be met with spill over from other categories at the sole discretion of the Company in consultation with the BRLMs and Designated Stock Exchange.
16. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
17. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants or options or rights to convert debentures, loans or other financial instruments which would entitle Promoters or shareholders or any other person any option to acquire Equity Shares after the Initial Public Offer.
18. There will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Red Herring Prospectus with RoC until the Equity Shares have been listed.
19. There shall be only one denomination of the Equity Shares. The company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time
20. The Company has not issued any Equity Shares out of revaluation reserves.
21. The Company has not issued any Equity Shares for consideration other than cash.
22. The Company does not intend to alter its capital structure within a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or otherwise, except, if the Company enters into acquisition or joint ventures or make investments, in which case the Company may consider raising additional capital to fund such activities or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
23. All Equity Shares will be fully paid up at the time of Allotment failing which no Allotment shall be made.
24. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the Basis of Allotment.
25. None of the Promoter, Promoter Groups, Directors, Directors of the Promoters or their relatives have financed the purchase of securities of the issuer by any other person other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing this Draft Red Herring Prospectus with SEBI.

- 26.** The Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for its employees
- 27.** BRLMs or its associates do not hold any Equity Share in the Company as on the date of filing of Red Herring Prospectus with the RoC.
- 28.** As on date of filing of Red Herring Prospectus with RoC, the issued capital of the Company is fully paid-up.
- 29.** As on the date of Red Herring Prospectus, there are 61 shareholders in the Company.
- 30.** The Promoter and Promoter Group of the Company will not participate in this Issue.
- 31.** The Equity Shares held by the Promoters are not subject to any pledge.

OBJECTS OF THE ISSUE

The objects of this Public Issue are to raise funds for:

- Setting up of cinemas;
- Setting up of food courts and restaurants;
- Setting up of retail stores;
- Setting up of jewellery manufacturing facility and jewellery retail stores;
- General Corporate Purposes; and
- Issue related expenses.

Pursuant to this Public Issue, the Company proposes to seek listing on BSE and NSE.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable the Company to undertake the existing activities as well as the activities for which funds are being raised through this Issue.

The fund requirement and deployment is based on Company's estimates and has not been appraised by any bank / financial institution. The funds requirements below are based on the current business plan of the Company. In view of the dynamic and diversified nature of the industry in which the Company operates, it may have to revise the business plan from time to time and consequently, its funds requirement may also change, which may include rescheduling or re-working of its expansion plans. Any such change in its plans may require rescheduling of its expenditure programs, at the discretion of its Board of Directors. The capital expenditure plans of the Company are subject to a number of variables, including possible cost over-runs; delays in development; and changes in management's views of the desirability of current plans, among others.

Requirement of Funds

(Rs. in million)

Particulars	Amount
Setting up of cinemas	1,011.76
Setting up of food courts and restaurants	399.51
Setting up of retail stores	536.88
Setting up of jewellery manufacturing facility and jewellery retail stores	167.04
General Corporate Purpose*	[•]
Issue Related Expenses*	[•]
Total	[•]

* will be incorporated at the time of filing of Prospectus.

Means of Finance

The aforementioned funds requirement is proposed to be raised as under:

(Rs. in million)

Particulars	Amount
Proceeds of the Issue*	[•]
Term Loan	200.00
Internal Accruals*	[•]
Total	[•]

* will be incorporated at the time of filing of Prospectus.

In case of shortfall, if any, the Company may explore other sources of funds including internal accruals arising from its future operations and / or additional debt. In case of any variation in the actual utilization of funds earmarked for the objects mentioned above or in case of increased funds requirement for a particular object, the shortfall, if any, may be financed by surplus funds, if any, available from other objects and / or the Company's internal accruals, to the extent of such shortfall. Any surplus from the proceeds of the Issue after meeting the specific objects mentioned above, if any, will be used for the General Corporate Purposes.

Oriental Bank of Commerce, A.30-33, Rajiv Chowk, New Delhi - 110001 vide its letter dated June 21, 2010 has sanctioned a term Loan of Rs. 200 mn. to part finance the cost of the projects. Following are the terms and conditions of the aforesaid term loan:

Nature of Limit	Term Loan
Limit	Rs. 200.0 mn.
Rate of Interest	PLR -0.50% (11.50% at present). Present PLR is 12%. Penal Interest @ 2% p.a. over & above the rate on irregular portion shall be applicable.
Moratorium Period	Three months from the date of first disbursement.
Repayment	20 Equal Quarterly installments of Rs 10 mn. Interest to be paid as and when due.
Security	Charges on fixed assets to be created out of the loan and Issue proceeds other than security deposits, IPO expenses and pre-operative expenses.
Margin	75% of the IPO proceeds to be utilized first which is to be treated as margins.
Validity of sanction	To be availed within three months of raising funds through Issue but not later than 18 months from the date of sanction.
Other Terms & Conditions for term loan facility	1) Bank will ensure that the advance amount is utilized strictly for which it has been sanctioned. 2) In case of cost overrun, the borrower shall undertake to arrange funds from its own sources to meet the shortfall. An undertaking to this effect shall be obtained and kept on record. 3) Release of facility shall be linked with the progress of project. 4) The term loan shall be released only after the Company raises the funds from Issue and 75% of the Issue proceeds are spent towards expansion.

The Company is in compliance with regulation 4(2)(g) of the SEBI ICDR Regulations as it has made firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the proposed Issue. As per the audited restated standalone financial statements, as on March 31, 2011, the Company's free reserves stood at Rs. 2,100.24 mn.

Details of the Objects of the Issue

1. Setting up of Cinemas

With a view to expand its presence in the segment of Cinemas, the Company intends to use part of the proceeds from this Issue to set up new cinemas in 15 locations across India with 51 screens and approximately 13,840 seating capacity. Out of these, the Company proposes to set up Cinemas at four locations with 15 screens with 4,090 seating capacity in FY2012; and the balance 11 locations with 36 screens with 9,750 seating capacity in FY2013. Out of the total 51 screens the company plans to open three screens in Tier I cities, 26 screens in Tier II cities and 22 screens in Tier III cities. Presently, the Company operates in 11 locations with 30 screens with a seating capacity of 7,608 seats.

Methodology for Computation of Estimated Cost

The estimated cost of setting up of Cinemas mainly comprises of expenditure on security deposit and advance lease rent for the property, carrying out of building works / carrying out fit-outs in the leased premises, procurement of cinema furniture and fixtures, projectors and sound systems, internal electrification, installation of screens, installation of air conditioning systems, procurement of concession equipments etc.

Estimated Expenditures:

(Rs. in million)

Sr. No.	Asset Classification	FY 2011-12	FY 2012-13	Total
1	Building & Acoustic Work	90.68	218.76	309.44
2	Furniture and Fixtures	66.77	162.1	228.87
3	Plant & Machinery	89.25	223.36	312.61
4	Miscellaneous Assets	1.50	3.60	5.10
5	Security Deposit	11.41	28.77	40.18
6	Contingencies (@ 5%)	12.41	30.39	42.80

Sr. No.	Asset Classification	FY 2011-12	FY 2012-13	Total
7	Pre-operative and Project Management Service Expense	21.1	51.66	72.76
	Total	293.12	718.64	1011.76

Basis of the Expenditure

(Rs. in million)

Sr. No.	Asset/Scope of Work	Name of the vendor	Date of Quotation	Total Cost
A	Building			
	Civil Work & Acoustic	M/s Marz Contracts Pvt. Ltd.	June 24, 2011	210.25
	Interior work	M/s Mirza Projects	June 24, 2011	99.19
	Subtotal (A)			309.44
B	Furniture and Fixtures			
	Internal Electrical works including Light fixture, UPS etc.	M/s Xpert Electricals	June 24, 2011	105.79
	Step Lighting	M/s Axis Lighting & Control	June 24, 2011	5.17
	Scaffolding + lighting during construction	Company estimates		9.65
	Carpet	M/s Capital Enterprises	June 24, 2011	29.30
	Seats	M/s Kundan Chairs Pvt. Limited	June 27, 2011	59.83
	Signages/displays etc.	Company estimates		6.38
	Office Furniture/ Interior of Office & Ticket Booth etc.	M/s Lord in Decor	June 25, 2011	6.38
	Concession stands	M/s Lord in Decor	June 25, 2011	6.38
	Subtotal (B)			228.87
C	Plant & Machinery			
	Air conditioning/HVAC - Supply, Installation, Testing & Commissioning of Ducting, Acoustic, Insulation, piping, diffusers, grills, ventilation of toilets etc.	M/s Weather Comfort Engineers Pvt. Ltd.	June 24, 2011	32.63
		M/s Mirza Projects	June 24, 2011	19.25
	Projection-Digital/analog projectors, E-Cinemas. Sound System - QA/ Martin Audio/ Dolby/ Pulz etc.	M/s Monee & Company, for projectors. M/s Cinerama Pvt. Ltd. for sound systems	June 24, 2011	148.79
	Screen (Harkness or equivalent), masking & frame etc.	M/s Cinerama Pvt. Ltd.	June 24, 2011	5.67
	Concession Equipments	Banaco Overseas; Kitchenrama; Empire safe Company; I.Q. Enterprises India Pvt. Ltd., Wang Professionals; Security Equipments India, Pioneer Aluminium Pvt Ltd, Precision Electronic	June, 2011	24.80
	Equipments such as water cooler, RO Plant, split AC etc.	Sidwal Refrigerations Industries Limited, Adwyn Chemicals Pvt. Limited, Weather Confort	June 2011	3.18

Sr. No.	Asset/Scope of Work	Name of the vendor	Date of Quotation	Total Cost
		Engineers		
	Fire Fighting, Fire Detection	M/s Firepro Systems Pvt. Ltd.	June 24, 2011	30.02
		M/s Kalakriti Engineers India Limited	June 25, 2011	22.77
	Software & IT – this include CCTV, Software, access control, attendance marking & server etc.	Protek System, Micro World, Superior System, Shiva Communication, Ascension Technocrats, Sai Labels, Big Tree Entertainment Pvt. Limited, IT Solutions India Pvt. Limited, Yash Infotech, Iris Unified Technology	June, 2011	25.50
	Subtotal (C)			312.61
D	Miscellaneous Assets			
	Security & Store during execution	Company estimates		5.10
	Subtotal (D)			5.10
E	Security Deposit – Company estimates			40.18
F	Contingencies @ 5%			42.80
G	Pre-operative and Project Management Service Expense			72.76
	Grand Total (A+B+C+D+E+F+G)			1,011.76

Implementation Schedule

Particular	Original Schedule		Revised Schedule	
	Commencement date	Expected date of completion for all cinemas	Commencement date	Expected date of completion for all cinemas
Identification and possession of leased properties	November 2010	September 2011	August 2011	June 2012
Starting of the Fit-out Works	December 2010	October 2011	September 2011	July 2012
Placement of order for Plant & Machinery including Screens and Furniture & Fixtures	December 2010	October 2011	September 2011	July 2012
Delivery of Plant & Machinery and Furniture & Fixtures	January 2011	November 2011	October 2011	August 2012
Installation of Plant & Machinery, Furniture & Fixtures and Other Operating Equipments	February 2011	February 2012	November 2011	November 2012
Soft opening and commissioning of cinemas	March 2011	March 2012	December 2011	December 2012
Final opening for the public	March 2011	March 2012	December 2011	December 2012

2. Setting up of Food Courts and Restaurants

As on June 15, 2011, the Company operates 11 food courts, three fine dining restaurants and one banquet and proposes to set up 33 additional food & beverages outlets with an estimated area of 181,500 sq. ft. The expansion plan of the food & beverages division is detailed below:

No. of Units	FY 2011-12	FY 2012-13	Total
SRS 7 dayz Food Court (Average Size 5,000 sq.ft.)	2	16	18
SRS 7 dayz Food Court (Average Size 10,000 sq.ft.)	2	4	6
Punjabi Haandi – Fine Dining format (Average Size 3,500 sq. ft.)	2	7	9
Total	6	27	33

Estimated expenditures:

(Rs. in million)

Sr. No.	Asset Classification	FY 2011-12	FY 2012-13	Total
1	Building	23.72	69.49	93.21
2	Furniture and Fixtures	20.16	58.06	78.22
3	Plant & Machinery	34.05	110.18	144.23
4	Miscellaneous Assets	5.07	15.12	20.19
5	Security Deposit	4.65	13.67	18.32
6	Contingencies (@ 5%)	4.15	12.64	16.79
7	Pre-operative and Project Management Service Expense	7.05	21.50	28.55
	Total	98.85	300.66	399.51

Basis of the Expenditure

(Rs. in million)

Sr. No.	Asset/Scope of Work	Name of the vendor	Date of Quotation	Total
A	Building			
	Flooring, ceiling, serving counter, kitchen, wall paneling, partition, minor aluminum works, and entry gate etc.	M/s Mirza Projects	June 24, 2011	93.21
	Subtotal (A)			93.21
B	Furniture and Fixtures			
	Internal wiring, making of electrical points, sub-main wiring Cabling, Panel & Distribution Boards, Supply & fixing of Light Fixtures	M/s Xpert Electricals	June 24, 2011	13.98
		M/s A.K. Electrical Works	June 24, 2011	22.50
		M/s Jai Durga Projects	June 24, 2011	9.48
	Furniture & Fixtures	Unique Office Zone	June 25, 2011	32.26
	Subtotal (B)			78.22
C	Plant & Machinery			
	Air conditioning/HVAC - Ducting, piping, duct insulation, SITC of diffusers, grills etc.	M/s Mirza Projects	May 24, 2011	8.22
	Air conditioning/HVAC - Supply, Installation, Testing & Commissioning of Ducting, Acoustic, Insulation, piping, diffusers, grills etc.	M/s Global Aircon	June 25, 2011	16.40
	IT infrastructure	Protek System, Micro World, Superior System, Shiva Communication, Prologic First India, Sai	June 2011	29.76

Sr. No.	Asset/Scope of Work	Name of the vendor	Date of Quotation	Total
		Labels, Iris unified Technology, IT Solutions India Pvt. Limited, Samsung		
	Kitchen Equipment, air-washers, scrubbers etc.	Guru Kripa Bartan Bhandar, Vanya Industrial Equipments, Ignis and Icicle Technologies, Elite Refrigerations Pvt. Limited, Western Refrigerations Pvt. Limited, Top line food Equipment Pvt. Limited, Adwyn Chemicals Pvt. Ltd. Crystal Air System and Sidwal Refrigeration Industries	June 2011	89.85
	Subtotal (C)			144.23
D	Miscellaneous Assets			
	Fire Fighting & Detection- SITC of Fire Fighting System which includes piping works, sprinklers, valves, Fire House cabinets, Hose reels, etc.	Ms/ Kalakriti Engineers India Limited	June 25, 2011	6.42
	Fire Fighting & Detection- SITC which includes piping works, sprinklers, valves, Fire House cabinets, smoke detectors, heat detectors, Manual Call Point, Hooters, etc.	Ms/ Kalakriti Engineers India Limited	June 25, 2011	13.77
	Subtotal (D)			20.19
E	Security Deposit			18.32
F	Contingencies @ 5%			16.79
G	Pre-operative and Project Management Service expense			28.55
	Grand Total(A=B+C+D+E+F+G)			399.51

Implementation Schedule for Setting up Food and Beverages Outlets

Particular	Original Schedule		Revised Schedule	
	Commencement date	Expected date of completion for all units	Commencement date	Expected date of completion for all units
Identification and possession of leased properties	November 2010	September 2011	August 2011	June 2012
Starting of the Civil Work	December 2010	October 2011	September 2011	July 2012
Placement of order for Plant & Machinery and Furniture & Fixture	December 2010	November 2011	September 2011	August 2012
Delivery of Plant & Machinery and Furniture & Fixtures	January 2011	December 2011	October 2011	September 2012
Installation of Plant & Machinery and Furniture & Fixtures	February 2011	February 2012	November 2011	November 2012
Soft opening and	March 2011	March 2012	December 2011	December

Particular	Original Schedule		Revised Schedule	
	Commencement date	Expected date of completion for all units	Commencement date	Expected date of completion for all units
commissioning of outlet				2012
Final opening for the public	March 2011	March 2012	December 2011	December 2012

3. Setting up of Retail Stores

As on June 15, 2011, the Company operates 23 stores spread over 132,254 sq. ft. under the brand names of SRS Value Bazaar and SRS Fashion Wear. The Company intends to utilize a part of the proceeds from this Issue to set up 29 new stores in various locations across India with total estimated area of 290,000 sq. ft. Out of this, the Company proposes to set up 9 retail stores with an approximate area of 10,000 sq. ft. each in FY2012; and 20 stores with an approximate area of 10,000 sq. ft. each in FY2013.

The expansion plan for the retail division is detailed below:

Particulars	FY 2011-12	FY 2012-13	Total
No of Stores			
SRS Value Bazaar	6	16	22
SRS Fashion Wear	3	4	7
Total	9	20	29

Estimated expenditures:

(Rs. in million)

Sr. No.	Asset Classification	FY 2011-12	FY 2012-13	Total
1	Building	45.75	95.96	141.71
2	Furniture and Fixtures	46.99	100.66	147.65
3	Plant & Machinery	36.44	87.64	124.08
4	Miscellaneous Assets	10.74	24.00	34.74
5	Security Deposit	9.00	19.20	28.20
6	Contingencies (@ 5%)	7.00	15.41	22.41
7	Pre-operative and Project Management Service Expense	11.89	26.20	38.09
	Total	167.81	369.07	536.88

Basis of the Expenditure

(Rs. in million)

Sr. No.	Asset/Scope of Work	Name of the Vendor	Date of Quotation	Total
A	Building			
	Flooring, false ceiling, General interior works, wall paneling, show windows etc. etc	M/s Mirza Projects	June 24, 2011	141.71
	Subtotal (A)			141.71
B	Furniture and Fixtures			
	Internal wiring, making of electrical points, sub-main wiring Cabling, Panel & Distribution Boards, Supply & fixing of Light Fixtures	M/s Xpert Electricals	June 24, 2011	20.79
		M/s A.K. Electrical Works	June 24, 2011	49.50
	Display systems, fixtures etc.	BRV Retail Solutions	June 24, 2011	22.36
		Adarsh Udyog; , Wanzl	June 24, 2011 &	55.00

Sr. No.	Asset/Scope of Work	Name of the Vendor	Date of Quotation	Total
			June 25,2011	
	Subtotal (B)			147.65
C	Plant & Machinery			
	Air-conditioning/HVAC - Supply, Installation, Testing & Commissioning of Ducting, Acoustic, Insulation, piping, diffusers, grills etc.	M/s Global Aircon,	June 25, 2011	39.15
	IT infrastructure	Protek System, Micro World, Superior System, Shiva Communication, Sentinal Alarm Mon, Sai Labels, Iris unified Technology, IT Solutions India Pvt. Limited, Sapphire Technology, Mettler Toledo	June, 2011	28.90
	Equipment	Company Estimates		0.25
		Arneg India Pvt. Ltd.; Hrithika Weighing Systems	June 24, 2011, June 24, 2011	55.78
	Subtotal (C)			124.08
D	Miscellaneous Assets			
	Fire Fighting & Detection-SITC of m which includes piping works, sprinklers, valves, Fire House cabinets, smoke detectors, heat detectors, Manual Call Point, Hooters, etc.	M/s L tech Power Systems and Firepro Systems Pvt. Limited	June 24, 2011 & June 24, 2011	34.74
	Subtotal (D)			34.74
E	Security Deposit			28.20
F	Contingencies @5%			22.41
G	Pre-operative and Project Management Service expense			38.09
	Grand Total (A+B+C+D+E+F+G)			536.88

Implementation Schedule for setting up Retail Stores

Particular	Original Schedule		Revised Schedule	
	Commencement date	Expected date of completion for all stores	Commencement date	Expected date of completion for all stores
Identification and possession of leased properties	November 2010	September 2011	August 2011	June 2012
Starting of the Fit-out Works	December 2010	October 2011	September 2011	July 2012
Placement of order for Plant & Machinery including screens and Furniture & Fixtures	December 2010	October 2011	September 2011	July 2012
Delivery of Plant & Machinery and Furniture & Fixtures	January 2011	December 2011	October 2011	September 2012
Installation of Plant & Machinery , Furniture &	February 2011	February 2012	November 2011	November 2012

Particular	Original Schedule		Revised Schedule	
	Commencement date	Expected date of completion for all stores	Commencement date	Expected date of completion for all stores
Fixtures and Other Operating Equipments				
Soft opening and commissioning of multiplexes	March 2011	March 2012	December 2011	December 2012
Final opening for the public	March 2011	March 2012	December 2011	December 2012

4. Setting up of (a) Jewellery Manufacturing Facility and (b) Jewellery Retail Stores

(a) Jewellery Manufacturing Facility

The Company proposes to setup an export oriented manufacturing facility at an area of 1,800 sq. mts. with an estimated cost of Rs. 92.36 mn. The Company had made an application on June 1, 2010 to The Development Commissioner, Noida Special Economic Zone, for allotment of leasehold land measuring 600 sq. mts. out of the total requirement of 1,800 sq. mt. Against the said application, the Company has received leasehold rights from the Office of the Development Commissioner, NOIDA SEZ, Department of Commerce, Ministry of Commerce and Industry, Government of India vide Letter of approval No.07/05/2010-PROJ/5364 dated July 19, 2010 for land measuring 645 sq. mts. at Noida Special Economic Zone. The Company received Registration cum Membership Certificate from Dy. Development Commissioner, NSEZ on January 5, 2011 and the commercial production has commenced in April, 2011. The Company is yet to apply for the leasehold rights for the balance land measuring 1,155 sq. mts.

Estimated Expenditure:

(Rs. in million)

Sr. No.	Asset Classification	FY 2010-11	FY 2011-12	Total
1	Land	4.29	10.65	14.94
2	Civil Works & Building	-	14.59	14.59
3	Furniture and Fixtures	0.23	16.05	16.28
4	Plant & Machinery	1.30	38.81	40.11
5	Miscellaneous Assets	-	3.61	3.61
6	Contingencies (@ 5%)	-	1.09	1.09
7	Pre-operative Expense	0.09	1.65	1.74
	Total	5.91	86.45	92.36

The Company has already taken possession of the land measuring 645 sq. mts., installed one machine and started commercial production. However, the Company proposes to develop the aforesaid unit as full fledged manufacturing facility and purchase plant and machinery and fixed assets as given below, including, setting up of manufacturing facility on the remaining 1,155 sq. mts., for which land is yet to be acquired.

Basis of the Expenditure

The basis of expenditure for the remaining Rs. 86.45 mn. is as follow:

(Rs. in million)

Sr. No.	Particulars	Details	Name of the Vendor	Date of Quotation	Total
A	Land (Lease hold rights)	To apply for 1,155 sq. mts. area at Noida SEZ	Company Estimates		10.65
	Sub total (A)				10.65
B	Building				

Sr. No.	Particulars	Details	Name of the Vendor	Date of Quotation	Total
	Civil Work, Building & External Development	Cost of structure-including basement-RCC framed structure , construction of Strong Room and external development	Architect Estimate by M/s Gautam & Gautam Associates	June 24, 2011	13.19
	Plumbing Work	Work related to Borewell, Rainwater Harvesting, Supply of Sanitary Fixtures, STP, Supply of RO Plant, Pumps, Pumps Panels etc.	Architect Estimate by M/s Gautam & Gautam Associates	June 24, 2011	1.40
	Sub total (B)				14.59
C	Furniture & Fixtures				
	Furniture & Fixtures	Interiors of facility including furnishing of office, reception area, lockers for workers, pantry etc.	Architect Estimate by M/s Gautam & Gautam Associates	June 24, 2011	5.23
	HVAC Work	Complete HVAC work including low side, high side, equipments and basement ventilation, pressurisation etc.	M/s Weather Comfort Engineers Pvt. Ltd.	June 24, 2011	4.74
	Electrical	Complete internal and external Electrical standbyandbye power system, UPS, invertors for emergency supply, fittings and fixtures.	M/s Xpert Electricals	June 24, 2011	6.08
	Sub total (C)				16.05
D	Miscellaneous Fixed Assets:				
	Fire Fighting Equipments	CCTVs, DVRs, access control, data cables, fire Alarm system, fire fighting works, fire suppression systems, hand held fire fighting equipments etc. etc.	M/s United Engineering Works	May 05, 2011	3.61
	Sub total (D)				3.61
E	Plant & Machinery	Box Machine, Hollow Box Machines, Side Cut Machines, Curb Chain Machines, Hammering Machine, Soldering Machine, Soldering Torch Machine, Diamond Cutting Machine, Hydraulic Press and Hand Press.	M/s Sakshi Enterprise Ltd.	June 28, 2011	6.25
		Diamond Jewellery Machine	M/s Sakshi Enterprise Ltd.	June 28, 2011	18.96
		Gold Alloy Analyzer	M/s Sakshi Enterprise Ltd.	June 28, 2011	1.10
		SPM 7 Axis CNC Machine, Lazer Zig Zag type Cutting	M/s Sakshi Enterprise	June 28, 2011	12.50

Sr. No.	Particulars	Details	Name of the Vendor	Date of Quotation	Total
		& Faceting Machine, Kanas Faceting Machine, Sheet & Wire Rolling Machine, Spring and Rava Dies, Diamond cutting tools, Bangle Sizing, Bending, Turning Machine, Buff Polishing Machine.			
	Sub total (E)				38.81
F	Pre-operative and Project Management Service Expense				1.65
G	Contingencies				1.09
	Total (A+B+C+D+E+F+G)				86.45

Implementation Schedule for the proposed Manufacturing Unit

Particular	Original Schedule		Revised Schedule	
	Commencement date	Expected date of completion	Commencement date	Expected date of completion
Leasehold rights for remaining 1,155 sq. mts. at Noida SEZ	November 2010	January 2011	August 2011	October 2011
Approval of plans	February 2011	March 2011	April 2011	December 2011
Starting of the Civil Work	April 2011	October 2011	April 2011	January 2012
Placement of order for Plant & Machinery and Furniture & Fixtures	June 2011	July 2011	April 2011	January 2012
Delivery of Plant & machinery and Furniture & Fixtures	July 2011	October 2011	April 2011	February 2012
Installation of plant & Machinery and Furniture & Fixtures	August 2011	November 2011	April 2011	March 2012
Opening and Commissioning of Factory	November 2011	December 2011	April 2011	March 2012

(b) Jewellery Retail Stores

The Company operates three retail outlets located at Delhi, Faridabad and Palwal with a total area of 6,100 sq. ft. It plans to expand its presence by opening 17 new jewellery retail outlets with a total area of 25,500 sq. ft. by the end of FY 2013 at an estimated cost of Rs. 74.68 mn.

Estimated Expenditure for Jewellery Retail Stores that Company Proposes to Incur shall be as follows:

(Rs. in million)

Sr. No.	Asset Classification	FY 2011-12	FY 2012-13	Total
1	Building	4.80	15.60	20.40
2	Furniture & Fixtures	3.57	11.60	15.17
3	Plant & Machinery	5.35	17.40	22.75
4	Miscellaneous Fixed Assets	0.97	3.13	4.10
5	Security Deposit	0.90	2.93	3.83
6	Contingencies (@ 5%)	0.73	2.39	3.12
7	Pre-operative and Project Management Services Expense	1.25	4.06	5.31
	Total	17.57	57.11	74.68

Basis of the Expenditure

(Rs. in million)

Sr. No.	Asset/Scope of Work	Name of the vendor	Date of Quote	Total
A	Building			
	Flooring, false ceiling, General interior works, wall paneling, show windows etc.	M/s Mirza Projects	June 24, 2011	20.40
	Subtotal (A)			20.40
B	Furniture and Fixture			
	Internal wiring, making of electrical points, sub-main wiring Cabling, Panel & Distribution Boards, Supply & fixing of Light Fixtures	M/s Jai Durga Projects	June 24, 2011	8.80
	Display systems, fixtures etc.	M/s Lord & Decor	June 25, 2011	6.37
	Subtotal (B)			15.17
C	Plant & Machinery			
	Air-conditioning/HVAC - Supply, Installation, Testing & Commissioning of Ducting, Acoustic, Insulation, piping, diffusers, grills etc.	M/s Weather Comfort Engineers Pvt. Ltd.	June 24, 2011	2.75
	IT infrastructure	Protek System, Micro World, Superior System, Shiva Communication, Sentinal Alarm Mon, Iris unified Technology, IT Solutions India Pvt. Limited, Mettler Toledo , Samsung , Jewellery Systems	June, 2011	13.02
	Equipment	M/s Punjab Tools; Vishal Safe; M/s Hrithika Weighing Systems	June 24, 2011	6.98
	Subtotal (C)			22.75
D	Miscellaneous Assets			
	Fire Fighting & Detection- SITC of m which includes piping works, sprinklers, valves, Fire House cabinets, smoke detectors, heat detectors, Manual Call Point, Hooters, etc.	M/s Firepro Systems Pvt. Ltd.	June 24, 2011	4.10
	Subtotal (D)			4.10
E	Security Deposit			3.83
F	Contingencies (@ 5%)			3.12
G	Pre-operative and Project Management Services Expense			5.31
	Grand Total(A+B+C+D+E+F+G)			74.68

Implementation Schedule for setting up the proposed Jewellery Retails Stores

Particular	Original Schedule		Revised Schedule	
	Commencement date	Expected date of completion for all units	Commencement date	Expected date of completion for all units
Identification and acquiring the properties	February 2011	September 2011	August 2011	June 2012
Starting of the Civil and interior works	April 2011	October 2011	September 2011	July 2012
Placement of order for Plant & Machinery and Furniture & Fixture	April 2011	November 2011	September 2011	July 2012
Delivery of Plant & Machinery and Furniture & Fixture	May 2011	December 2011	October 2011	September 2012
Installation of Plant & Machinery and Furniture & Fixture	June 2011	February 2012	November 2011	November 2012
Soft opening and commissioning of store	August 2011	March 2012	December 2011	December 2012
Final opening for the public	August 2011	March 2012	December 2011	December 2012

For expansion of its business operations, the Company has identified the following cities where it will be opening cinemas, food courts / restaurants and retail stores.

Sr. No.	Cities	Sr. No.	Cities	Sr. No.	Cities
1	Ahmedabad	11	Gwalior	21	Mohali
2	Ambala	12	Gurgaon	22	Nasik
3	Amritsar	13	Hoshiarpur	23	Palwal
4	Bangalore	14	Indore	24	Panipat
5	Bhiwadi	15	Jabalpur	25	Patiala
6	Bhopal	16	Jaipur	26	Raipur
7	Chandigarh	17	Jalandhar	27	Rewari
8	Dehradun	18	Kanpur	28	Rudrapur
9	Faridabad	19	Ludhiana	29	Ujjain
10	Ghaziabad	20	Meerut	30	Varanasi

5. General Corporate Purposes

The Company intends to deploy the surplus Issue proceeds, if any, aggregating Rs. [●] million, towards General Corporate Purposes, including, but not restricted to entering into brand building exercises and strengthening its marketing capabilities or contingencies in ordinary course of business which may not be foreseen or any other purposes as approved by its Board of Directors. The management, in accordance with the policies of the Board of Directors of the Company, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

6. Issue Related Expenses

The expenses of the Issue include, among others, underwriting and management fees, selling commission, fees payable to the Registrars to the Issue, stationery printing & distribution expenses, legal fees, statutory advertisement expenses, NSDL / CDSL connectivity charges, charges for book building platform for bidding, fees payable to SEBI and listing fees etc. The total expenses of the Issue are estimated to be approximately Rs. [●] million. The estimated expenses of the Issue are as follows:

(Rs. in million)

Activity	Expenses*	As a % of Total Issue Expenses	As a % of Total Issue Size
Issue Management Fees, Underwriting & Selling Commission	[●]	[●]	[●]
Advertisement & Marketing Expenses	[●]	[●]	[●]
Printing Stationery & Distribution Expenses	[●]	[●]	[●]
Registrars Fee	[●]	[●]	[●]
Others including Legal Advisors Fee, Auditors Fee, IPO Grading fees, Regulatory Fees including filing fees paid to SEBI and Stock Exchanges etc.	[●]	[●]	[●]
Total Estimated Issue Expenses	[●]	[●]	[●]

* will be incorporated at the time of filing of the prospectus.

Working Capital Requirement

The proceeds from this Issue will not be used to meet the working capital requirements of the Company as it expects to avail debt and / or draw down from its existing or new lines of credit to meet its existing working capital requirements.

Deployment of Funds

The Company has incurred an amount of Rs. 22.16 mn. upto June 15, 2011 as certified by M/s. Naresh Jai & Associates, Chartered Accountants (Membership No. 501487), vide their certificate dated June 17, 2011.

The above funds have been deployed from the internal accruals generated by the Company.

Interim Use of Funds

Pending utilization of the funds, for the purposes described above, the Company intends to temporarily invest the funds in interest bearing liquid instruments including money market mutual funds, deposits with banks or it may temporarily utilize the proceeds for reducing outstanding loans / debt, if any. Such investments and other utilizations would be in accordance with investment policies approved by the Board of Directors or any Committee thereof duly empowered in the Company, from time to time.

Monitoring Utilization of Funds

Pursuant to Clause 49 of the Listing Agreement, the Audit Committee of the Board of the Company will monitor the utilization of the proceeds of the Issue. The Company shall disclose to the Audit Committee, the uses and application of funds under the heads as specified above, on a quarterly basis as a part of the quarterly declaration of financial results. Further, on an annual basis, the Company shall prepare a statement of funds utilized for purposes other than those stated in the Prospectus, if any, and place it before the Audit Committee. Such disclosure shall be made only till such time that the full money raised through this Issue has not been fully spent. This statement shall be certified by the Statutory Auditors of the Company. The Audit Committee shall make appropriate recommendations to the Board of Directors of the Company to take up steps in this matter.

No part of the proceeds from this Issue will be paid by the Company as consideration to the Promoters, the Directors, Promoter Group, Group Entities or Key Managerial Personnel, except in the normal course of the business as disclosed under Section titled “**Promoters and Promoter Group**” and “**Key Managerial Personnel**” on page 152 and 148 of this Red Herring Prospectus.

Bridge Financing Facilities

The Company has not raised any bridge loan against the proceeds of the Issue.

BASIS FOR ISSUE PRICE

Investors should read the following summary along with the section titled **“Risk Factors”** and **“Financial Information”** on pages xii and 198 respectively, of this Red Herring Prospectus, to get a more informed view before making the investment decision. The trading price of the Equity Shares of the Company could decline due to these risks and you may lose all or part of your investments.

The Issue Price will be determined by the Company in consultation with BRLMs on the basis of assessment of market demand and on the basis of the following Qualitative and Quantitative factors for the Equity Shares offered through the Book Building Process. The face value of the Equity Shares is Rs. 10/- and the Issue Price is [●] times the face value of the Issue price.

Qualitative Factors

- The Company’s portfolio comprises of diversified businesses.
- The Company’s cinemas, food courts & restaurants are located at high catchment areas.
- The Promoters’ have experience and expertise in the businesses in which they operates.
- Experienced senior management team with relevant experience

For the qualitative factors, please refer to section titled, **“Business Overview”** on page 85 of this Red Herring Prospectus.

Quantitative Factors

The information presented in this section for the years ended March 31, 2009, 2010 and 2011, is derived from the restated audited financial statements of the Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the ICDR Regulations. For details, please refer **“Financial Information”** on page 198 of this Red Herring Prospectus.

Investors should evaluate the Company taking into consideration its earnings and based on its consolidated growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

1. Basic and Diluted Earnings per Share (“EPS”) (on the basis of Standalone Restated Financial Statements)

Financial Year ended	Weightage	Basic EPS (Rs.)	Diluted EPS (Rs.)
March 31, 2009*	1	0.60	0.60
March 31, 2010	2	2.55	2.55
March 31, 2011	3	3.59	3.59
Weighted Average		2.75	2.75

*The calculations have been made with respect to the adjusted face value of Rs. 10/- per Equity Share (as the face value of Equity Shares for a part of the period during the year was Re. 1/- per Equity Share).

2. Basic and Diluted Earnings per Share (“EPS”) (on the basis of Consolidated Restated Financial Statements)

Financial Year ended	Weightage	Basic EPS (Rs.)	Diluted EPS (Rs.)
March 31, 2010	1	2.55	2.55
March 31, 2011	2	3.60	3.60
Weighted Average		3.25	3.25

Notes:

- Earnings per share calculations are in accordance with Accounting Standard – 20 ‘Earnings per Share’ issued by the Institute of Chartered Accountants of India.
- The face value of each Equity Share is Rs. 10/-.
- Earnings figures used are those after extra-ordinary items.

- d. The Basic earnings per share (Rs.) are calculated by dividing the net profit after tax for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the period.
- e. The Diluted earnings per share (Rs.) have been computed by dividing net profit after tax, as restated, attributable to equity shareholders by weighted average number of dilutive potential Equity Shares outstanding during the period.

3. Price Earnings Ratio ('P/E Ratio') in relation to Issue Price of Rs. [●] per share of Rs. 10/- each

Particulars	At the Floor Price of Rs. [●]	At the Cap Price of Rs. [●]
Based on weighted average EPS	[●]	[●]
Based on EPS as on March 31, 2011	[●]	[●]

4. Return on Net-worth (RONW) (on the basis of Standalone Restated Financial Statements)

Financial year	RONW (%)	Weightage
March 31, 2009	2.61	1
March 31, 2010	9.45	2
March 31, 2011	11.94	3
Weighted Average RONW	9.56	

5. Return on Net-worth (RONW) (on the basis of Consolidated Restated Financial Statement)

Financial year	RONW (%)	Weightage
March 31, 2010	9.45	1
March 31, 2011	11.98	2
Weighted Average RONW	11.14	

Minimum Return on Total Net-worth needed after the Issue to maintain EPS (as on March 31, 2011) at Rs. [●] is [●] %

6. Net Asset Value ('NAV') per Equity Share

NAV as at March 31, 2011 (on the basis of Standalone Restated Financial Statements)	Rs. 30.02 per Equity Share
NAV as at March 31, 2011 (on the basis of Consolidate Restated Financial Statements)	Rs. 30.03 per Equity Share
NAV after the Issue (on the basis of Standalone Restated Financial Statements)	Rs. [●] per Equity Share
NAV after the Issue (on the basis of Consolidated Restated Financial Statements)	Rs. [●] per Equity Share
Issue Price*	Rs. [●] per Equity Share

*Issue Price per share will be determined on conclusion of book building process

7. Industry Price Earnings Ratio (P/E Ratio):

Particulars	Entertainment/ Electronic Media software (for Cinema Exhibition)	Textiles- Products (for Retail)	Hotel (for Food Court)	Diamond Cutting / Jewellery (for Jewellery)
Highest	38.0	72.2	80.8	49.0
Lowest	9.4	2.3	6.5	2.7
Average	19.3	20.4	30.7	9.6

(Source: Capital Market Vol. XXVI/09, June 27– July 10, 2011)

Comparison of Accounting Ratios of the Company with Industry Average and Accounting Ratios of Peer Group for Financial Year 2011.

The Company cannot be compared directly with any (one) other listed companies as the Company is operating in four different segments. Hence, a segment-wise peer comparison is provided:

Entertainment/ Electronic Media software (for Cinema Exhibition)

Company	Year/Period ended	Face Value (Rs.)	EPS (Rs.)	P/E	NAV (Rs.)	RONW (%)
Cinemax India	March 31, 2011	10	-	-	49.8	4.3
Fame India	March 31, 2011	10	0.6	-	19.7	-7.9

(Source: Capital Market Vol. XXVI/09, June 27– July 10, 2011)

Textiles - Products (for Retail)

Company	Year/Period ended	Face Value (Rs.)	EPS (Rs.)	P/E	BV (Rs.)	RONW (%)
Trent	March 31, 2011	10	22.5	46.3	531.7	5.1

(Source: Capital Market Vol. XXVI/09, June 27– July 10, 2011)

Hotel (for Food Courts / Restaurants)

Company	Year/Period ended	Face Value (Rs.)	EPS (Rs.)	P/E	BV (Rs.)	RONW (%)
Sayaji Hotels	March 31, 2011	10	2.0	56.6	55.0	(0.6)
Kamat Hotels	March 31, 2011	10	0.9	-	126.9	1.1
Sinclairs Hotels	March 31, 2011	10	8.6	33.6	126.9	5.4

(Source: Capital Market Vol. XXVI/09, June 27– July 10, 2011)

Diamond Cutting / Jewellery (for Jewellery)

Company	Year/Period ended	Face Value (Rs.)	EPS (Rs.)	P/E	BV (Rs.)	RONW (%)
Renaissance Jewellery	March 31, 2011	10	17.3	6.1	136.0	10.6
Thangamayil Jewellery	March 31, 2011	10	22.0	7.3	71.6	36.2

(Source: Capital Market Vol. XXVI/09, June 27– July 10, 2011)

The Issue Price will be determined by the Company, in consultation with the BRLMs, on the basis of assessment of market demand from the potential investors for the Equity Shares through the Book Building Process. The face value of the Equity Shares is Rs.10/- each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

The BRLMs believe that the Issue Price of Rs. [●] is justified in view of the above qualitative and quantitative parameters. For further details, please refer section titled “**Risk Factors**” on page xii and the financials statements of the Company including important profitability and return ratios, as set out in the Auditor’s Report under section titled “**Financial Information**” on page 198 of this Red Herring Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,

Board of Directors,

SRS Limited,

SRS Multiplex, Sector-12,

Faridabad -121 007.

Dear Sirs,

Statement of Possible Tax Benefits available to the Company and its shareholders

We hereby report that the enclosed annexure, prepared by **SRS Limited** (the Company) states the possible tax benefits available to the Company and shareholders of the Company under the Income-tax Act, 1961 and Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. The preparation of the contents stated in the enclosed Annexure is the responsibility of the Company's management. We are informed that this annexure is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

- i. the conditions prescribed for availing the benefits, where applicable have been / would be met with; or
- ii. the Company or its shareholders will continue to obtain these benefits in future.

The contents of the enclosed annexure and our opinion are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

For **S.S. Kothari Mehta & Co.**

Chartered Accountants

Firm registration no: 00756N

Naveen Aggarwal

Partner

Membership No. 094380

Place: New Delhi

Date: 25th May 2011

ANNEXURE TO STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares, under the tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

The Income Tax Act, 1961 is revised by the Finance Act every fiscal year. The following is based on the provisions of Indian tax laws as of the date hereof, which are subject to change, possibly on a retroactive basis. This summary is not intended to constitute a complete analysis of the Indian tax consequences to any particular shareholders. Individual tax consequences of an investment in Equity Shares may vary for Non-Residents in various circumstances, and potential investors should therefore consult their own tax advisers as to the tax consequences of such purchase, ownership and disposition under the tax laws of India, the jurisdiction of their residence and any tax treaty between India and their country of residence.

The stated benefits will be available only to the sole/first named holder in case the shares are held by the joint shareholders.

UNDER THE INCOME TAX ACT, 1961 (THE ACT)

A. BENEFITS AVAILABLE TO THE COMPANY

I. Special Tax Benefits available to the Company

1. Deduction Under Section 10AA

The company can claim a deduction of 100% of Profits & Gains derived from export of articles or things manufactured by it at its units in 'Special Economic Zone' under section 10AA of the Income Tax Act for a period of five years starting from the year in which the unit begins to manufacture such articles or things. The company can also claim a deduction of upto 50% of such Profits for next five year. The above deductions are available only upon satisfaction of the condition specified in aforesaid section by the Company.

There are no other special tax benefits available to the Company such as benefits available u/s 10A, 10B, 80IA, 80IC of the Act. The said sections are illustrative and not exhaustive.

II. Business Income

1. Depreciation

- 1.1. Under Section 32 of the Act, the company can claim depreciation allowance at the prescribed rates on tangible assets such as building, plant and machinery, furniture and fixtures, etc. and intangible assets such as patent, trademark, copyright, know-how, licenses etc.
- 1.2. In respect of new machinery or plant (other than ships and aircraft) which has been acquired and installed after 31st March 2005 for manufacturing facilities, the company is entitled to a further sum of 20% of the actual cost of such machinery or plant subject to condition specified in section 32 of the Act.

1.3 Unabsorbed depreciation

As per the provisions of section 32(2) of the Act, where full allowance cannot be given to the depreciation allowance in any year, the same can be carried forward and claimed in the subsequent years.

2. **Amortization of Preliminary Expenses**

The Company will be entitled to a deduction equal to 1/5th of the expenditure incurred of the nature and amounts specified in section 35D of the Act, including expenditure incurred on present issue such as underwriting commission, brokerage and other charges as specified, by way of amortization over a period of five successive years, after the commencement of the business in connection with the extension of undertaking or in connection with the setting up of new unit. [Section 35D of the Act].

3. **Credit of Minimum Alternate Tax (MAT)**

MAT credit allowable is the difference between MAT paid and the tax computed as per the general provisions of the Act and can be utilized in the years in which tax becomes payable under the general provisions of the Act. MAT credit can be utilized to the extent of difference between tax payable under the general provisions and MAT payable for the relevant year. MAT credit can be carried forward and set off for a period of ten assessment year immediately succeeding the assessment year in which it becomes allowable. [Section 115 JAA of the Act].

4. As per the provisions of **Section 35DDA** of the Act, any expenditure incurred in any previous year by way of payment of any sum to an employee in connection with his voluntary retirement, in accordance with any scheme or schemes of voluntary retirement, 1/5th of the amount so paid shall be deducted in computing the profits and gains of the business for that previous year, and the balance shall be deducted in equal instalments for previous year for each of the four immediately succeeding previous years.
5. Business losses if any, for any assessment year (AY) can be carried forward and set off against business profits for eight subsequent AYs.

III. **Capital Gains**

1. Capital assets may be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets (except shares held in a company or any other listed securities or units of UTI or specified Mutual Fund units) are considered to be long-term capital assets if they are held for a period in excess of 36 months. Shares held in a company, any other listed securities, units of UTI and specified Mutual Fund units are considered as long-term capital assets if these are held for a period exceeding 12 months. Consequently, capital gains arising on sale of shares held in a company or other listed securities or units of UTI or specified Mutual Fund units held for more than 12 months are considered as 'long term capital gains'.
2. In computing the capital gains arising on sale of a capital asset, the cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset shall be deducted from the sale consideration. However, in respect of capital gains arising from transfer of long-term capital assets, the Act offers a benefit by permitting substitution of cost of acquisition/ improvement with the indexed cost of acquisition/ improvement. The indexed cost of acquisition/ improvement is computed by adjusting the cost of acquisition/ improvement by a cost inflation index as prescribed from time to time [Section 48 of the Act]
3. As per the provisions of section 10(38) of the Act, long term capital gains arising on sale of equity shares in a company or a unit of an equity oriented fund would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax (STT). Such income can however be taxed under the provisions of Minimum Alternate tax (MAT).
4. Long-term capital gains (in cases not covered under section 10(38) of the Act) are taxed at the rate of 20% (plus applicable surcharge and education cess) after claiming indexation benefit. However, the tax liability on long term capital gains arising from the transfer of a long term capital asset being listed security can be restricted to 10% (plus applicable surcharge and education cess) if the indexation benefit is not claimed [Section 112 of the Act].

5. As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.
6. Under section 111A of the Act, short-term capital gains arising from sale of an equity share in a company or a unit of an equity oriented fund would be taxable at a concessional rate of 15 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to STT.
7. As per section 70 read with section 74, Short term capital loss suffered during the year is allowed to be set-off against short term as well as long term capital gains of the said year. Balance loss, if any, could be carry forward for eight years for claiming set-off against subsequent year's short-term as well as long-term capital gains.
8. As per section 70 read with section 74, Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long –term capital gains.

IV. Income from Other Sources

1. Dividends

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the resident shareholders. Thus the dividend income received by the Company from investments made in any domestic company will be exempt in its hands. However, a domestic company / a mutual fund have to pay Dividend Distribution Tax (DDT) on the amount of dividend declared, distributed or paid. From Assessment year 2009-10 onwards, while computing the DDT payable, the domestic company can reduce the amount of dividend received from its subsidiary, which has paid the DDT on such dividend distributed subject to fulfillment of certain conditions prescribed therein. [Section 10(34) of the Act read with Section 115O].

2. Income from Units

The following incomes are exempted from tax under the Act:

- 2.1. Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or
- 2.2. Income received in respect of units from the Administrator of a specified undertaking; or
- 2.3. Income received in respect of units from a specified company, a company as referred to in clause (h) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeals Act, 2002 (58 of 2002)).

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund, as the case may be [Section 10(35) of the Act].

V. Relief from Double Taxation

In terms of section 90 / 91 of the Act and depending upon the Double Taxation Avoidance Agreement signed between India and the country with which our company does business with, India allows as a credit from the tax on the income of the company.

B. BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS OF THE COMPANY

1. Dividends

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the resident shareholders and accordingly no taxes are required to be deducted at source on the dividend payment [Section 10(34) of the Act read with Section 115O].

2. Capital gains

- 2.1 In computing the capital gains arising on sale of a capital asset, the cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset shall be deducted from the sale consideration. However, in respect of capital gains arising from transfer of long-term capital assets, the Act offers a benefit by permitting substitution of cost of acquisition/ improvement with the indexed cost of acquisition/ improvement. The indexed cost of acquisition/ improvement is computed by adjusting the cost of acquisition/ improvement by a cost inflation index as prescribed from time to time. [Section 48 of the Act].
- 2.2 Long-term capital gains arising on transfer of equity shares of a listed company are exempt from tax in the hands of the shareholders provided the transaction for sale of such equity shares is liable to STT. [Section 10(38) of the Act].
- 2.3 Long-term capital gains (in cases not covered under section 10(38) of the Act) are taxed at the rate of 20% (plus applicable surcharge and education cess) after claiming indexation benefit. However, the tax liability on long term capital gains arising from the transfer of a long term capital asset being listed security can be restricted to 10% (plus applicable surcharge and education cess) if the indexation benefit is not claimed [Section 112 of the Act].
- 2.4 Short-term capital gains from transfer of equity shares are taxed at the rate 15% (plus applicable surcharge and education cess) provided the transaction for sale of such equity shares is liable to STT [Section 111A of the Act].
- 2.5 As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs during any financial year in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.
- 2.6 Long-term capital gains (in cases not covered under section 10(38) of the Act) arising to an individual or a Hindu Undivided Family (HUF) on transfer of shares are exempt from capital gains tax if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer. If part of the net consideration is invested within the prescribed period in a residential house, such gains would be exempt from tax on a proportionate basis. The minimum holding period for the new purchased / constructed house to remain eligible for exemption is 3 years [Section 54F of the Act].
- 2.7 As per section 70 read with section 74, Short term capital loss suffered during the year is allowed to be set-off against short term as well as long term capital gains of the said year. Balance loss, if any, could be carry forward for eight years for claiming set-off against subsequent year's short-term as well as long-term capital gains.
- 2.8 As per section 70 read with section 74, Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long –term capital gains.

3. **Securities Transaction Tax (STT) allowed as deductible expenditure**

In computing the business income, an amount equal to STT paid in respect of taxable securities transactions entered into in the course of business will be allowed as a deductible expense, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and Gains of Business or Profession' (Section 36 (xv) of the Act).

4. Under **Section 10(32)** of the Act, any income of minor children clubbed in the total income of the parent under **section 64(1A)** of the Act, will be exempt from tax to the extent of Rs. 1500 per minor child whose income is so included.

C. **BENEFITS AVAILABLE TO NON-RESIDENT SHAREHOLDERS OF THE COMPANY**

1. **Dividends**

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the non resident shareholders and accordingly no taxes are required to be withheld on dividend payment [Section 10(34) of the Act read with Section 115O].

2. **Capital gains**

- 2.1. In computing capital gains arising from transfer of shares acquired in convertible foreign exchange (as per the exchange control regulations), the capital gain/ loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively in connection with such transfer, into the same foreign currency which was utilized for the purchase of shares. Cost indexation benefit is not available in such a case [Section 48 of the Act].
- 2.2. Long-term capital gains arising on transfer of equity shares of a listed company are exempt from tax in the hands of the shareholders provided the transaction for sale of such equity shares is liable to STT [Section 10(38) of the Act].
- 2.3. Long-term capital gains (in cases not covered under section 10(38) of the Act) are taxed at the rate of 20% (plus applicable surcharge and education cess). However, the tax liability on long term capital gains arising from the transfer of a long term capital asset being listed security can be restricted to 10% (plus applicable surcharge and education cess) without considering the indexation benefit [Section 112 of the Act].
- 2.4. Short-term capital gains from transfer of equity shares are taxed at the rate 15% (plus applicable surcharge and education cess) provided the transaction for sale of such equity shares is liable to STT [Section 111A of the Act].
- 2.5. As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under Section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs during any financial year in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.
- 2.6. Long-term capital gains (in cases not covered under section 10(38) of the Act) arising to an individual or a Hindu Undivided Family (HUF) on transfer of shares of the Company are exempt from capital gains tax if the net consideration from transfer of such shares are used for purchase of residential house property within a period of 1 year before or 2 years after the date on which the transfer took place or for construction of residential house property within a period of 3 years after the date of such transfer. If part of the net consideration is invested within the prescribed period in a residential house, such gains would be exempt from tax on a proportionate basis. The minimum holding period for the new purchased / constructed house to remain eligible for exemption is 3 years [Section 54F of the Act].

- 2.7. Where shares in the Company are acquired or subscribed for in convertible Foreign Exchange by a Non Resident Indian, capital gains arising to the non-resident on transfer of shares held for a period exceeding 12 months on a recognized stock exchange, shall (in cases not covered under section 10(38) of the Act) be concessionally taxed at the flat rate of 10% (plus applicable surcharge and educational cess) (without indexation benefit but with protection against foreign exchange fluctuation [Section 115E of the Act].
- 2.8. Long term capital gains (in case not covered under section 10(38) of the Act) arising to a non-resident Indian from the transfer of shares of the Company subscribed to in convertible Foreign Exchange (in cases not covered under section 115E of the Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition [Section 115F of the Act].
- 2.9. It shall not be necessary for a Non-Resident Indian to furnish his return of income if his income chargeable under the Act, consists of only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from [Section 115G of the Act].
- 2.10. Under Section 115-I of the IT Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any Assessment Year by furnishing his Return of Income under section 139 of the Income Tax Act declaring therein that the provisions of the chapter shall not apply to him for that assessment year and if he does so, the provisions of this chapter shall not apply to him; instead the other provisions of the Act shall apply
- 2.11. As per section 70 read with section 74, Short term capital loss suffered during the year is allowed to be set-off against short term as well as long term capital gains of the said year. Balance loss, if any, could be carry forward for eight years for claiming set-off against subsequent year's short-term as well as long-term capital gains.
- 2.12. As per section 70 read with section 74, Long term capital loss suffered during the year is allowed to be set-off against long term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long –term capital gains.

3. Provisions of the Act vis-à-vis provisions of the tax treaty

A non resident taxpayer has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial to him [Section 90(2) of the Act].

4. STT as deductible expenditure

In computing the business income, an amount equal to STT paid in respect of taxable securities transactions entered into in the course of business will be allowed as a deductible expense, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and Gains of Business or Profession' (Section 36 (xv) of the Act).

5. Under **Section 10(32)** of the Act, any income of minor children clubbed in the total income of the parent under **section 64(1A)** of the Act, will be exempt from tax to the extent of Rs. 1500 per minor child whose income is so included.

D. BENEFITS AVAILABLE TO SHAREHOLDERS BEING MUTUAL FUNDS

Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, or Mutual Funds set up by public sector banks or public financial institutions or Mutual Funds authorized by the Reserve Bank of India and subject to the conditions notified by Central Government in this regard, would be eligible for income-tax exemption on their income [Section 10(23D) of the Act].

E. BENEFITS AVAILABLE TO SHAREHOLDERS BEING FOREIGN INSTITUTIONAL INVESTORS (FIIS)

1. Dividends

Dividend income (interim or final) received from a domestic company is exempt from tax in the hands of the FIIs and accordingly no taxes are required to be withheld on dividend payment [Section 10(34) of the Act read with Section 115O].

2. Capital Gains

2.1 Long-term capital gain arising on transfer of equity shares of a listed company are exempt from tax in the hands of the shareholders provided the transaction for sale of such equity shares is subject to STT and accordingly no taxes are required to be deducted at source [Section 10(38) of the Act].

2.2 Short-term capital gains from transfer of equity shares are taxed at the rate 15% (plus applicable surcharge and education cess) provided the transaction for sale of such equity shares is subject to STT [Section 111A of the Act].

2.3 Long term Capital gains arising from transfer of shares (in cases not covered under section 10(38) of the Act), are taxed at the rate of 10% (plus applicable surcharge and education cess). The benefits of indexation and foreign currency fluctuation protection as provided under section 48 of the Act are not available to FIIs. [Section 115AD of the Act].

2.4 As per the provisions of section 54EC of the Act and subject to the conditions and to the extent specified therein, long-term capital gains (which are not exempt under section 10(38) of the Act) would not be chargeable to tax to the extent such capital gains are invested up to Rs 50 lakhs during any financial year in certain notified bonds within 6 months from the date of transfer. The investment in such bonds would need to be retained for a period of 3 years from the date of acquisition.

3. Provisions of the Act vis-à-vis provisions of the tax treaty

A non-resident taxpayer has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial to him [Section 90(2) of the Act]

4. STT as deductible expenditure

In computing the business income, an amount equal to STT paid in respect of taxable securities transactions entered into in the course of business will be allowed as a deductible expense, if the income arising from such taxable securities transactions is included in the income computed under the head 'Profits and Gains of Business or Profession' (Section 36 (xv) of the Act).

F. VENTURE CAPITAL COMPANIES / FUNDS

In terms of Section 10(23FB) of the Act, all venture Capital Companies /Funds registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from Income tax on their entire income, including income from investment in the Shares of the Company in the specified sectors.

UNDER THE WEALTH TAX ACT, 1957

Shares in a Company held by a shareholder will not be treated as an asset within the meaning of Section 2(ea) of Wealth-tax Act, 1957; hence, wealth tax is not leviable on shares held in a Company.

UNDER THE GIFT TAX ACT, 1957

Gifts of shares of the company made on or after October 1, 1988 are not liable to gift tax, however the same is taxable U/s 56 (2) (v) of the Income Tax Act, 1961.

NOTES:

Tax Benefits available to the Company and its shareholders will be varied/change up on applicability of Direct Taxes Code Bill, 2009 which is proposed to be made applicable w.e.f. 1st April, 2012.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from industry sources, government publications and CRISIL Report dated April 2011. The consent dated July 5, 2011 from CRISIL to use their report has been received. None of the Company, the BRLMs and any other person associated with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, Investors should not place undue reliance on this information.

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The Indian Economy

India is the world's largest democracy by population size and one of the fastest growing economies in the world. The overall growth of GDP at factor cost at constant prices (2004-05), as per Revised Estimates of the Central Statistical Organisation, was 8.5% in 2010-11 representing an increase from a level of growth of 8% during 2009-10. At disaggregated level, (Revised Estimate 2009-10) the level of growth comprises of 6.6% in agricultural and allied activities, 7.9% in industry and 9.4% in services as compared to growth rates of 0.4%, 8.0% and 10.1% respectively, during FY –2009-10.

(Source: Ministry of Finance)

During the budget presentation for 2011-12, the Finance Ministry has indicated the GDP growth for the current year at 9 percent. However, with the loss of momentum in industrial growth, continued tightening of monetary policy and further escalation in global oil prices the GDP growth forecast has been revised for 2011-12 and is now expected to grow in the range of 8 to 8.5%.

(Source: www.indianbusiness.nic.in)

Overview of Film Industry

Indian film industry stood at US\$ 1.96 billion in 2009. The industry is projected to grow at a CAGR of 9% and reach US\$ 3 billion by 2014. Growth drivers for the sector would include expansion of multiplex screens resulting in better realisations, an increase in the number of digital screens facilitating wider releases, higher cable and satellite revenues, improving collections from the overseas markets and ancillary revenue streams like Direct To Home, digital downloads, etc., which are expected to emerge in future.

Future Outlook

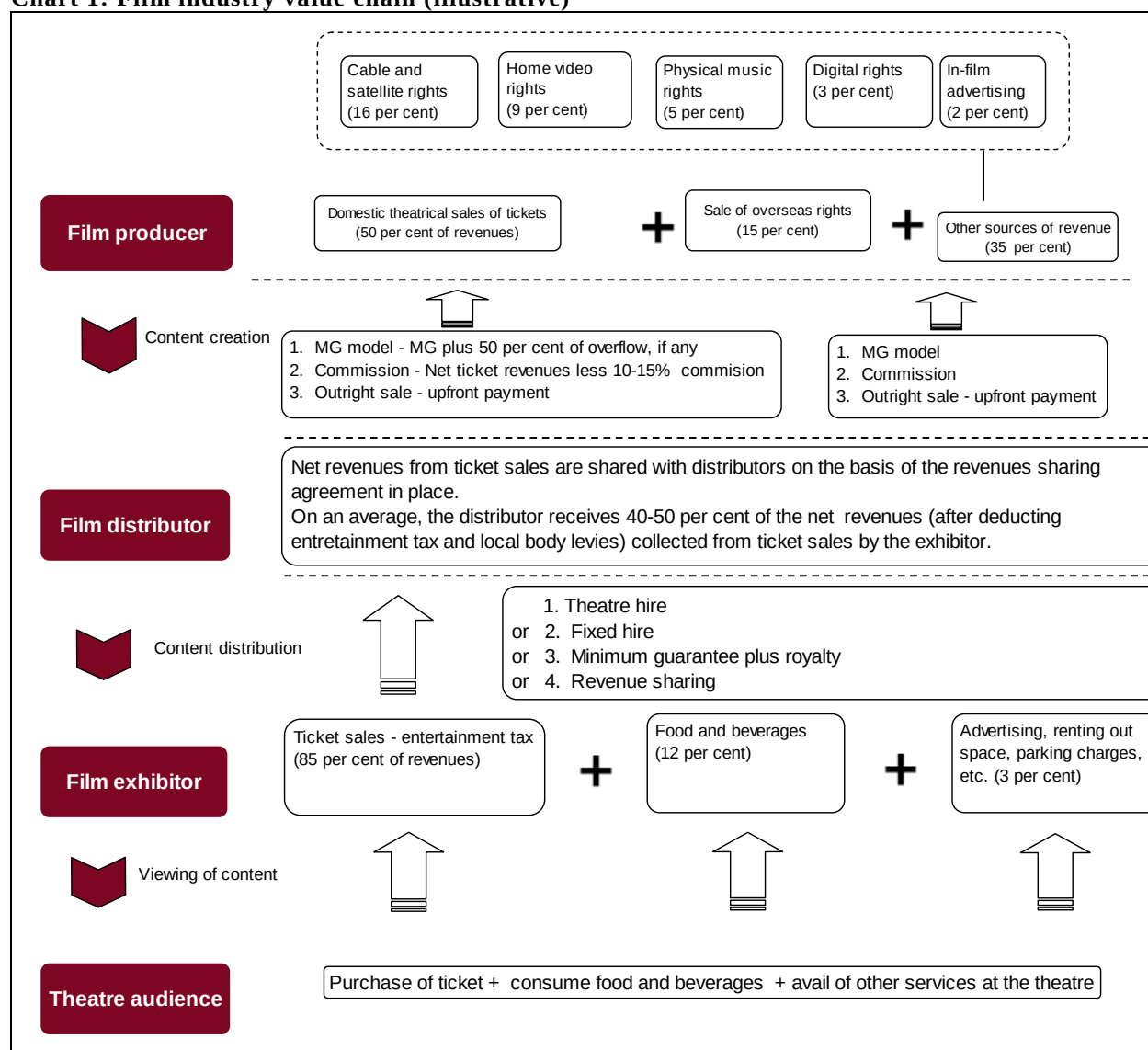
- Indian Film Industry is one of the world's largest with more than 1,000 movie releases annually.
- India's demographic composition (70% below 35 years) ensures an attractive market for entertainment.

(Source: www.indianbusiness.nic.in)

Growth drivers for the filmed entertainment sector would include expansion of multiplex screens resulting in better realizations, increase in number of digital screens facilitating wider releases, higher Cable and Satellite revenues, improving collections from the overseas markets and ancillary revenue streams like DTH, digital downloads etc., which are expected to emerge in future.

Cinema industry value chain comprises of three main components - producer, distributor, and exhibitor.

Chart 1: Film industry value chain (illustrative)



Source: CRISIL Research Report, April 2011

The value chains starts with the producer who makes a film (shooting, editing and dubbing etc.) and arranges for its delivery to the audience. Under the current business model, producers get a minimum guarantee fee from distributors for a film release in return for rights for its distribution. Once the distributor has recovered his investments, the additional income is usually shared with the producer based on a pre-defined arrangement. Film exhibitors form the link between film distributors and audience. They control the last mile of the box office value chain i.e., the theatre.

The theatre hire model was once most commonly followed, wherein the distributors paid a fixed rental to the theatre. The trend has changed over time.

At present, theatre owners and distributors share the revenues collected at the box office, especially in the case of multiplexes. Though in some smaller cities, where revenue-recording mechanisms are not transparent, distributors continue to enter into fixed hire or minimum-guarantee-plus-royalty contracts with

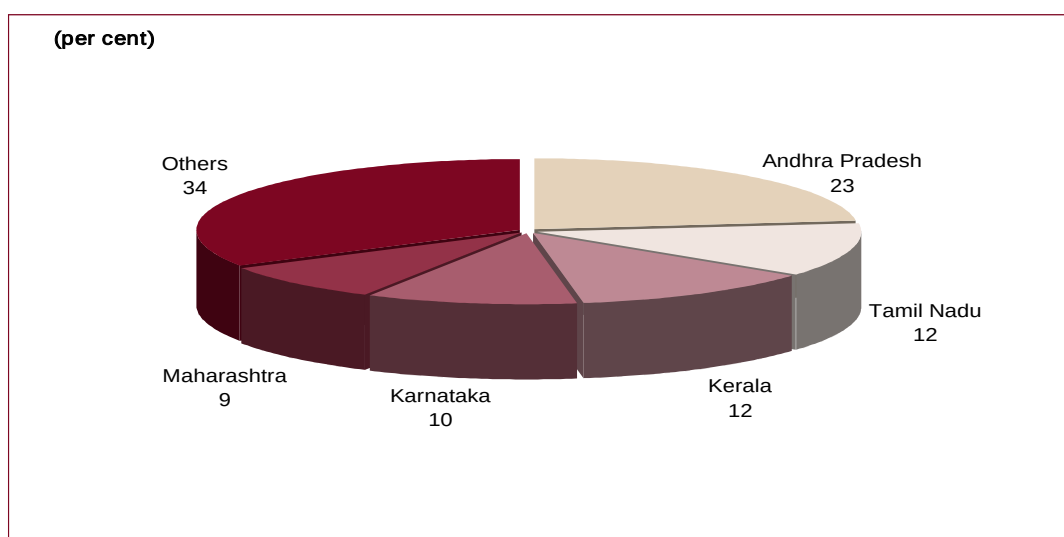
exhibitors. This change in business dynamics has propelled corporates to enter this exhibition business. Corporates or organised players offer the benefits of scale and usually, set up theatres with multiple screens offering more choice to the audience and spreading the risk over multiple film releases.

The film industry has grown from Rs. 101 bn. in 2007 to Rs. 142 bn. in 2010, at a CAGR of 12.02 per cent. Within the Indian film industry, the film exhibition segment has grown at an even higher rate, from Rs. 76 bn. in 2007 to approx. Rs. 107 bn. in 2010 at a CAGR of 12.07 per cent.

Segmentation of film exhibition

The film exhibition sector can be divided into two segments – single screen cinemas and multiplex cinemas (a cinema theatre with two or more screens). Most of the 13,000 odd cinema screens spread over the country are single screen, owned by individual entrepreneurs, operating in an unorganised environment. However, the scenario is fast changing with the ushering in of multiplexes and a number of organised players entering the sector. As of September 2010, there were around 1,000 – 1,100 multiplex screens, constituting just around 8 per cent of the total screens.

Share of Indian states in terms of number of screens



Note: Fixed screens refers to screens which are at a one location, unlike in rural areas where they have moving screens

Source: CRISIL Research Report, April 2011

Entry of several organised players due to strong consumer demand and supporting government policies

Several state governments have announced policies offering entertainment tax benefits to multiplexes. These exemptions, along with consumer demand for multiplexes, have led to increased investments in multiplexes and have encouraged single-screen owners to convert to multiplexes.

Major players operating / managing multiplexes in the multiplex space include Big Cinemas, PVR Cinemas, Inox Leisure, Fame India Ltd, Cinemax, E-City Entertainment, Wave Cinemas and DT Cinemas.

Multiplex cinemas gaining ground

Although cinemas have grown over the last few years, multiplex cinemas are fast changing the way movies are viewed, particularly in big cities (Tier I). This growth has also reached Tier II and III cities and is expected to grow over the next few years.

Multiplex cinemas have changed the scenario drastically. Multiplexes offer significant economic advantages over traditional single screen theatres and provide an enhanced movie-viewing experience to the consumer.

Characteristics of multiplexes:

Limited seating capacity per screen (around 250 seats)

Good ambience

Quality viewing with high-end sound systems

Comfortable seating
 Excellent service
 Good quality food and beverages

Multiplexes have succeeded in attracting family audiences back to the theatres; consequently, watching movies in cinemas has become a highly preferred source of family entertainment again.

Comparison of multiplexes and single screens

	Multiplex	Single screens
Number of screens	3-6	1-2
Total number of screens ¹	1,000 – 1,100 (approximate)	12,800 (approximate)
Seats per screen	150-500	750-1,500
Daily shows per screen	4-5	3-4
Ticket prices in Rs (range)	Rs 50 to Rs 500	Rs 15 to Rs 150
Ownership	Mostly corporates	Mostly individual entrepreneurs
Tax benefits	Entertainment tax benefit in several states	No benefits on account of Taxation
Major advantages	Better viewing experience	Locational advantage
	Better occupancy	
	Greater realisations	
	Sharing of fixed costs	
	Better exploitation of movies	
	Screening as per demand	
	Diversified revenue stream	

¹As of September 2010

Source: CRISIL Research Report, April 2011

Operating models for multiplexes

A multiplex operator can choose any of the following models to set up and operate a multiplex theatre in India, taking into account strategic, legal, tax and other regulatory considerations.

Ownership model

In this model, the multiplex operator either purchases the land and constructs the multiplex, or purchases a building and then converts it into a multiplex. This model is suitable where the lease rentals are very high and where capital is available at a reasonable cost. However, this model usually requires larger capital investments. Furthermore, since development of the property may not be the core competence of the multiplex operator, this model could have a longer gestation period.

Leasing model

This model is most commonly used by multiplexes. In this model, the property is acquired on lease. There are three ways of entering into a lease:

Fixed rental model

Fixed rental plus variable as a percentage of sales

Lease of existing theatre and conversion into a multiplex

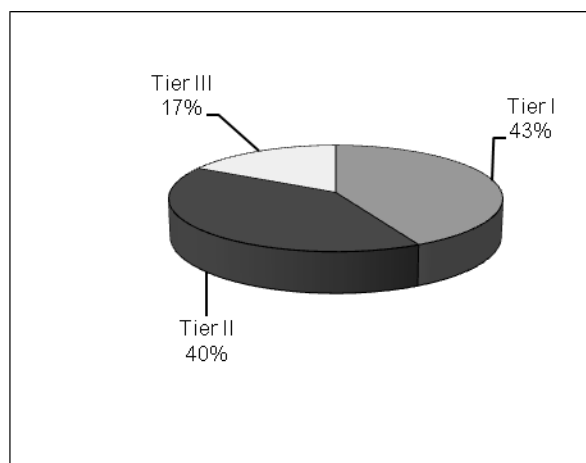
Revenue sharing model –Theatre management model

The last model is the least risky model for a multiplex operator. In this model, a developer constructs the necessary infrastructure of the multiplex, and outsources the management and operations to a multiplex operator for a fixed period of time. In return, the multiplex operator charges a fixed fee or a share of the revenue / profits from the multiplex.

1.2 Multiplex movement in Tier I, II and III cities

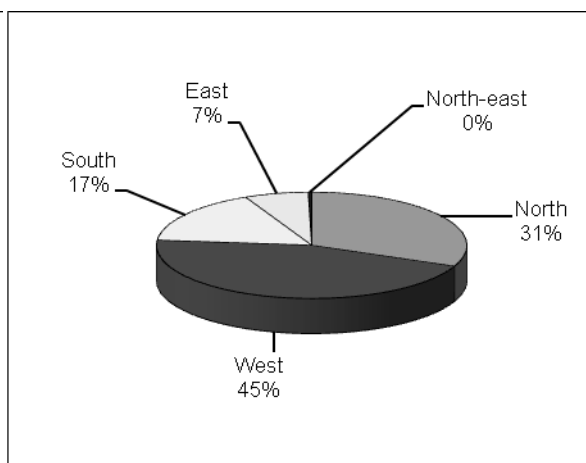
Of the 1,100 multiplex screens within the country, around 43 per cent are present in Tier I cities, around 40 per cent in Tier II cities and the balance 17 per cent in Tier III cities.

Multiplex screens across the country



Source: CRISIL Research Report, April 2011

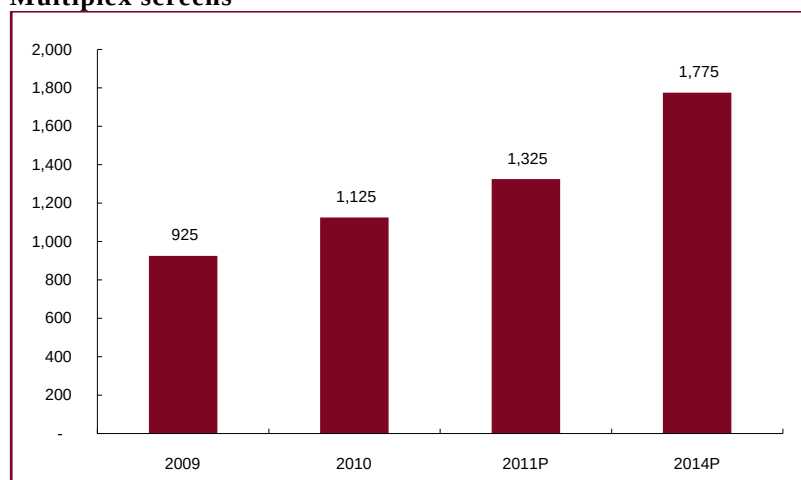
Region-wise break up of multiplex screens



Source: CRISIL Research Report, April 2011

The northern region has the second-highest share with over one fourth of the total multiplex screens in the country. Within the northern region, Tier II cities have the highest number of multiplex screens. Amongst Tier II and III cities, E-city enjoys 28 percent followed by Big Cinemas (erstwhile Adlabs) enjoy 25 per cent market share and PVR at 14 per cent. Fame has a small share of 1 per cent in the Tier II and III cities in the northern region. SRS Cinemas has also captured a sizeable share at 9 per cent. By the end of 2010, there were about 1,125 multiplex screens in the country. By 2014, CRISIL Research projects the number to reach 1,775, at a CAGR of 14 per cent between 2009 and 2014.

Multiplex screens



Note: The number of multiplexes is an estimated figure as there is not audited industry statistics.

P: Projected

Source: CRISIL Research Report, April 2011

Digitalisation of film prints enabling wider release of films and reduce piracy

In the last two years, digital technology has been increasingly adopted by the Indian cinemas, especially in small towns. The primary reason for the rising popularity of digital film prints is that due to lower costs, it enables wider reach for the film release.

The high costs of producing celluloid film prints (Rs 50,000-60,000 per copy) and low ticket prices means that it is not feasible for film distributors to release a large number of physical prints at the same time. Due to digitalization, film distributors are able to increase the number of prints in the market on the day of the movie release, thereby enhancing the revenue generating ability of distributors as well as exhibitors.

It is estimated that there were 2,000 digital screens in India as on March 2010. At cinemas, the digitalized motion pictures are screened using a digital projector, server, and scheduling software, the combined capital expenditure of which varies from Rs. 1.5-1.7 mn. To address the high capex concern, various infrastructure providers are doing away with demand for upfront investments. They are instead asking for an initial deposit, which is a very small proportion of the capital cost and collect a content delivery charge from the distributor and the exhibitor on a 'per show' basis. There are also advertisements revenues earned during movie screening.

However, despite its advantages, digital technology is unlikely to expand significantly into the hinterland because of the unreliable power supply that could affect the functioning of the digital equipment and limited scope of investment recovery from these theatres. This is due to limited earnings of the theatres 'per show' due to low ticket prices. Meanwhile, CRISIL Research projects the number of digital screens in India to increase to 2,500-3,000 over the next 3-4 years.

1.4 Key growth drivers for multiplexes

a) Higher disposable income and purchasing power

Disposable incomes of Indian consumers have increased significantly during 2001-02 to 2009-10. Households with income above Rs. 1 million per annum have grown at a CAGR of around 11 per cent, and those with income in the range of Rs. 90, 000 and Rs. 1 million per annum have grown at a CAGR of 6 per cent during the same period.

b) Sufficient scope for increase in screen density

As per an industry survey, the screen density in India is less than 12 screens per million population compared to 117 screens per million in the US and more than 40 screens per million for most European countries. Of the 13,000 odd screens in India, 92.5 per cent are single-screens, with poor infrastructure, low levels of maintenance, low capacity utilization and high entertainment taxes. This, consequently, offers sufficient scope for growth of organised players in the industry.

c) Multiplex are the preferred choice in Tier I cities; steady growth expected in Tier II and III cities

Over the last few years, multiplexes have increased and have become the preferred choice to watch films, at least in bigger cities. This represents a growing trend in the metro cities. In fact, multiplexes have attracted family audiences back to the theatres, despite ticket prices being much higher than in conventional single-screen cinemas. Growing disposable incomes, favourable demographic changes, growth in organised retail, and entertainment tax benefits granted by various states have propelled the growth of multiplexes. Off late, multiplex cinemas are contributing 50-60 per cent to total box-office revenues. Over the last 2 to 3 years, multiplexes are growing in Tier II and Tier III cities, fuelled by increased real estate activity in those regions. This trend is expected to continue.

Multiplex cinemas score over single-screen cinemas in terms of both occupancy and realisations. The average occupancy of multiplexes is estimated to be between 30-35 per cent, while that of single-screen cinemas ranges from 15-35 per cent. Ticket prices are also much higher in multiplexes than in single-screen cinemas. The occupancy rates have been lower on account of lack of good releases and also the wide spread unorganised market for DVDs.

Diversified revenue stream

Multiplexes have a diversified revenue model; they earn around 75 per cent of their revenues from sale of tickets, 20 - 22 per cent from food and beverages and the rest from advertising, sponsorship and renting out retail space. On the other hand, single-screen cinemas lack such diversification and earn almost their entire revenue from the sale of movie tickets.

With the increasing number of multiplexes across various cities (Tier I, II or III), margins of players have started coming down significantly. Average operating margins of the top 4 to 5 players have come down from 27 per cent in 2005-06 to 14 per cent in 2009-10, indicating the increasing growth of multiplexes. Also lack of good new releases and wide-spread unorganised market of DVDs have resulted in the lower margin levels of players.

Net margins of players have seen a similar trend as operating margins.

The cinema business works on a negative working capital cycle. This is because while the cinemas / multiplexes get upfront payment for the movie tickets and food and beverages, the raw materials for food and beverages etc are obtained on credit basis. However, being a capital intensive industry, its return on capital employed (RoCE) often remains in single digits.

FOOD & BEVERAGES BUSINESS

The Indian foods industry has grown significantly on the back of increasing expenditure on food items over the years. The mix of food items has changed with an increased spending on fruits and vegetables, beverages and processed foods. Industry sources forecast the Indian foods industry to reach US\$300-350 billion by 2015 from an estimated US\$150-200 billion (in 2006-07).

The food service industry segment refers to the sale of foods and beverages for immediate consumption from designated eating joints or areas. This can be further divided into organised and unorganised sub-segments each with distinct business dynamics.

The food service industry growth is also closely linked with the growth of retail destinations – malls in India. Favourable demographics such as rising disposable incomes, expanding population of working women and increase in migrants have influenced the growth of mall culture in India. The setting up of different retail verticals such as apparel, consumer electronics, home furnishings, food and beverage (F&B), and F&B joints (FBJs¹) under one roof has translated into considerable footfalls at malls. This is expected to expand the share of the organised foods segment (currently approximately 10 %) in the total industry.

Growth drivers for the industry

The F&B industry in India is expected to witness considerable growth over the next few years on the back of large demographic shifts.

Burgeoning urbanisation

Increasing urbanisation is likely to have a positive impact on the F&B industry, as average spends on eating or ordering out is relatively higher in urban centres. The proportion of urban populace, as a per cent of the total population, is expected to expand to 32 % in 2015 from 27 % (as per the last Census).

Growing nuclearisation

In India, nuclear families have greater propensity to spend at F&B outlets than joint families. The surge in nuclear families is evident from the declining trend in the size of households, from 5.57 in 1991 to 5.36 in 2001. This trend is likely to continue, further propelling F&B consumption.

Increase in the number of working women

An average working women typically spends higher at F&B outlets than a home maker. According to a report by Technopak, 'India consumer trends 2007', working women, which currently comprise 15 % of the total urban female population, is expected to increase to over 20 % by 2020. This has an important bearing on F&B spending, in turn driving the industry.

Higher incomes

There is an increase in the penetration of quick service restaurants (QSRs) in India due to the rise in consumer spending, enabled by the growth in income levels. Disposable incomes of Indian consumers have increased significantly from 2001-02 to 2009-10. Households with income above Rs. 1 million per annum have grown at a CAGR of around 11 per cent, and those with income in the range of Rs. 90, 000 and Rs. 1 million per annum have grown at a CAGR of 6 per cent during the same period.

In India, FBJs operate as:

Unorganised FBJs - Are single unit eating places, mainly located on streets, highways, and bus and railway stations.

Organised FBJs - Can be defined as outlets that are present across locations under the same association / company name, e.g. McDonald's, Café Coffee Day, Naturals and Has Juice Bar.

Within organised FBJs, players operate via a number of formats, namely QSRs, coffee chains, etc. These formats differ on the basis of product offering, time to serve, area of operation, price points, amongst others. Further, these formats operate through malls or/and standalone stores.

FBJs formats in India

The organised FBJs operate in the following categories / formats:

Quick Service Restaurants (QSRs)

Coffee chains

Dining restaurants

Kiosks (ice cream parlours and juice centres)

QSRs or fast food restaurants

In India, QSRs are known as fast food restaurants. This category is characterised by fast food cuisine and quick turnaround time per table. The time to service an order ranges from 5-10 minutes. This is because the food is pre-cooked, heated on the spot and ready to serve to ensure quick service. A crucial factor aiding quick service is the limited menu offerings.

While local QSR players such as Nirula's, Haldiram's, Nathu's and Sukh Sagar have been present in certain regions of India, the entry of international brands such as McDonald's, KFC, Subway, Pizza Hut and Dominos during the mid 1990s has been the key growth driver of the Indian QSR market. These international brands have gradually expanded their presence from metros and mini metros to tier II and tier III cities.

The success of international brands has led to domestic players such as Dabur (Lite Bite Foods), Red Ginger Hospitality, Moods Hospitality (Yo China!) and Franchise Management India (Club City), amongst others entering the Indian QSR market.

FBJ formats in India

FBJ format	Characteristics	Examples
Quick service restaurants (QSR)	Commonly known as fast food restaurants	Nirula's, Haldiram's, Nathu's, Sukh Sagar
	Fast food cuisine and quick turnaround time per table	
Coffee chains	Vends coffee and other beverages, apart from a limited selection of confectionary items such as pastries, cookies, sandwiches and burgers	Café Coffee Day, Barista Costa Coffee, Australia's Gloria Jeans, US-based Bernie's Coffee
	Destinations to socialise, and hence time spent is longer vis-à-vis a QSR	
Dining restaurants	Full service restaurants with dedicated meal courses	Mainland China, Bombay Blues, Aromas of China, Saffron Spice
	Located in malls, high streets or even within the boundary of premium hotel chains	
Kiosks	Operate through a cart model in malls	Ice-cream parlours, juice centres, corn centres, etc.

Source: CRISIL Research Report, April, 2011

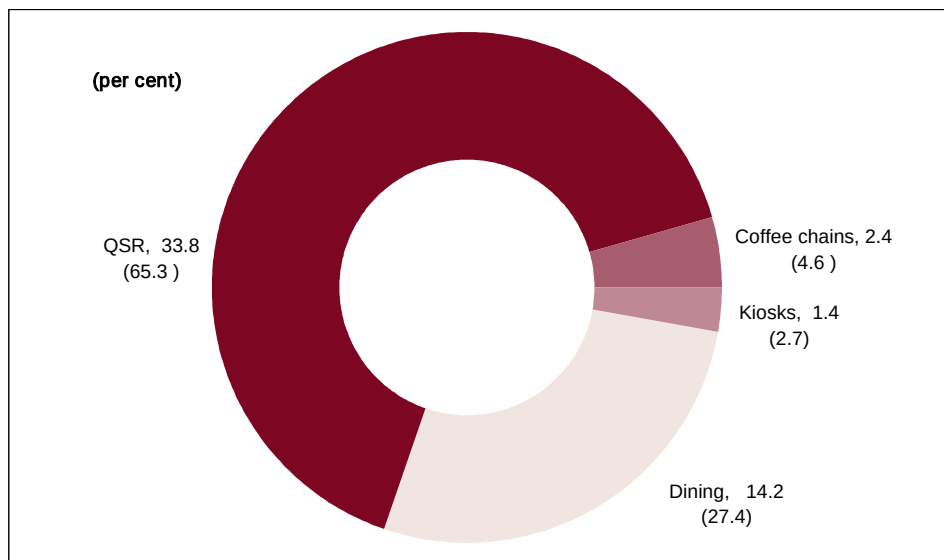
Dining restaurants

These are the full service restaurants with dedicated meal courses. These restaurants can either be located in malls, high streets or even within the premises of premium hotel chains. Some examples of fine dine would be Mainland China, Bombay Blues, Aroma's of China and Saffron Spice. Dining can be further classified into fine dining and casual dining.

QSRs dominate F&B operations in malls

While QSRs account for 55 per cent of the total area of the FBJ in a mall, higher revenue per sq ft enables QSRs to generate almost 65 per cent of the total revenues of a FBJ operating within the mall. As against this, the dining format occupies around 30 per cent of the total area of FBJ in a mall, while its contribution to the total FBJ revenues in a mall is around 27 per cent.

Segment-wise break up of FBJs in malls (Rs 51.8 billion)



Source: CRISIL Research Report, April 2011

The popularity of QSRs as compared with other dining formats is due to:

- Variety in cuisines
- Affordability in ticket size:
- Shorter Time to serve:

Key success factors in QSR:

As the Indian consumer is price-sensitive, the principle 'value for money' influences purchase decisions. This has been evident in the retail business since 2008, wherein same-store sales (SSS) of most lifestyle retailers have declined vis-à-vis value retailers, highlighting the consumer's caution over discretionary spending. The same is the case in the foods business. It is crucial for a restaurant chain to price its menu appropriately in order to attract footfalls. Thus, product pricing, scale of operation and branding are the keys to operate a successful FBJ business across the variants of an organised FBJ outlet.

Correct product pricing drives footfalls

McDonald's introduced Extra Value Meals (EVMs) in September 2009, wherein prices of 'McVeggie meal combo' as well as 'McChicken meal combo' were reduced by around 15 per cent. The re-pricing has boosted sales volumes of the food retailer.

Another example where product pricing has played a key role in building scale is the rapid expansion of the Café Coffee Day chain in comparison to Barista. The distinguishing factor here is that with the similar set of offerings, the former was effective in its product pricing vis-à-vis the latter, and hence has benefited from economies of scale.

Branding drives revenues

In the foods business, it is important to achieve scale in operations to achieve economies of scale. This facilitates in brand building, which is another key revenue driver.

Right pricing and branding once achieved will propel volumes, translating into revenues for the food chain.

RETAIL MARKET IN INDIA**Industry overview**

The Indian retail industry is the fifth largest in the world. Comprising of organized and unorganized sectors, India retail industry is one of the fastest growing industries in India, especially over the last few years. Though initially, the retail industry in India was mostly unorganized, however with the change of tastes and preferences of the consumers, the industry is getting more popular these days and getting organized as well. With growing market demand, the industry is expected to grow at a pace of 25-30% annually.

According to Government of India estimate the retail sector is likely to grow to a value of Rs. 2,00,000 crores (US\$45 billion) and could yield 10 to 15 million retail jobs in the coming five years; currently this industry employs 8% of the working population. India continues to be among the most attractive countries for global retailers. According to the Department of Industrial Policy and Promotion, approximately US\$ 66.69 million was the amount of Foreign Direct Investment (FDI) inflow as on April 2011, in single-brand retail trading.

More than 80% of the retail sector in the country is concentrated in the large cities. A study reveals that amongst 20 locations, for organized retail in India, Mumbai was found to be the most preferred location followed closely by Bengaluru in the second position.

Industry experts predict that the next phase of growth in the retail sector will emerge from the rural markets. By 2012 the rural retail market is projected to have a total of more than 50 % market share. The total number of shopping malls is expected to expand at a compound annual growth rate of over 18.9 % by 2015. The total retail sales in India will grow from US\$ 395.96 billion in 2011 to US\$ 785.12 billion by 2015, according to the Business Monitor International (BMI) India Retail Report and the Organised retail in India is expected to increase from 5 per cent of the total market in 2008 to 14-18 per cent and reach US\$ 450 billion by 2015, according to a McKinsey & Company.

(Source: www.business.mapsofindia.com & www.ibef.org)

Over the last 5 years (2004-05 to 2009-10), the retail sector in India has grown at a CAGR of 10-12 per cent driven by favourable demographics, rising disposable income and increasing urbanisation. The retail sector has evolved dramatically over the last 2 decades mainly with the growing urbanisation and development of the mall culture. The earlier retail market was dotted with *kirana* shops in the food and grocery segment and high street retail in the apparel segment. The early 1990's witnessed the emergence of department stores and organised apparel market sprung up in the later part of 1990.

The government currently permits 51 per cent FDI in the case of single brand stores and 100 per cent in cash and carry wholesale formats. Meanwhile, multi-brand retail has been kept completely out of the FDI purview. Nevertheless, even though India is yet to open up its retail market to foreign investors, the current format acts as a boon to new domestic entrants who can establish themselves in the market.

'Retail' refers to 'the sale of goods and commodities in small quantities to the final consumer'. Thus, retailing is the last leg in the channel through which goods travel from the producer to the consumer. A retailer delivers value proposition to the end consumer by creating the desired time, place and utility of the product being offered. Further, organised retailing can be defined as a form of retailing whereby consumers can buy goods from a similar purchase environment across several physical locations.

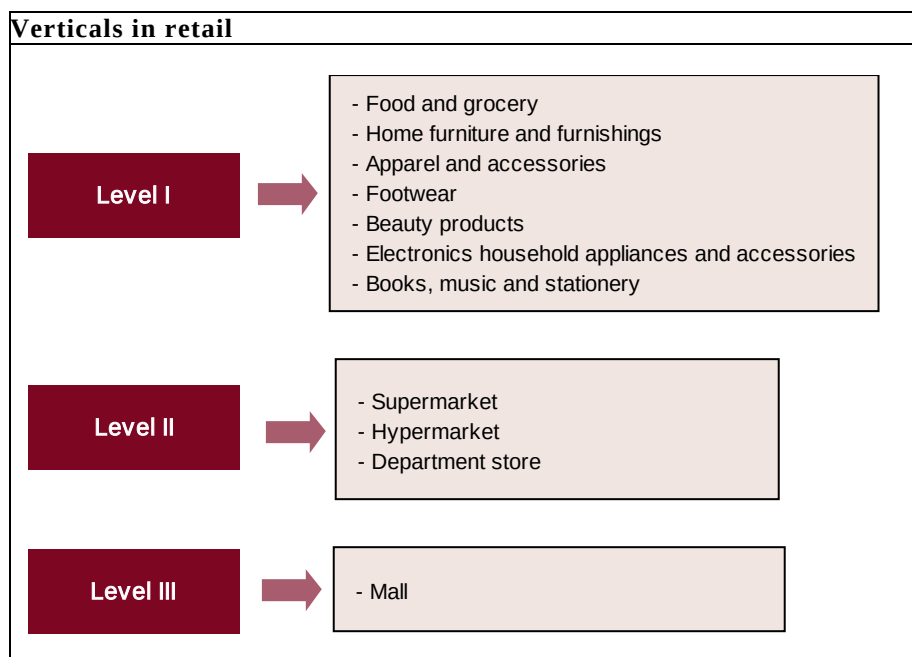
Organised retail operates on the following three levels:

Level I: Speciality stores catering to a particular category of products.

Level II: Departmental store / supermarket / hypermarket catering to 2-3 categories of retail.

Level III: Mall, which is an agglomeration of departmental stores, hypermarkets and speciality stores.

A “high street” is another widely popular venue for shopping. They are set up at prominent locations within a city and attract high footfalls due to the presence of organised retailers. On account of its prime location and the intense competition for retail dominance, these areas command steep rentals. Popular high streets in India include Linking Road, Kemps Corner and Colaba Causeway within Mumbai and Khan Market, Karol Bagh and Greater Kailash in New Delhi.



Source: CRISIL Research Report, April 2011

The market size of retailing is based on the private final consumption expenditure for various categories of products. These categories are termed as verticals in organised retailing. CRISIL Research forecasts the Indian retail sector to grow at an annual average rate of 23 per cent to Rs. 3.4 trillion in 2014-15 from Rs 1.2 trillion in 2009-10.

Modern retail store formats

Indian retailers are increasingly experimenting with various retail formats to suit each market. The type of a retail store depends upon the kind of products it plans to market – lifestyle products or value-based products. Following are the various formats of retail shops:

Value retailing

Value retailing is a concept targeted towards masses comprising mostly of middle income households. Consumer spends in this segment is mostly concentrated on necessities. In organised retail, value retailers provide goods to consumers at low prices, while maintaining a modernized shopping format. Primary formats focused on value retail include supermarkets, hypermarkets and convenience stores.

Supermarkets

Supermarkets provide the consumer with a wide range of general merchandise. They are generally 3,000-10,000 sq ft stores, primarily catering to a cluster of residential units. Super markets follow a ‘self service’ format and are a one-stop-shop for various household needs. Their offerings focus mainly on the food and grocery segment. In a country like India, apart from being standalone stores, supermarkets are also located in malls as they tend to be crowd pullers. Corporates like Aditya Birla Group’s ‘More’, Future group’s ‘Food Bazaar’ can afford to offer lower prices on account of bulk sourcing.

Hypermarkets

These are large supermarkets with space ranging from 75,000 sq ft to 1,00,000 sq ft or more. These stores offer an extension of products available at supermarkets. While supermarkets are focused on food and grocery, a hypermarket houses a range of food and grocery, FMCG goods, apparel, electronics, household items and furniture. They stand at a better advantage in terms of their pricing on account of bulk sourcing across various suppliers in the value chain. Apart from wide product offerings, value for money is another

feature offered by this format. Due to diversity in product offerings, the margins derived are better than that of a supermarket.

Convenience stores

Convenience stores are smaller than supermarkets and hypermarkets and deals in a limited range of product categories (grocery and other items). The price of goods in these stores are typically higher as compared to supermarkets with the exception of day to day items such as milk, eggs etc wherein they do volume based business. They are operational for longer business hours than supermarkets. Convenience stores emerged in the early part of 1990s but have witnessed a gradual slowdown in the last few years.

Lifestyle retailing

Lifestyle retailing is generally done through departmental stores and branded outlets primarily retailing apparel and accessories. Among the organised players, Shopper's Stop has been the pioneer in this segment. Subsequently departmental stores and branded outlets like Lifestyle, Provogue, Wills Lifestyle, and Biba joined the band wagon.

Departmental stores

Departmental stores have a wide variety of products across categories under one roof. These categories are organised into different departments such as clothing, home-ware, furniture, appliances, toys, accessories and cosmetics to facilitate easy visual display. With their target audience primarily being the high income households (where the ticket size is larger), their presence is gradually gaining popularity, as they offer novelty, variety, international ambience, entertainment and convenience, all at the same place.

Retailers occupying shelf space in these departmental stores generally operate through three different models which are the decisive factors for gross margins:

- **Outright:** They buy merchandise and sell it to customers. There is inventory risk involved like in case of private labels.
- **Consignment:** They order and buy goods from a vendor. But in case they do not sell, the vendor takes the inventory risk. Many departmental stores have this arrangement with brands in apparel.
- **Concessionaire:** Retailers operating this model rent out space to particular vendors. This model works in the same way as renting space to someone else in your store. Generally the concessionaire model is prevalent in departmental store formats wherein perfume and cosmetic brands are retailed. However, 'Central', The Future Group's mall format also operates on this model wherein space is let out to various apparel and accessory brands.

Apparel and accessories stores

These stores focus primarily on apparels with small percentages comprising trinkets and fashion accessories. Stores are located on an average space of 10,000-12,000 sq ft. and target primarily the upper-middle and high-end consumers e.g. - United Colours of Benetton (UCB), Wills Lifestyle, Biba, etc.

Apparels are high margin business due to the flexibility of high private label penetration. Being fairly organised, a lot of manufacturers have entered this space in the last few years. These manufacturer retailers initiated coverage with the setting up of exclusive men's wear showrooms. Moving beyond this segment, retailers like Koutons have diversified by entering into the women and kids' segment.

Luxury retailing

Luxury retailing refers to the provision of high-end luxury brands and services targeted at the affluent. These brands carry a unique appeal and are a status symbol to the buyers more than anything else, given their high prices.

Considering the constant rise in affluence evidenced by the Gross Domestic Product (GDP) growth and boom in capital markets in the last few years, retailers have shown growing interest in tapping this segment. However, high import duty, restrictive foreign direct investment (FDI) rules and lack of quality retail space have held back premium brands from entering and expanding their business in India.

Currently, the government permits 51 per cent FDI in single brand retailing. This policy led to international luxury brands launching themselves in the country through joint ventures (JV) with domestic partners. Examples include Armani's JV with DLF and Marks & Spencer's JV with Reliance. Moreover, brands such as Gucci, Tommy Hilfiger and Hugo Boss, which were earlier present through the franchisee model or

distribution network on a limited scale, are looking to expand their operations. Besides, the policy has also attracted new international luxury brands such as Louis Vuitton, Chanel, Ralph Lauren, Armani, Dolce and Gabbana into the country.

The average size of these luxury retailing formats would range between 20,000 sq. ft. and 75,000 sq. ft., and major catchment areas are likely to be premium areas in major metros such as South Mumbai, South Delhi and Central Business District (CBD) regions of Chennai and Bengaluru.

In the past, luxury retailers have confined their presence to five-star hotels, where footfalls are limited. Of late, they have begun bridging this gap by partnering with real estate companies. For instance DLF has set up the 'Emporio Mall' at Delhi which is spread over a retail space of 320,000 sq ft. Luxury brands retailers such as Louis Vuitton, Christian Dior, Fendi, Armani, Dolce & Gabbana, Cartier, Alfred Dunhill, Versace, Hugo Boss, Escada, Tod's, Paul Smith have set up stores in this mall. Also present are watch brands such as Piquet, Chopard and IWC.

Cash and carry (wholesale clubs)

Cash and carry units are wholesale formats operating on a trading space spread across 85,000-1, 25,000 sq ft. Their chief target audience are retailers (mom and pop stores), but also include hotels, restaurants, caterers and institutions (HoReCa). These wholesalers stock a wide array of brands and private labels across verticals like food and grocery, apparel, household appliances, household items etc. SRS has ventured into the wholesale cash and carry format and intends to expand its presence in the domain in the long term.

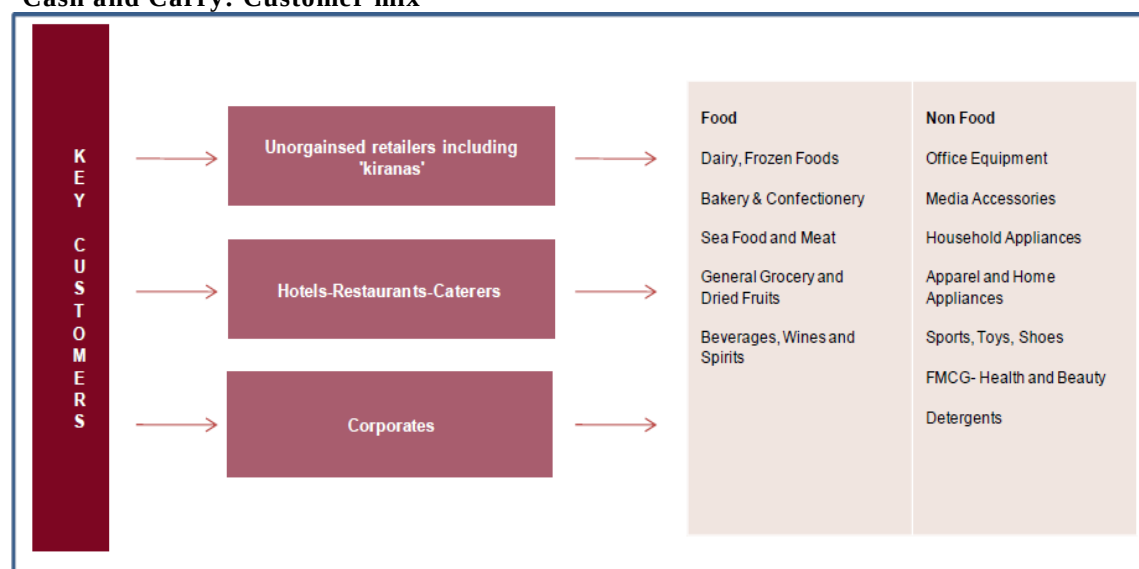
The cash and carry concept is fairly popular in the US and UK. On the other hand, in India, 'Metro' (Germany based wholesaler) and Bharti- Walmart Pvt Ltd are the only cash and carry format wholesale clubs operational. The FDI policy in India permits investment in this vertical via the 100 per cent automatic route. Rationalization of this policy in 2006 witnessed announcements by international big-names like Wal-Mart who have entered the country through a JV with Bharati Group. The group plans to name its Cash and Carry outlets as 'Best Price Modern Wholesale Club'. The British retailer, Tesco has also signed an alliance with Tata's Trent Ltd to open similar stores.

Cash & Carry is wholesaling concept

Cash and carry is defined as a self service, business to business (B2B) wholesale format from which wholesalers/retailers purchase goods on 'cash' basis. Cash and carry operators source goods in bulk from the manufacturer and then sell them to their retail customers at prices similar to those charged by the distributor. Thus they operate on the business model of high sales volumes and rapid inventory turnover.

Wide assortment across verticals under one roof

Cash and Carry: Customer mix



Source: CRISIL Research Report, April 2011

Other key characteristics

Parameters	Description
Store size incl. storage	2,50,000-2,70,000 sq ft.
Selling/Display space	85,000-125,000 sq ft.
Location	Beyond prime locations of the city
Model	Approx. 1/3rd display, balance is storage
Catchments	30-45 minutes
Sourcing	80-90 per cent locally
Private labels	5-10 per cent
Price points	Benchmarked to a w wholesaler/distributor
Customer entry	Only with a business license, i.e sales tax/VAT
Customer mix	Equal proportion of HoReCa and traders ; small corporates

Source: CRISIL Research Report, April 2011

Other formats

Apart from the above mentioned formats, organised retailers have also ventured into specialized retail formats catering to a particular vertical. These stores are smaller in size compared to lifestyle and value stores. This includes speciality stores, dollar stores, discount stores / factory outlets, airport retailing, online, telephone and catalogue buying.

SRS is primarily focused on value retailing through its operational hypermarkets (Value Bazaar). Presently, the company deals in retailing FMCG products in the cash and carry stores.

GROWTH DRIVERS FOR THE ORGANISED RETAIL INDUSTRY

Growing urban population - Key to future spending

As organised retail penetration reaches its peak in metros, Tier-I and Tier-II cities will not be too far behind. Over the next few years, growth in organised retailing is likely to be concentrated in the urban and semi-urban areas. Therefore, going forward, the market for organised players is expected to be among the urban masses.

Urbanisation has been increasing at the rate of 2.7 per cent over the last 10 years. According to the Census 2001, urban population as a per cent of total population stood at 27.7 per cent. This is expected to increase to 32.2 per cent by 2015, indicating a growth of 2.4 per cent between 2000 and 2015.

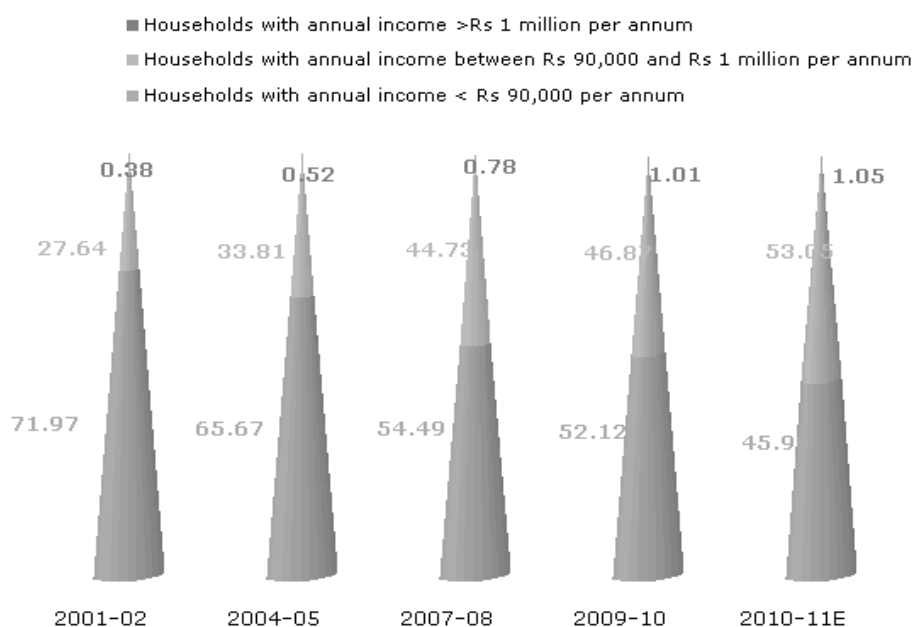
Higher disposable income and economic perspective

Disposable incomes of Indian consumers have increased significantly during 2001-02 to 2009-10. Households with income above Rs. 1 million per annum have grown at a CAGR of around 11 per cent, and those with income in the range of Rs. 90, 000 and Rs. 1 million per annum have grown at a CAGR of 6 per cent during the same period. Going forward, CRISIL Research expects favourable demographics will drive consumption.

Shift in the preference for branded products

With the advent of organised retailing and growing disposable income available to people, there has been a gradual increase in the preference for branded products. Demand for better quality, increased convenience and higher value for money has increased the demand for branded goods from Indian consumers. Moreover, changing lifestyles on account of demographic changes and exposure to international consumerism are also bound to have a positive effect on branded goods. This, in turn, would provide organised retail with a platform for growth.

Changing income distribution (per cent)



Increasing role of working women in consumer spends

According to a report by Technopak 'India consumer trends 2007', working women form 15 per cent of the total urban female population. By 2020, this number is set to surpass 20 per cent. Thus, retail spends are expected to increase, as the buying behavior of a working woman differs from that of a housewife.

Widening working force to influence consumer spending

The purchasing power of population largely lies within the age bracket of 18-45 years. According to 'Indian Consumer Trends 2007', 66 per cent of India's population is below 35 years of age while about 50 per cent are below the age of 25. This indicates that going forward this section of population will largely influence consumer spending. According to the Ministry of Human Resource Development, the literacy rate in India has risen to 74.04 per cent in 2011 from 64.8 in 2001. India's rising young population along with the increasing literacy rate has set the stage for a qualified workforce for the future. This indicates an increase in the average disposable household income going forward.

Rejuvenated retiree spending

According to the last census in 2001, retired people (60 years and above) constitute 8 per cent of the population. According to 'India consumer trends 2007', personal spends of retired people have been on the rise with the highest spending concentrated in the apparel section at around 23 per cent, whereas spends towards financial products and eating outside constitute around 21 per cent and 15 per cent, respectively.

The other reasons for the growth of retail industry are as follows:

- a) Increase in the nuclear families as a percentage of total household population who have a greater propensity to spend more.
- b) Another factor contributing to the increase in total spending is the increase in use of credit and debit card.

Nuclearisation to drive consumption

Nuclear families have a greater propensity to spend; hence their per capita consumption is higher. Over time, the number of nuclear families as a percentage of total household population has increased as can be derived from the fact that the average household size of the country reduced to 5.36 in 2001 from 5.57 in 1991. As of 2001, the average urban household size is smaller than the rural household size at 5.1. This number is expected to decline to 5.02 by 2011, thereby further fuelling consumption and, in turn, the retail industry.

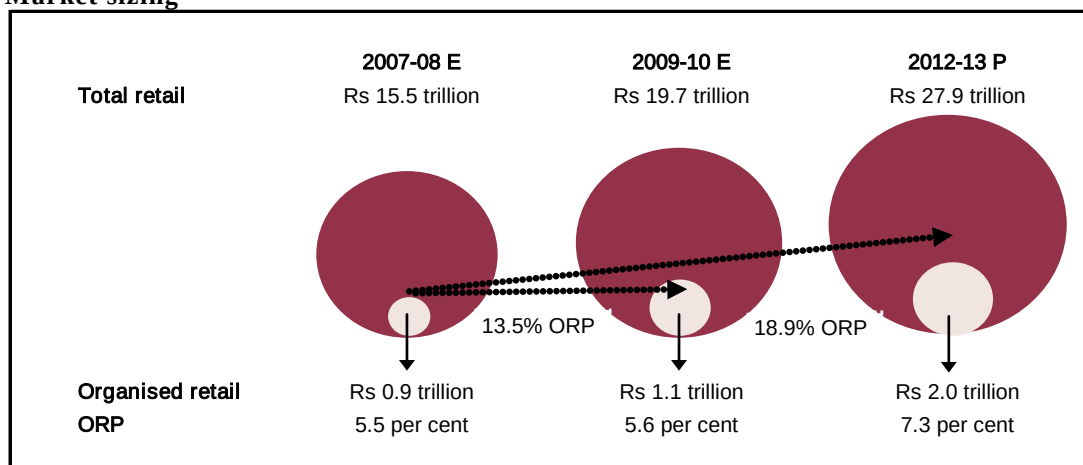
Increased finance penetration along with convenience will drive spending

Another contributing factor to the increase in total spending is the ease of payments through credit and debit cards, a trend that has steadily picked up over the years. Consumers' credit card spends are generally directed towards apparel shopping, fuel purchase and buying durables and jewellery. Between 2002-03 and 2007-08 the credit card market has expanded rapidly with the total number of cards in circulation witnessing a nearly four fold increase. As a result, the proportion of private final consumption expenditure (PFCE) conducted using credit cards have risen from 1.1 per cent in 2002-03 to 2.3 per cent in 2007-08. This translates to an average annual growth rate of 16 per cent over the last 5 years. At the end of 2007-08, it is estimated that Indians held an average 1.14 credit cards per person.

Buoyancy to continue in the long term

CRISIL Research expects the Indian organised retail sector to grow at a CAGR of close to 19 per cent from Rs 852 billion in 2007-08 to Rs 2,024 billion in 2012-13. Thus, organised retail penetration is expected to move upwards from 5.5 per cent in 2007-08 to 7.3 per cent in 2012-13. On the other hand, following weakening consumer spending on account of slower economic growth, organised retail is expected to expand at a modest pace of 14 per cent in the short term from Rs 852 billion in 2007-08 to Rs 1,097 billion in 2009-10.

Market sizing



Note: ORP - Organised Retail Penetration

Source: CRISIL Research Report, April 2011

Organised retail penetration to continue to increase in metros and mini-metros over next 2 years albeit at a slow pace

Due to relative under penetration in Tier-I and II cities, CRISIL Research expects Organised Retail Penetration (ORP) to grow by over 50 per cent over the next 5 years whereas metros and mini metros which will continue to grow even in the short-term, though at a lower pace. Over the medium term, in the Tier-I and II cities, CRISIL have not considered any increase in ORPs as many retailers are shutting stores, relocating and in some cases even resizing.

Based on these estimates, penetration levels of organised retail, from the current levels of 5.5 per cent are expected to touch 7.3 per cent by 2012-13, thereby taking the organised retail sector size to around Rs 2,024 billion.

Revenues – Long term prospects remain attractive

A large part of the growth in revenues for retailers in the last 3 years was driven by aggressive store expansions as well as entry of new players in the industry. However, in the backdrop of the global meltdown, revenues witnessed a substantial decline in 2008-09 on account of the slowing economy, which has a direct bearing on discretionary consumer spending. Same store sales growth also declined due to a huge proliferation of malls and retail space, causing shrinkage of catchments and leading to deferment of expansion plans by retailers. Consequently, revenue growth is expected to be moderate in the medium term. However, with the ongoing revival in consumer spending owing to the expected recovery in economic growth; the long term prospects will remain attractive.

Operating margins – Improving on the back of cost rationalisation by retail players

Despite a robust growth in operating income in the last 3-4 years, EBITDA margins have been in the range of 8-8.5 per cent as operating costs have moved in tandem with growth in operating income. In 2009-10, operating margins have improved significantly (10-11 per cent) primarily on the back of cost rationalisation by players.

GEMS AND JEWELLERY

India is one of the largest bullion markets in the world. It has been until now, the undisputed single-largest Gold bullion consumer. For the quarter ended December 31 2010, India's gold jewellery demand rose 47 per cent to 210.5 tonne from a year ago. Gold import is likely to rise by 15 per cent in 2011 to around 805 tonnes, as compared to 2010 due to growing demand for gems and jewellery. India is the largest consumer of gold jewellery in the world, accounting for about 25 per cent of global gold consumption in 2010. Gems and jewellery form an integral part of Indian tradition. With consumer consciousness increasing, the future of organised retail in India is very bright. The Indian gems and jewellery sector is expected to grow at a compound annual growth rate (CAGR) of around 13 per cent during 2011 – 2013, on the back of increasing government efforts and incentives coupled with private sector initiatives, according to a report 'Indian Gems and Jewellery Market Forecast to 2013', by RNCOS..

(Source: www.ibef.org)

The gems and jewellery market is one of the leading contributors to India's export revenues. The Indian jewellery retail market was estimated to be about Rs. 973 billion (\$14.6 billion) in 2009-10. Of this, the urban jewellery market is valued at Rs. 280 billion (\$5.8 billion) and the rural and semi-rural market is valued at Rs. 420 billion (\$8.8 billion).

Based on its characteristics, processing techniques, preciousness (in terms of price range and marketability), the gems and jewellery sector can be categorised into the following sub-sectors:

Gemstones - Diamonds and coloured stones (precious, semi-precious and synthetic)

Jewellery - Plain gold, studded, silver, costume

Pearls

Gold and diamond jewellery are the two major segments in the Indian gems and jewellery market. While gold jewellery accounts for around 80 per cent of the Indian jewellery market, the balance comprises of fabricated studded jewellery (including diamond jewellery). A sizeable quantity of gold jewellery manufactured in India is consumed in the domestic market. In diamonds, however, a major portion of rough, uncut diamonds processed in India is exported, either in the form of polished diamonds or finished diamond jewellery. Besides being the largest consumer of gold in the world, India also leads in diamond cutting.

Cut and polished diamond exports accounted for 65 per cent of total gems and jewellery exports in 2010-11. While the domestic consumption for diamonds is forecast to increase, foreign exchange earnings arising from diamond exports will continue to drive industry earnings, in spite of a declining trend over the years.

The Indian gems and jewellery industry is competitive in the world market owing to the following factors:

Low cost of production

Availability of skilled labour

Distribution network (export-related)

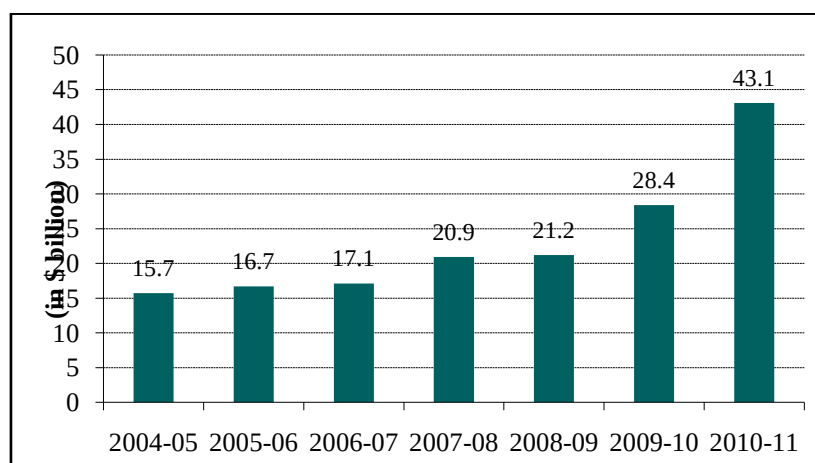
With branded jewellery gaining popularity, the retail branded jewellery market is expected to witness strong growth in the long term. Players such as Gitanjali Gems, TBZ, Shri Ganesh Jewellery, SRS Jewels, Goenka Diamond & Jewels, are therefore well-placed to seize a greater share of this growing market.

Significant contributor to economy

The gems and jewellery industry has an important role in the Indian economy. It is a leading foreign exchange earner for the Indian economy. The industry contributed around 16.67 per cent of India's exports during 2010-11. For 2010-11, Indian gems and jewellery exports witnessed a growth of 46.89 per cent (in US\$ terms) with total gems and jewellery exports reaching US\$43.13 billion as compared to US\$29.35 billion during the corresponding period of the previous year.

India is the largest consumer of gold in the world. Apart from its historical religious significance, gold is valued as an important savings and investment vehicle. The growth in gold jewellery exports was primarily driven by cut and polished diamonds which registered an increase of 54.91 per cent in FY 2011 (*Source: GJEPC*). Diamonds continue to occupy a substantial share (in value terms) in total gems and jewellery exports.

Trend in gems and jewellery exports in India



Source: CRISIL Research Report, April 2011

Government policies

The government identified the gems and jewellery segment as a focus area for exports in the Foreign Trade Policy (2004-09). There is no import duty and excise duty on rough and coloured stones.

Gems and jewellery export has witnessed a considerable growth in the volume of exports from export figures of US\$ 29.35 billion in the FY 2009-10 to US\$ 43.13 billion in FY 2010-11, thus indicating an increase of about 47 per cent in the total gem and jewellery exports. The industry contributes about 16.67 per cent to India's total merchandise exports.

Key characteristics of gems and jewellery market

a) Largely unorganised in nature

There are over 100,000 jewellery manufacturing units throughout India and about 6,000 players in the domestic diamond processing industry. There are about 450,000 goldsmiths spread throughout the country. Family-owned jewellery stores constitute nearly 96 per cent of the market. Organised players have been growing steadily and now have a 4 per cent market share. As India's jewellery market matures, it is expected to get a higher share of the more organised and developed industry.

b) Regional in character

Traditionally, some of the regions in India have specialised in different sub-segments of either jewellery or diamond processing and is tabulated as under:

Regional mix in gems and jewellery market

Name of the city	Area of specialisation
Jaipur	Polishing precious and semi-precious gemstones
NCR	Manufacturing silver jewellery and articles
Calcutta	Lightweight plain gold jewelry
Hyderabad	Precious and semi-precious studded jewellery
Nellore	Hand-made jewellery
Coimbatore	Casting jewellery
Trichur	Light-weight gold jewellery and diamond cutting
Mumbai	Machine-made jewellery

Source: CRISIL Research Report, April 2011

c) High dependence on imports

The main raw materials for the gems and jewellery industry are rough diamonds, recycled gold and gold bars. The industry is highly dependent on imports for its requirement. Rough diamonds and gold bars are imported, while recycled gold is obtained from the domestic market. The import of rough diamonds and gold bars has seen a growth of around 22 per cent in 2010-11. Higher dependence on imports impacts the bargaining power of buyers in the Indian market and also subjects them to fluctuations in foreign exchange rates.

The heavy dependence on imports has also enabled the emergence of a chain of wholesalers (suppliers of imported raw materials) who act as intermediaries between the domestic manufacturers of diamond jewellery and the related suppliers in the exporting country.

Demand drivers for gems and Jewellery industry
a) Stability ensured through traditional demand

Indians have an inherent culture of buying gold during festivals like Diwali, Akshaya Tritiya, Dussehra etc. and on the occasion of weddings. Even in modern times, gold is the Indian bride's "Sthreedhan" (considered as her personal wealth) which she receives from her parents during marriage and remains with her. Gold is mainly bought as an investment option and not merely as a fashion accessory.

b) Increasing affordability of modern India

The increase in income-earning populace in the middle and upper-middle class categories is anticipated to have a positive domino impact on the demand for luxury items, including gems and jewellery. Data from the National Council for Applied Economic Research (NCAER) indicates that India's income-earning population will expand by 8 per cent from 26 per cent in 2005-06 to 34 per cent in 2009-10. Even the upper-middle class population is expected to rise from 7 per cent to 10 per cent during the same period. These two segments are expected to fuel growth in consumption of luxurious items and this bodes well for the jewellery industry.

Another important factor impacting the affordability of households to purchase gems and jewellery is the price of gold and diamonds which has witnessed sharp fluctuations in the last few years. Though there is a negative correlation between precious metal prices and demand, Indian market largely remains insulated from sharp rise/decline in gold prices. This is guided by the fact that Indian jewellery purchases are directly linked with tradition (festivities, marriages etc). Although demand witnessed a subvention during the last 1-2 years when gold prices reached its peak, it was not substantial. On the other hand, consumers also shifted to diamonds as it was relatively stable vis à vis gold prices.

c) Growing market for luxury items

There is an expected surge in the gems and jewellery demand owing to the changing lifestyles especially in urban India. So the tendency to buy luxury items, including gems and jewellery, on impulse is increasing. The neo-rich, who have an inclination to buy high-end gadgets like mobile phones, ipods, watches etc, are purchasing jewellery in modern and aesthetic designs as a fashion statement. As per data from the National Sample Survey, in urban India, the share of essential items like food, clothing, electricity, fuels and footwear has reduced in the total average annual per capita consumption expenditure. On the other hand, the share of durable goods has increased, which reflects the changing preferences of consumers.

d) Enhancement in technology to aid future growth

The Indian gems and jewellery industry has made rapid strides in design, powered by a new generation of young, professionally-trained, technology-driven designers. Many of India's jewellery manufacturing facilities are equipped with the latest CAD/CAM and other advanced design systems. Technology solutions are also available for production control, supply chain and inventory management in the jewellery industry. The Special Economic Zones and Gems and Jewellery Parks developed in different states offer technology-enabled environments that are conducive to growth and quality production. The gems and jewellery industry in India is a good blend of modern manufacturing and design techniques with traditional skills of the Indian artisans. The Indian industry is also compliant with international norms such as the Kimberly Process and the Patriot Act.

The gold jewellery market is extremely fragmented with the organised sector accounting for a small share. India's exports of gold jewellery were worth \$12.8billion for 2010-11 (provisional figures). Gold jewellery exports from India have grown at a CAGR of over 29 per cent for the past 7 years. Major export destinations include the UAE, US and Singapore, which together account for nearly 86 per cent of total gold exports.

Another major development being witnessed is the growing share of organised players in the export of gold jewellery. This is evident from the fact that the share of SEZ (*Special Economic Zones*) and EPZ (*Export Promotion Zones*) gold exports in total gold exports has risen from 47.9 per cent in 2007-08 to 83 per cent in 2010-11.

Branded jewellery in India

Branded jewellery has been a relatively recent phenomenon in India. Most of branded jewellery is retailed in the unorganised sector. Majority of traditional jewellers cater to the local population and most purchases are made on trust and on the basis of the local jeweller's reputation. There is a gradual shift being witnessed in consumer behaviour towards greater preference for machine-made jewellery; thus moving away from the traditional hand-crafted jewellery.

In India, branded jewellery is positioned as a lifestyle and personality statement. This concept is similar to international trends, where jewellery is sold as a fashion accessory or for daily wear and not as an investment option. Some of the prominent players in the Indian branded jewellery market are Tanishq, Gili etc. There has also been a shift in consumer preference towards diamonds due to the extensive positioning of diamonds as both affordable and contemporary jewellery.

The introduction of value-added services such as the certification of gold and diamonds, and life-time return and buy-back schemes are other key developments in branded jewellery. These trade practices have resulted in the perception of superior quality associated with branded jewellery. The new generation of Jewellery purchasers does not remain solely associated with their local jewellers and prefer to buy branded jewellery.

Retailing formats for branded jewellery in India

Branded jewellers typically adopt the following retail formats in branded jewellery:

- Exclusive outlets at malls and other key shopping centres in major cities showcasing various models of the brand;
- Kiosks/displays in department stores and malls; and
- Display of branded jewellery in shops of local jewellers

The branded jewellery market is expected to witness strong growth in the long term on account of the following factors:

Shift in consumer preferences towards branded items

Over the last decade, there has been a radical shift in the behavioural pattern of Indian consumers with greater exposure to western lifestyles and easy availability of foreign branded items. This has resulted in an increased preference for products and brands that are popular abroad. On these lines, the demand for machine made jewellery has seen a surge in the last few years. Likewise, the traditional mindset of jewellery purchase as an investment option is gradually fading away from the Indian market. Thus there is a renewed demand for branded jewellery and is anticipated to witness robust growth in the next few years. Moreover, factors such as jewellery certification and related schemes enhance the demand for branded jewellery.

Increasing affordability of individuals with growing disposable incomes

The branded gems and jewellery market has received a major fillip owing to the increasing affordability of Indian consumers. Disposable incomes of Indian consumers have increased significantly during 2001-02 to 2009-10. Households with income above Rs. 1 million per annum have grown at a CAGR of around 11 per cent, and those with income in the range of Rs. 90, 000 and Rs. 1 million per annum have grown at a CAGR of 6 per cent during the same period.. Thus these emerging trends in demographics are likely to have a positive impact on the demand for lifestyle/ branded products; gems and jewellery forming a sizeable share in the basket of lifestyle products.

BUSINESS OVERVIEW

SRS Limited is a diversified Company with a business portfolio comprising of Cinema Exhibition, Food & Beverages, Retail and Manufacturing & Retailing of Jewellery. The Company was incorporated on August 29, 2000 with the objective of trading in FMCG Goods and it later entered into other business segments. The four business verticals of the Company enable it to profitably exploit the business synergies, as well as, smoothen out seasonal business fluctuations. The four business verticals of the Company are categorised as below:

- **Cinema Exhibition: SRS Cinemas** is the cinema exhibition brand under which the Company operates a chain of cinemas spread across six cities. This includes 11 properties at strategic locations having 30 screens and 7,608 seats. It is a brand that is fast spreading its footprint across the major cities of North India. SRS brand is a well recognized film exhibition brand in North India.
- **Food & Beverages:** The food & beverages segment of the Company operates a chain of food courts, fine dining restaurants and banquets across several cities. The food courts are run under the **SRS 7dayz** brand and currently, the Company operates 11 food courts across North and Central India. The fine dining restaurants are operated under the brand **Punjabi Haandi** and currently, the Company operates three Fine Dining Restaurants that are located at Faridabad, Gorakhpur and Ludhiana. All these outlets are strategically located at high footfalls areas such as malls and high street markets to ensure higher visibility and walk-ins. Apart from this, the Company offers indoor and outdoor catering services through its brand **SRS Banquets**, which is located at Faridabad. The **SRS 7dayz** brand also sells packaged snack food such as *namkeens*, cookies and bakery products through the Company's own retail stores as well as through other retailers.
- **Retail and Cash & Carry:** The Company operates a chain of retail stores under the brand name of **SRS Value Bazaar** that offer FMCG products including food and groceries, apparels, cosmetics / home care / personal care products, crockery, appliances, accessories, etc. **SRS Fashion Wear** is the other brand under which the Company retails multi-brand apparels. The Company has 23 retail stores in North India with a total floor space of more than 0.132 mn. sq. ft. Apart from this, the Company is also active player in the cash& carry business.
- **Jewellery:** The Company procures jewellery from its 100% subsidiary having manufacturing facility at Patparganj, New Delhi and through third parties. In this division, the Company is into whole-selling and retailing of jewellery. It sells a wide range of gold and diamond jewellery under the brand name of **SRS Jewells**. The product portfolio includes gold coins, necklaces, rings, pendants, bracelets, earrings, bangles etc. Skilled craftsmen are employed by the Company for manufacturing of jewellery pieces based on international and trendy designs. The Company at present has three retail showrooms at Delhi, Faridabad and Palwal and two wholesale outlets at Chandni Chowk and Karol Bagh, Delhi. Recently, the Company has also started the manufacturing facility at Noida SEZ.

The Company has developed a mall known as SRS Mall at City Centre, Sector 12, Faridabad. The Mall was developed in the year 2004 and has become a known destination for people on the look out for a shopping cum entertainment experience. The salient features of the mall are as under:

- Located in the heart of Faridabad built over an area of 2,136.86 sq. mt. purchased from HUDA with ample parking space.
- Provides a total built up area of approximately 138,000 sq. ft.
- A total of 47 outlets operate in the mall out of which 15 are used by the various business divisions of SRS.
- Presence of a number of well known brands.
- Houses various kinds of outlets that include cinemas, food court, restaurants, electronic stores, gaming zone, apparel stores and more.
- Provides a platform for cross promotional activities for all the divisions of SRS.
- A well designed complex, incorporating the latest concepts with multiple entrances.

Apart from the income from the business segments of the Company present in the mall, there is also regular revenue in the form of lease rentals from outlets given to third parties on lease.

As per the restated audited standalone financial statements for the Fiscal 2011, 2010, 2009 and 2008, the Company has generated total income of Rs. 20,426.43 mn., Rs. 13,081.22 mn., Rs. 5,015.44 mn. and Rs. 1,780.72 mn respectively and net profit after extra-ordinary items of Rs. 373.88 mn., Rs. 261.57mn, Rs. 55.91 mn. and Rs. 104.75 mn. respectively. Over the last three fiscal yearsthe Company's total income and net profit after extra-ordinary items increased at a CAGR of 125.53% and 52.82% respectively.

Competitive Strengths

Strategic selection of location

The Company believes that it possesses the ability to identify locations with potential for growth for its business particularly in Tier II and Tier III cities. One of the important factors of continued growth has been the ability to open and operate business at such locations. The Company believes that this has helped in gaining the benefits of first mover's advantage. The Company ensures that it conducts a financial and operational analysis of any proposed (new) location and the Company has been fairly successful in this strategy. The Company has an efficient selection process that takes into consideration various factors such as location visibility, presence of competition, household count etc. It also conducts a return-on-investment analysis based on projected sales and profitability to determine the financial feasibility at such location.

Cross Promotional Support

There is constant cross promotional support between the various business segments, cinema exhibition, food & beverages and retail. The schemes and offers are advertised across all the locations of other divisions. Not only does this save promotional expenses, but it also strengthens the brand image. The Company also organizes mall activities such as campaigns and fairs for collective branding. The presence of different businesses in a single location complements the businesses for each of the segments. Presence in different segments also helps in a better brand recall. The Company also runs schemes whereby the customers are given the opportunity to derive benefits for purchases made in one segment with another segment.

Better negotiation ability with mall developers

The Company believes that they have better negotiation ability with mall developers because of their presence in various verticals of business. The combination of the related business segment like cinema exhibition, food & beverages, retail are capable of generating higher number of customer footfalls. The Company believes that its presence in shopping mall helps the developer to market mall space to other retailers also. Company's hybrid model also gives a higher negotiating power in terms of lease rent with shopping mall developers.

Economies of Scale in bulk purchase

The Company procures items in bulk for the retail and food & beverage segments. The retail segment comprises of cash & carry and wholesale and retail sale through its various stores, "SRS Value Bazaar" and food & beverages segment comprises of food courts, fine dining restaurants, banquet services and packaged snack food segment which use these groceries as their raw material to prepare food items. The Company places consolidated order for procurement of items which helps them in competitive prices for items used in the retail segment and food & beverage segment and hence, results in increase in margins.

Experienced management team

The Company has an experienced management team which is complemented by a committed workforce. The management team comprises of professionals like Dr. Anil Jindal (Chairman), Mr. Sunil Jindal (Managing Director), Mr. Vinod Kumar (Director), Mr. Raju Bansal (Director), Mr. Tinku Singh (Group President, Cinema exhibition, Food Court & Marketing), Mr. Rahul Das (President, Procurement & Planning, Retail), Mr. Lokesh Agarwal (Senior Vice President, Retail Operations), Mr. Narender Vaid (General Manager, Information Technology) amongst others who have contributed to the growth of the Company. For a brief profile of the Key Managerial Personnel, please refer to the section titled "**Key Managerial Personnel**" on page 148, of this Red Herring Prospectus.

Understanding of ‘value’ segment

Consumers are always looking to seek value on all their purchases, especially in difficult times. They seek that extra value / benefits at no extra cost, whether in terms of product attribute, style or services. Understanding the customer is one of the most important attributes to be successful in businesses the Company operates in. Its business plan involves implementation of the concept of ‘value retailing’, targeting the upper middle and middle income groups. The Company intends to provide quality products at competitive prices. The emphasis has been to maximize the value that the customers derive in spending on goods bought from the stores. The Company is working to continuously reduce costs through a variety of measures, such as, procurement of goods directly from the small and medium size vendors and manufacturers, efficient logistics and distribution systems along with customized product mix at the stores depending on the regional customer behaviour and preferences. Central to the value retail strategy is to pass on the benefits of cost reduction measures to its customers.

Strong and Efficient Supply Chain Management

The supply chain management involves planning, merchandize sourcing, standardization, vendor management, logistics, quality control, pilferage control, replacement and replenishment. The supply chain management provides flexibility to adapt to changing patterns in consumer behavior and the ability to add value at various levels. In particular, the Automatic Replenishment System (“ARS”) takes care of the inventory levels of each good, at each location and maintains an efficient communication system for replenishment of goods. This is automated software, designed by Ginesys Systems Limited. The Company believes that any retail business requires efficient information technology systems for control over the functioning of various stores including stock management, pricing, replenishment, sales, quality control and financial accounting.

Logistics and distribution network

The distribution and logistics network of the Company comprises of two warehouses located at Faridabad and Gurgaon, in Haryana, which act as the focal point of contact between the vendor and distribution centres. Besides this, the Company has its own fleet of 14 vehicles, which helps to transport and deliver products in a cost and time efficient manner. The distribution and logistics set up is well networked and allows to fulfill the store requisition within short time period of generation and receipt of order. This helps to optimize in-store availability of merchandise and minimize transportation costs. The strong distribution and logistics network has enabled the Company to dispense with the requirement of a dedicated storage space at most of the stores.

Private labels

The Company has its own private labels of food & beverages and grocery items and apparels. The Company has plans to increase its focus on private labels for groceries and food & beverages segment. The Company further believes that its focus on private labels and their recognition in the customer segment enables it to differentiate itself from its competitors.

Insulated against Seasonality

By virtue of being in multiple segments, the Company believes that it is relatively insulated against seasonality, as each segment is active at different points throughout the year. Though, each segment gets affected by seasonal fluctuation, diversity in business provides regular cash flows throughout the year.

Brand Recall

The Company operates cinemas, restaurants, food courts and retail stores which have a contemporary look. The Company gives high priority to layouts, display area, music, lighting etc., as well as personal attention and services by the employees. The Company believes that it gives its customers value in terms of price, quality, services, ambience and shopping experience which helps in brand recall amongst the customers.

Efficient infrastructure and Resources management

The Company has successfully managed growth by investing in infrastructure including human resources and IT. The Company believes that it has been successful in building a team of talented professionals and encourages its employees to be enterprising. Further, the Company uses Vista software for cinemas and Ginesys for its retail operations which helps in maintaining operational control.

Strategy

Geographical expansion

The Company intends to increase its penetration in other parts of the country in addition to North India by setting up multiplex / cinemas, food courts & restaurants and retail stores. The Company intends to continue focus on expansion in Tier II and Tier III cities. The Company believes that the existing infrastructure is adequate for higher scale of operations.

Franchisee Business Model

The Company is exploring opening of cinema, food courts and retail stores at various other locations in the near future through franchisee business model. The Company also believes that such a strategy of expansion will help to increase brand awareness and make in-roads into newer geographies.

Leverage the Brand in multiple formats / segments

The Company believes that multiple business formats catering to cinemas, food and beverages, retail and jewellery gives the Company an extra edge in order to promote the different verticals of the business. The Company will continue with the same strategy.

Focus on the Corporate Segment

The Company now aims to target the corporate segment in a dedicated manner to increase its revenues. The Company now proposes to provide banqueting services for corporate meets, annual days, corporate events, conferences, etc., apart from increasing its thrust for corporate gifts during the festive season.

Drive differentiation through differentiated Consumer Experience

The Company is planning to significantly upscale its focus on festivals such as Navratras, Holi, Diwali, Lohri, Christmas etc., as well on special celebratory days such as Valentine's day, Mother's day, Friendship day, s etc.

CINEMA EXHIBITION DIVISION

Background

This division operates a chain of cinemas which offers a rich experience to the patrons. The Company established its first cinema with three screens having a seating capacity of 776 at SRS Mall, Sector 12, Faridabad in the year 2004. Today, SRS cinema operates at 11 locations with 30 screens in six cities with a total of 7,608 seats. The Company believes that it is one of the well-recognised film exhibition brands in the geographies where it operates. Across its various properties, SRS cinemas had 2.52 million patrons in Fiscal Year 2010-11. The operational units are situated at key locations which offer a large catchment area. These operational units are surrounded by malls, food courts and restaurants along with adequate car parking facilities thus making them an attractive destination for patrons.

The Company is in a good position to leverage its operational experience in the industry and expand into new territories. The focus has constantly been on Tier II & Tier III cities to gain the first mover's advantage. As part of the strategy to grow the film exhibition business on a national footprint, the Company is proposing to set up 51 screens at 15 locations with approximately 13,840 seats out of the proceeds of proposed Issue by the end of FY 2013.

Details of the Operating Units

The operating properties of the Company as on June 15, 2011, are under the leased model and it currently operates the following cinemas:

City (State)	Location	Year of commencement of operations	No. of Screens	No. of Seats
Faridabad (Haryana)	SRS Mall, Sector 12	November 2004	3	776
Gurgaon (Haryana)	Omaxe Plaza Mall, Sohna Road	December 2006	2	506
Faridabad (Haryana)	Pristine Mall, Sector 31	August 2007	3	644
Faridabad (Haryana)	Shubham Tower, NIT	January 2008	1	233

City (State)	Location	Year of commencement of operations	No. of Screens	No. of Seats
Gorakhpur (Uttar Pradesh)	Civil Lines	June 2008	3	742
Gurgaon (Haryana)	Omaxe Wedding Mall (now known as Celebration Mall)	November 2009	2	551
Ghaziabad (Uttar Pradesh)	Aditya City Centre Mall, Indirapuram	February 2010	4	918
Ghaziabad (Uttar Pradesh)	Jaipuria Sunrise Plaza, Indirapuram	February 2010	3	974
Bijnore (Uttar Pradesh)	Shopper's Pride Mall	March 2010	2	458
Patiala (Punjab)	The Omax Mall	September 2010	4	1,117
Faridabad (Haryana)	Eldeco Mall, Sector 12	January 2011	3	689
Total			30	7,608

The cinemas of the Company are designed to increase profitability by optimizing revenues and reducing cost. The Company shifts films within the same cinema to a smaller or larger screen, allowing the Company to maximize revenues and counter change in attendance levels.

All its cinema properties are proposed to be located in strategic locations in the respective towns and cities. The design, ambience, features and service levels at the cinemas are planned to suit the local requirements. The cinemas are fitted with the latest available equipments, providing a pleasant cinema viewing experience. Most projects located in malls, would also feature other facilities including restaurants and food courts and retail stores.

The key features common to most of the properties are:

Strategic Location: All the cinemas are located either in the central business district or areas having high catchment. Locational advantage is a key feature to its cinemas. The Company firmly believes that a strategic location is a key distinguishing feature of its cinemas, providing long term strategic advantage over competition.

Selection criteria of property

The key factors that are considered in selection of property are as follows:

- Category of town – major city in a particular state, tier II and tier III cities
- Catchment area and population demographics
- Demographic profile of population
- Disposable income of catchment population
- Average propensity to spend on entertainment options
- Average cinema visits per year
- Shopping mall tenancy mix i.e., which other retail tenants are present or would be setting up establishments in the same location
- Current and potential competition
- Background of the developer,
- The composition of the development,
- Other tenancies,
- Time schedules for implementation

Latest available projection and sound systems: All the cinemas are equipped with Dolby Digital Surround Sound format. Most of the cinemas have 'Harkness' Screens with automated masking and use 'Strong' projectors which have looping facilities.

Pleasant Ambience and Auditorium Comfort: The Company gives utmost priority to ambience by providing attractive layouts, display area, lighting, music, lobby design etc. which differentiates it from others players in the Industry. The Company has designed auditoriums that give a better audio and video experience and seating comfort to viewers.

Concessions sale (food & beverage): The cinemas have a concession candy / snack bars. The snack bars follow the station concept with multiple counters offering variety of products with speed. The Company's foods & beverages division is involved with serving quality food & beverages and working out cost effective deals and better selling concepts so as to reduce the cost of products and increase profits.

Ongoing Promotions & Events: To engage the consumers, create strong relationships and multiply the movie going experience, the Company undertakes several promotional schemes and events. These vary from running movie specific contests, distribution of cinema merchandise and special price schemes. These are actively used for new properties as well to create a strong consumer pull at existing properties.

Multiple ticketing options: Apart from direct box office bookings, online ticketing (via Company's own managed website i.e. www.srscinemas.net and other third party), tele-booking, facility for home delivery of tickets is also available at some of the locations.

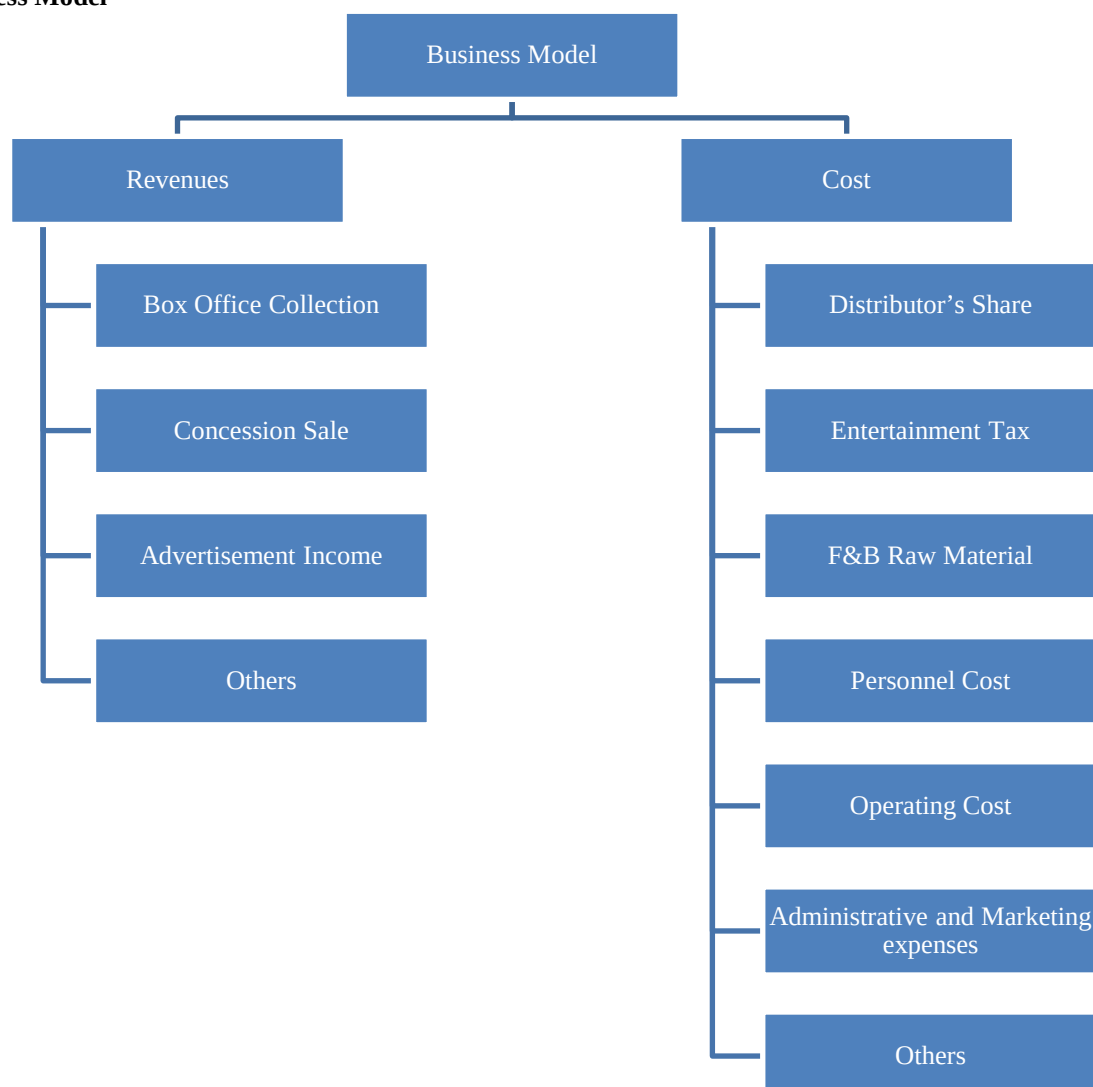
Site activities

The site activities of the Company would depend on the property it proposes to acquire, that is, whether there is construction of building involved (in case of acquisition of land), or whether it receives a core or a shell (wherein it has to construct the interiors of the Cinema) or it acquires a completed Cinema, necessitating only incidental changes. The Company has in-house personnel to assist in project implementation and to ensure in-time and in-cost.

Licences and Approvals

The Company requires several licences and approvals for setting up of and for running of its cinemas. The location / construction related licences and approvals are acquired by its builder / developer either before or simultaneously with site activities. There are several intermediate approvals required by it (depending on the state in which the cinema is located), which forms an integral part of the construction / renovation process. Subsequent to the construction / renovation being completed as per rules and regulations of respective states, the relevant authorities issue the license to operate the cinema.

Business Model

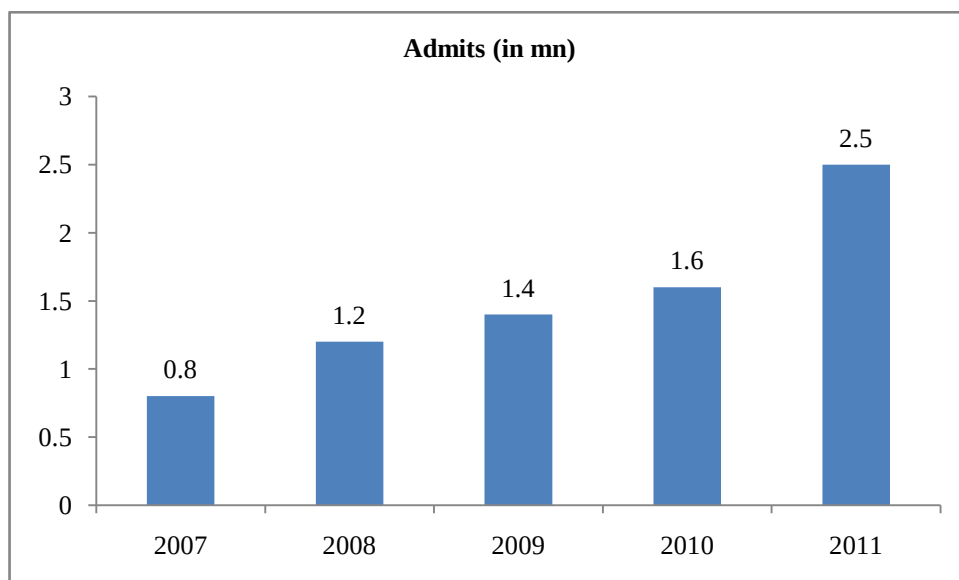


Every cinema that the Company sets up has / will have the same key heads of Revenues and Costs, which have been depicted above. The actual performance numbers at each location will vary, depending upon the location, the quality of the property, its operating efficiency, etc.

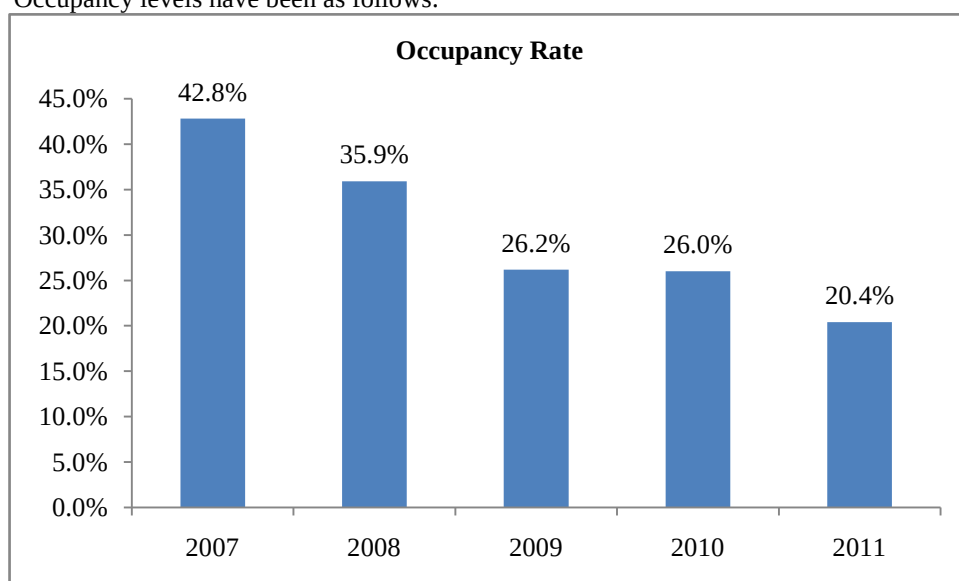
A. REVENUE

The film exhibition business / cinema earns revenue from three main sources: Box office collection, food & beverages (concessions) and advertisement, among others.

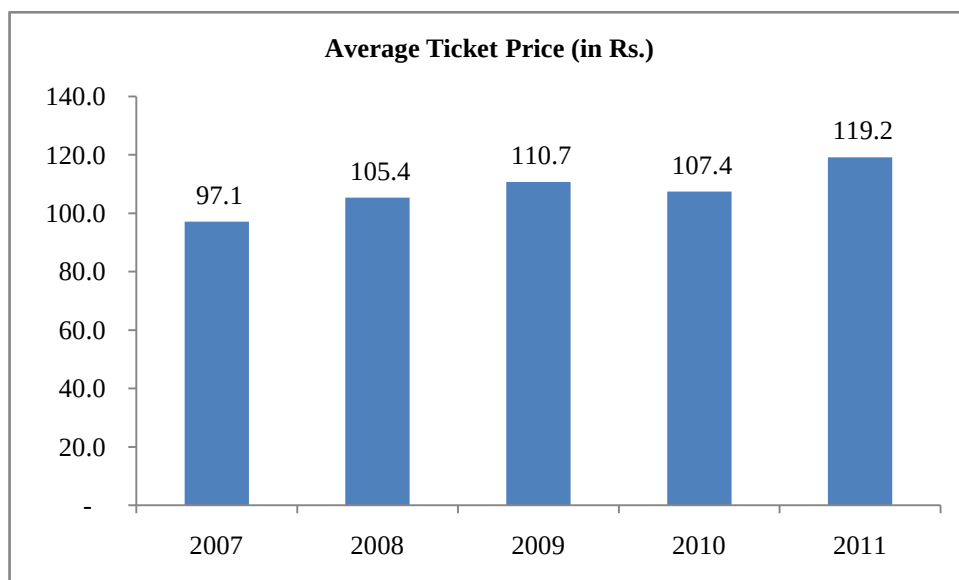
Box Office Collection: Nearly 72% of the revenues from the cinemas are generated from the box office collection while the balance from other sources which include foods & beverages, Advertisements, etc. Box office collection depends on total admits and the occupancy rate. The Company has seen a consistent increase in the footfalls in the past few years.



Occupancy levels have been as follows:



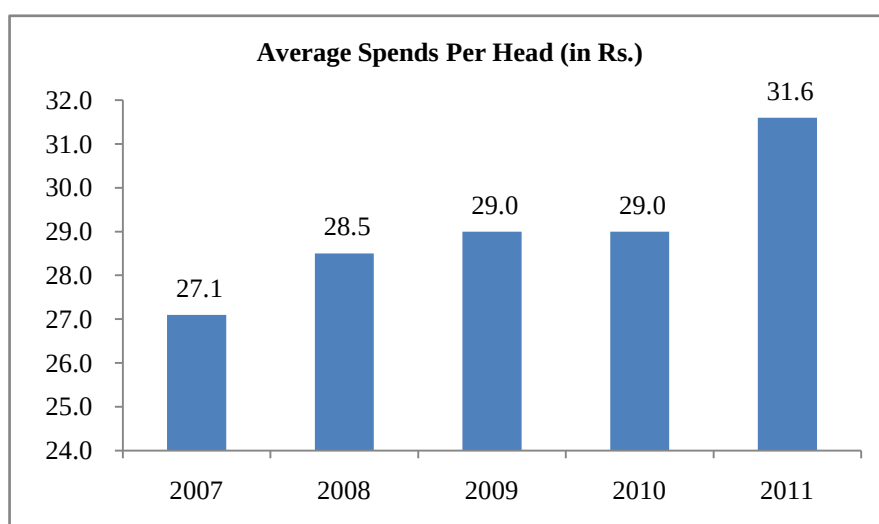
Box office collection is measured by ATP (Average Ticket Price) which is calculated by *dividing* Gross Ticket Sales with Total Tickets Sold. The comparative details of ATP in the past five years are depicted in the following chart.



The Company operates eleven cinema properties in three states. Presently, the Company has been granted exemption from payment of 100% entertainment tax for four cinema properties and 75% entertainment tax for one cinema property.

Foods & Beverages (Concession Sale): Revenue from food & beverages is the second largest source of income after box office revenue and as sale of food & beverages has a higher margin. Food & beverages items include popcorn, soft drinks, confectionary, sandwiches and other snack items. Different food & beverage varieties are offered at the Company's cinemas based on preferences in that particular geographic region. The Company's food & beverages strategy emphasizes prominent and appealing food and beverage counters designed for prompt service and efficiency. The Company designs its cinemas to provide for a larger counter space to accommodate more food and beverages stands to make it easier to serve larger number of customers. This enhances product display, facilitates catering to more customers and simultaneously allows flexibility to introduce new concepts and improves movement around the food and beverages stands.

At most of locations the food & beverages items are mainly procured from the Company's food court division at competitive prices as against purchase from third party suppliers thereby increasing profit margins. "Combo-deals" for patrons are also being offered which increases the sales.



ADVERTISEMENT: A cinema offers an opportunity to advertisers as it directly captures the attention of the movie viewers. Advertisement revenue comes from on-screen advertisements, off-screen advertisements and cinema association activities. Advertisements includes film commercials and slides

shows, foyer displays, light box displays, advertisements on ticket backs, ticket jackets, popcorn boxes, wash room advertisements, exterior of cinema branding and advertisement spots on video walls that feature film trailers, standard advertisements, concessions advertisements, music videos etc.

Other income: Other sources of income include convenience fees and shop-in-shop alliances. The Company's strategies for increasing its advertisement revenue are:

- Focus on on-screen advertisement presentation sequence prior to the screening of a feature film and during intervals;
- Develop and exploit off-screen media spaces; and
- Develop and exploit cinema experience association opportunities.

B. COST:

The primary cost heads in the film exhibition industry include distributor's share, entertainment tax and personnel expenses.

Distributor's Share: Distributors are the suppliers of films. Distributors are paid out of the box office collections. Various revenue sharing patterns exist in the industry. The Company generally has a revenue sharing agreement or a minimum guarantee agreement with distributors.

Entertainment Tax: Entertainment tax is the tax payable on the box office collection. Entertainment tax is different for every state in the country. Certain states have exempted cinema exhibitors from such tax to promote investments.

Food & Beverage raw materials: This is the cost of raw materials for food and beverages which is generally sold in the cinema premises. Most of the locations procure food & beverages items from the food & beverage division and so the costs are lower against procurement from third party suppliers.

Personnel Cost: Personnel cost includes salaries, training cost, recruitment and other costs related to employees.

Operating Costs: Operating cost includes rent, utilities, electricity etc. It also includes water and maintenance expenses.

Marketing & Promotion Expenses: This includes spends on media advertising, hoardings, posters etc.

Business Process

The operations of a cinema business can be divided in three key activities:

Programming & Development

Programming is one of the most important functions in any film exhibition business. The programming department is responsible for the regular supply of films to all the screens. The main objective of the programming department is to source the right films for the right market (based on the thorough analysis of the profile of the market), at the most competitive terms and screen the films in a manner and at the show that enables maximization of revenues from each film.

Programming, or sourcing of content for its screens, is a centralized function done under direct guidance from the Head – Programming & Development. However, decisions on programming are taken based on inputs from heads of respective theatres, in respect of local factors including tastes and preferences of the patrons in the areas where the cinemas are based. Programming is usually done every Tuesday after a careful assessment of the collections during the weekend of the current and past week's releases. This involves sourcing the right films for the right markets and screening them with a methodology which enables maximization of shows and efficient utilization of screens. Based on capacity available, a programming mix of Hindi, English and Regional films is finalized.

The development team is involved with planning the expansion and growth of the business. The team consists of key persons from each function area of the organization namely programming, legal, finance, marketing, Project execution team and the Managing Director. The team is responsible for carrying out feasibility studies, identifying best cities and locations for growth and expansion of the business and negotiating the terms for the target project to ensure optimal terms are decided.

Operations & Maintenance

The operations department is responsible for the day to day operations at every location. It ensures smooth and efficient flow of operations while maintaining high standards of service, comfort and safety.

The entire system is computerized. The Company has a dedicated team for every operation within the cinema premises which takes care of various activities such as tickets sales, food & beverage sales, showcasing, maintenance, housekeeping, security and IT. The Company provides a single window service for ticket sale and the collections are directly recorded at the head office. The Company has installed “Icount” software that helps to check the occupancy level.

The Concessions sale is supported by the food & beverage division which maintains regular and constant supply of food & beverages which also maintains quality and timely delivery.

Ushering unit coordinates the movement of patrons in the lobby and auditorium in an efficient and friendly manner.

A team of engineers take care of the projection and provides uninterrupted viewing experience by ensuring preventive breakdown maintenance of all equipments.

Housekeeping and security team takes care of the hygiene, sanitation, upkeep, maintenance and safety measures within the premises. The Company has maintained a standard management practice across all their cinemas to ensure smooth and efficient operations.

Marketing & Brand Promotion

The marketing team is primarily responsible for brand positioning of SRS cinemas. The Company undertakes intensive marketing and promotional activities for its cinemas and it organizes special marketing programmes for specific films. The Company has an in-house team that develops and implements the events and promotions for its customers focused around films or operations. The Company uses print media advertisements, pamphlets for local area distribution, radio advertising, Movie schedules published in newspapers, the Company’s website (www.srsparivar.com) and Short Message Service (SMS) over the mobile phones informing the patrons of film selections and show times. Further, the Company has created a domain in the name of www.srscinemas.net for providing regular information related to SRS Cinemas and online ticket booking. Newspaper advertisements are used on regular basis in leading publications with a view to maintain a high level of visibility as well as intimate people about films which are about to be released.

The Company organizes promotions, events, campaigns and contests to attract patrons to its cinemas. Other marketing initiatives includes discount for certain concession items and co-ordinating the theme in cinema by using displays and dressing staff in film merchandise. The premium ambience of the cinema properties is leveraged to position them as a venue of choice for kitty parties, birthdays and other celebratory events. The Company also targets schools and corporates for such group events.

To ensure that the Company delivers to its customers, it regularly undertakes consumer audits to measure their satisfaction levels of patrons, identify gaps as well as new opportunities to exploit. Findings of the audits provide crucial inputs to bring about changes in programming service and facilities.

The new cinema launches, provides an opportunity for the Company to make its presence felt. On account of all round marketing during launch of properties, these occasions provide a good platform for repositioning and infusing vibrancy into the brand. The launches typically use an integrated marketing approach that includes several initiatives such as pre and post launch consumer studies as well as a multimedia campaign. The latter is an intensive program that includes impactful press campaigns, radio spots, contest launch events and outdoor advertising through hoardings, kiosks banners, mobile vans and etc.

Further the Company follows umbrella branding strategy wherein, all the divisions of SRS are promoted collectively to get high attention of their customers. This helps the Company to build strong brand equity.

COMPETITION

Any cinema attracts patrons within a short radius, called its “catchment” area. The size of the catchment area could be different, depending on city, population density, traffic flows, etc. This could be 2-3 km in a densely populated city like Mumbai, or could be over 5 km in a tier-II town. The Company faces competition from cinemas and single screen theatres located in the same catchments area.

The cinema exhibition industry is highly competitive. Cinema exhibitors generally compete on the basis of the following competitive factors:

- Ability to secure films with favorable licensing terms
- Location and reputation of their cinemas
- Quality of projection and sound systems at their cinemas
- Ability and willingness to promote the films they are showing

Focus on film marketing

One of the factors contributing to the Company’s success has been its use of innovative techniques in the film exhibition context to market films shown at its cinemas. The Company organizes movie screenings with film stars, conduct preview screenings for film critics, conduct movie-based promotions, distribute movie memorabilia and information.

As per the restated financial statements, the total revenue of the cinema exhibition division for the financial years ended March 31st, 2011, 2010 2009 and 2008 was Rs. 368.81 mn., Rs. 218.79 mn. Rs. 182.37 mn. and Rs. 137.56 mn. respectively. For the financial year ended March 31, 2011, 2010 2009 and 2008 the EBITDA was Rs. 66.13 mn., Rs. 32.47 mn., Rs. 23.18 mn. and Rs 11.18 mn., respectively. The CAGR of Income from operations, from Cinema Division, over the last 3 years stood at 38.92%. For details of the restated financial statements refer to the Section titled “**Financial Information**” on page 198 of this Red Herring Prospectus.

FOOD & BEVERAGES DIVISION

Overview

In this segment SRS Limited operates 14 food & beverage outlets comprising of food courts and fine dining restaurants and one banquet. The Company also provides banquet services and sells packaged foods under private label.

- **Food Courts:** The Company runs 11 food courts under the brand name of ‘**SRS 7dayz**’ which are located at high footfall areas such as malls and busy high streets. These are self-service, Quick Service Restaurants (QSR) outlets with a large sitting area, offering multiple cuisines such as North Indian, South Indian, Chinese, Continental as well as beverages and desserts. It serves only vegetarian food at the food courts.
- **Fine Dining Restaurants:** Fine dining restaurants are run under the brand name ‘**Punjabi Haandi**’. Operational with one outlet at Faridabad, one at Gorakhpur and one at Ludhiana, it is a full -service restaurant that serves Indian and Chinese cuisines and a fine selection of beverages. These outlets have a serving capacity in the range of 115 to 290 diners.
- **Banquet services:** At present, the Company operates 1 banquet hall at Faridabad with an area of 24,000 sq. ft. (approx.) spread over two floors at City Centre, Sector 12, Faridabad. The banquet is being run and managed by the Company under a joint venture agreement with the leaseholder of the premises. For details please refer to the section titled “History and Other Corporate Matters” on page 122 of this Red Herring Prospectus.
- **Packaged Snack Food:** The Company is also present in the bakery and packaged snack food segment which offers a variety of packaged premium sweets, cookies and *Namkeens* under the brand name of ‘**SRS 7dayz**’ that includes *Aloo bhujia*, *Moong dal*, *Nutcracker*, *Khatta meetha*, *Navrattan mix*, *Choco chip cookies*, *Pista cookies*, *Peanut cookies*, *Coconut cookies*, *Jeera cookies*, *Atta cookies*, *Kaju katli*, *Soan papri* and many more. The manufacturing and packaging activity has been outsourced to Swami Food Limited which manufactures snacks exclusively for the Company. Majority of the snack food sales is accounted for in food courts and retail stores.

List of Existing food & beverage outlets

Sr. No.	Location	Food Court*	Fine Dining Restaurants**
1	Faridabad (Haryana)	3	1
2	Greater Noida (Uttar Pradesh)	1	-
3	Moradabad (Uttar Pradesh)	2	-
4	Ludhiana (Punjab)	1	1
5	Jind (Haryana)	1	-
6	Gorakhpur (Uttar Pradesh)	1	1
7	Bijnor (Uttar Pradesh)	1	-
8	Indore (Madhya Pradesh)	1	-
	Total	11	3

*All the 11 Food Courts operate under the brand name of SRS 7Dayz.

**All the three fine dining restaurants operate under brand name Punjabi Haandi.

Key Strengths

This business segment is characterized by the following key strengths:

- **Understanding of consumer behavior:** The Company has a fair understanding of the consumers in terms of the various consumer segments that can be targeted, their needs, desires and expectations with respect to the food, service, ambience, experience and related matters. This enables the Company to extend offering the taste of local customers as well as engage them effectively. This has further helped the Company to operate more than one format in the same city or area, thereby bringing more consumers to its outlets.
- **Ability to identify rewarding locations:** The success of the Company's outlet depends much on its location. The Company believes that it has the ability to identify low rental locations, having high potential catchment areas.
- **Ability to make customized offerings in each market:** Instead of a one-size-fits-all approach, the Company takes a localized approach. This means having certain dishes in the menu that cater exclusively to appeal to the local tastes. Further, the pricing of the dishes too is fine-tuned from city to city with a view to make the food courts more attractive in a competitive environment.
- **Presence at multiple levels of the value spectrum:** The food & beverage division is present across a host of areas such as food courts, restaurants, packaged namkeens and cookies, sweets, banquet services and related fields. Such diversity of operations enables the Company to have multiple revenue streams with better margins.
- **Strong operational abilities:** The Company has a strong control over all operational matters such as kitchen, staff and consumables which enables it to minimize costs while maximizing revenues, deliver superior value to consumers and ensure healthy operating margins. Similarly, the Company also has a keen understanding of operations that can be centralized or de-centralized for optimum operations. A case in point is the base kitchen in Ballabgarh which feeds all the food courts and the banquet in Faridabad. The Company extends a very strong support to new outlets by seconding seasoned professionals from existing outlets to support the new outlets during the initial launch days.
- **Integrated marketing programs:** The Company maintains a salience at every location it operates. This is leading to the creation of a brand that enjoys high awareness levels in the minds of its core target audience and building a competitive edge. For this purpose, the Company undertakes campaigns in leading print media, below the line initiatives (like circulation of leaflet in newspapers, takeaway menu etc.), joint marketing programs etc. For instance, when the Indore outlet was launched, a mix of press advertisement as well as outdoor media was taken up. Further, a targeted direct marketing exercise was

taken up with the members of the city's leading club. Another instance was the Women's Day celebrations, wherein, the Company undertook a joint marketing program with the staff of a foreign bank. It also comes out with special schemes on celebratory days to add to the overall excitement and consumer experience. Apart from this, it has also put in place an action-oriented consumer feedback program.

- **Vendor empanelment and management:** The food & beverage business involves high standards in terms of procurement of raw material, such as, milk, pulses, spices, cheese, condiments and other ingredients which require efficient storing facility and timely delivery. The Company has developed reliable vendor relationships that are able to deliver the expected level of quality in timely manner. This is a key factor behind the Company's successful food & beverage operations.

STRATEGY

The strategy of the Company in this business segment is to continue to drive profitable growth by pursuing its core values namely delivering superior food, service quality and value for money. The Company believes that these are the key deliverables for its differentiated proposition to the customers.

The Company intends to adopt the following strategies:

Focus on packaged snack food

The Company intends to put in place a strong distribution network for its packaged snack food. The economies of scale will enhance its revenues as well as operating margins.

Opportunities in the Gifts segment

The Company has identified gifting segment as another area for future growth. It has already successfully tested this segment with an array of celebratory gift pack and packaged snack food and is lining up ambitious plans for the same.

Business Process: Food Courts

The process involves three main activities:

Menu Engineering	Implementation	Completion & Service
• The company follows a scientific approach of menu engineering to ensure menu, balancing, palatability, and standardization. It takes into account the menu items, recipe and the price. • Menu: The first task in any F&B unit is finalization of the menu which is done by the Division Head, Head Chef and Director. • Recipe: The recipe for each menu item is then crafted by the Head Chef and the Division Head. • Pricing & Costing: Competition study is done to evaluate and strategize the pricing philosophy. The costing is then done by the Cost Controller, Head Chef and the Division Head.	• A well implemented approach of menu engineering improves efficiency: • Procurement: Procurement of raw materials takes place centrally at the Base Kitchen as well as independent kitchen store through the purchase manager • After taking the requisition from each F&B unit, the Chef places the order to the purchase manager. • Products received are checked by the Chef (for quality), Cost Controller (for pricing), Store keeper (for quantity and placement). Stock is controlled by the store keeper. Transferred to base/unit kitchen as per the requisition received.	• Once the semi-finished food is received from the base kitchen, Chefs of each individual F&B unit completes the preparation process. • The prepared food goes for display at the food court where the quality is again checked by the restaurant manager and restaurant chef. • The food is finally served with proper décor and cleanliness.

Menu Engineering	Implementation	Completion & Service
	• Preparation: Once the stock is received wastage and yielding is done. • Semi-finished food is sent by dispatch department to units; finished in the kitchen and placed for selling • For independent kitchen the food is prepared and placed at site.	

As per the restated financial statements, the total revenue of the Food & Beverages Division for the financial years ended March 31, 2011, 2010, 2009 and 2008 were Rs. 212.50 mn., 170.29 mn., Rs.133.96 mn. and Rs. 43.02 mn. respectively. For the financial year ended March 31, 2011, 2010, 2009 and 2008 the EBITDA was Rs. 34.75 mn., Rs. 21.34 mn., Rs. 12.71 mn. and Rs. (1.91) mn., respectively. The CAGR of the Income from operations over the last 3 years for F&B Division stood at 70.31%. For details of the restated financial statements refer to the Section titled **“Financial Information”** on page 198 of this Red Herring Prospectus.

RETAIL AND CASH & CARRY DIVISION

Overview

SRS Limited ventured into the retail business in the year 2006, with an aim to serve the needs of customer in an organized manner while delivering optimum value to them. Apart from the retail operations, this division is also an active player in the cash & carry business.

Retail Business

The Company believes that managing customer expectations by offering an elaborate product range to meet the needs of the entire family under one roof is the key to being a successful retailer. Its ‘Family Centric’ business model retails a range of FMCG products, branded and private label apparels, perfumes, cosmetics, jewellery, leather products and accessories, home products, music, household items, consumer durables, home furnishings, in addition to the food and personal care products. Promotions and events are an integral part of its service offering to its customer, which helps to create a unique and value-driven shopping experience. The Company has set Standard Operating Procedures which define pre-launch, launch and post-launch operations. Besides this, it also runs the cash & carry business where the Company purchases the material in bulk, sorts them, packs them and sells to the various local dealers under the SRS brand. This helps the Company to negotiate effectively and procure material at competitive prices.

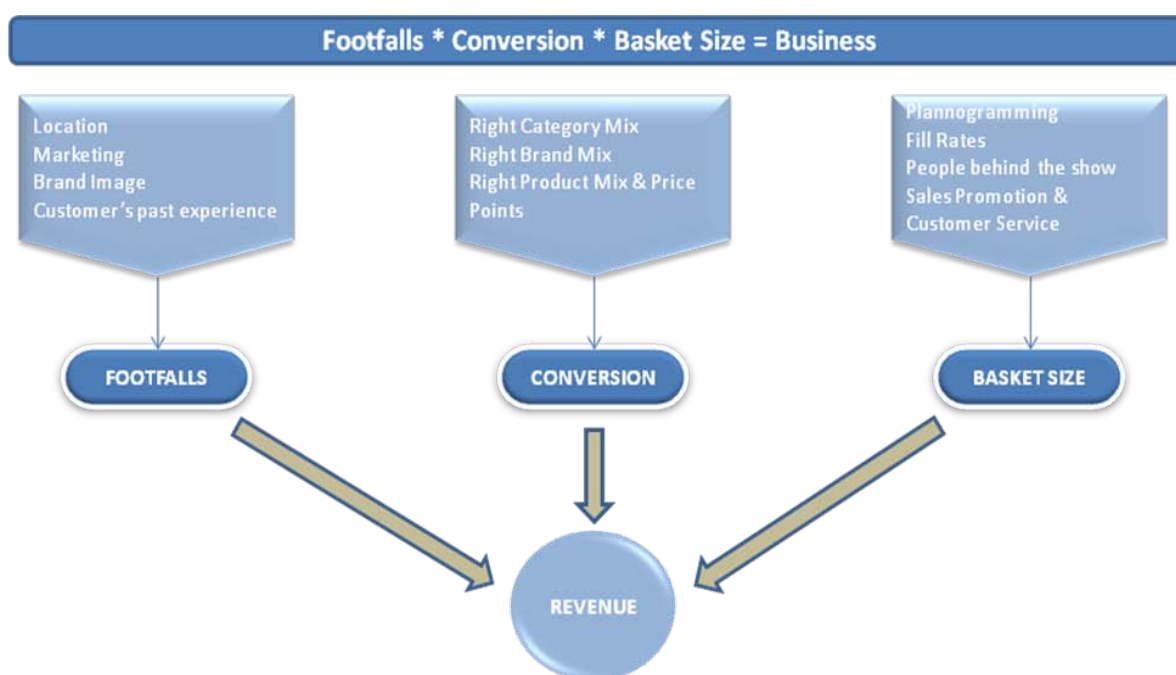
List of Existing Stores

Sr. No.	Location	Number of stores	Area (In sq. ft.)
1	Faridabad (Haryana)	11	65,747
2	Gurgaon (Haryana)	6	36,597
3	New Delhi	2	4,100
4	Ghaziabad (Uttar Pradesh)	1	1,650
5	Palwal (Haryana)	1	7,000
6	Jind (Haryana)	1	5000
7	Amritsar (Punjab)	1	12,160
	Total	23	132,254

Out of 23 stores, the premises of one store at Sector 12, Faridabad is owned by the Company and the rest 22 have been taken on lease.

The Company's exclusive formats include:

Differentiating Factor	SRS Value Bazaar	SRS Fashion Wear
Description of the store	SRS Value Bazaar provides quality goods at a value price while maintaining a modernized shopping format.	SRS Fashion Wear is a chain of multi-brand garment stores aimed at the label-conscious middle and upper-middle consumer segments.
Segment of Expenditure	The nature of consumer spends in this segment is of necessities, such as food & groceries.	The nature of consumer spends in this segment is more towards lifestyle-led purchases
Area	Floor space for such store ranges from 650-40,000 sq. ft	Floor space for such store ranges from 1,081 –5,440 sq. ft.
Number of Stores	There are a total of 20 stores under the brand SRS Value Bazaar	SRS Fashion Wear operates 3 stores under the brand.
Category of Goods	The brand offers a wide range of merchandise such as fruits & vegetables, grocery, FMCG, jewellery, apparels, home appliances, crockery.	The store offers private label garments as well as those of other known brands.

BUSINESS DYNAMICS

1) Footfalls

Footfall is an important Key Performance Indicator for any retail outlet. The Company, in the recent past has managed to generate higher footfalls by building its brand image through efficient marketing and attractive promotional schemes along with a focus on customer care at its strategically positioned locations.

Location

The Company takes into consideration the following factors while deciding upon the locations of its retail stores:

Segmentation of Target Audience

The Company targets the middle and upper middle income segments of the society across its various formats. This segmentation in turn has a direct bearing on the selection of the location.

Store Layout and Ambience

The Company believes that all the stores need to provide a consistent look and feel, as well as a uniform shopping experience to its consumers. For this, it takes into consideration factors like standardized store layouts, color schemes, value offers, visual merchandise as well as things such as stock-mix, pricing and accounting methods.

Marketing

The Company undertakes regular promotion of the stores through print media and local radio channels to promote the Company. Outdoor advertising such as banners, posters and hoardings are employed to advertise and to increase visibility.

The Company also focuses on effective promotional activities such as:

- Below The Line (BTL) activities at respective stores;
- Tie up with the local societies for distribution of leaflets & other promotional materials; and
- Value added services like home delivery etc.

Brand Image

The Company believes that on account of its quality service offering, it has positioned itself as a brand which delivers quality products at affordable prices to effectively meet and satisfy the requirements of its customers.

Customers' Shopping Experience

The retailing business offers **customer-focused shopping environment**. A trained workforce aims to pamper the customers to give them a complete shopping satisfaction. Such experience makes the customers visit the stores again and again.

2) Conversion

Conversion of footfalls is the second Key Performance Indicator in organized retailing. The conversion strategy at SRS rests on 3 pillars:

- Right Category Mix
- Right Brand Mix
- Right Product Mix with right price point

A merchandising plan is prepared for each outlet. It takes into consideration factors such as past sales data, regional customer tastes and preferences, likely fashion trends, vendor management and price. The Company lays emphasis on its private labels such as 'S Touch', 'Sure-shine', 'Metro Art' etc. The Company also focuses on selling additional / newer product to customers through limited period offers.

Category Mix

Size of each outlet is the key factor which determines the category mix. The Company plans the product categories that are to be placed at each store with respect to the space available. Larger the size of the store, greater is the category mix. The focus here is centered on the effects of the turnover of the total category, not just the sales on the individual products therein.

Various categories that the Company offers at its retail outlets include apparels, FMCG, grocery, fruits & vegetables, home appliances, accessories, jewellery, food & beverages, electronics, toiletries, crockery and stationery.

Under category management, for example, apparels, the Company has created and caters to products across length and breadth of a category at different price points, fabrics, designs, shapes, seasons, colors and sizes.

Brand Mix

Once the categories are defined for each retail outlet the brand mix is decided. The decision of brand mix takes into consideration the demography, literacy levels, taste & preferences, nature of occupation and income levels of the consumers.

Consumers never buy everything of one brand. There are various factors that go into the buying decision of the consumer like, type of the product, opportunity, available budget, etc. The Company mixes and matches multiple brands which help the customers in decision making. It also develops brand strategies for its own

brands. Further, the Company sells both national and private level brands. The Company also creates necessary shelf space for its private level brands.

Product Mix & Price Points

The focus then shifts to the product mix which takes into account both the variety and the quantity of goods. The product mix is used to attract a certain demographic of shoppers to the store as well. This depends on the location, demographics and target consumers.

The Company offers wide choice of quality with mixed product range as they are closely linked to competitive strategy. During the holidays, the retail store increases its merchandise mix so that the customers can find additional products.

The Company also lays focus on multiple price point products to give wider buying option to its customers. This price mix primarily depends on the target consumers for every outlet.

3) Basket Size

The ability to convert footfalls into customers and to increase the basket size is a key challenge that the retailers face. To generate sales with higher basket size the Company focuses on:

Plano-gramming

Plano-gramming is the art of displaying merchandise in a manner that is appealing to the eyes of the customer.

The products on the retail stores are displayed on the store shelf in a fashion so as to increase customer purchases. The concept of Plano-gramming helps the Company to create an optimal visual product placement and optimal commercial product placement.

At all the retail stores the Company places the products in a manner to offer a convenient shopping experience. A good theme will catch the attention of the customer with a shopping mood into the store. The product display strategy takes into account both essentials and non-essentials.

Fill Rates

The Company maintains adequate Fill Rates of each product which increases the visibility of products enabling higher sales.

An efficient fill rate is achieved through efficient buying, warehousing and logistics. Its strong relationship with distributors helps to get preference in getting stock. Further, the Company enjoys the benefits of modern trade schemes from their distributors.

Inventory is managed in real time basis through an automated system known as ARS (Automated Replenishment System). ARS helps smooth flow of inventory at every store.

The Company has a strong MIS (Management Information System) set up to generate valuable insights for itself and help in improving its operations and enhance its response time to the customers' need.

Cash & Carry Business Process

The Company purchases grocery in bulk during the year and after due quality checks, the goods are sorted. Once the sorting is done, the goods are packed for the consumers in retail packing units. The consumer packing of the goods ranges from 100 Grams to 5 Kilo Grams under the brand name of SRS Value Bazaar. These packed goods are sold to the local retailers, societies, resident welfare associations etc. The main objective of selling SRS Branded consumer goods in the local market is to spread the awareness of SRS Brand in the open market as well as leverage the brand's equity. The goods are sold on credit, depending upon the customer track record. Another advantage of conducting this business is to achieve cost efficiency in the Retail business and as such, both the businesses complement each other.

Purchasing

Purchasing and vendor management is of critical importance in retail business that sells multiple products. The Company has established network of over 500 vendors all over the country. The Company's in-house team seeks to develop alliances and arrangements with them. It has been a conscious decision to procure

goods from small and medium sized vendors and manufacturers, which have led to reduction in the cost of goods procured and increases profitability.

Inventory Management

The Company has implemented the 'Automatic Replenishment System' (ARS) to control its inventory position at all the retail stores. Each Stock Keeping Unit (SKU) is identified by creation of an Item Master in a software and tagging various attributes like description of product, brand, OEM barcode, Size of the product, Minimum and Maximum quantity on the shelves.

The minimum and maximum value and re-order levels for the SKUs are defined at both, store and warehouse level. When a SKU falls below the minimum level a report is generated. A requisition for stock refilling is sent to the warehouse department. A similar report is generated at the warehouse in case any SKU falls below the minimum level. The purchase department gets the requisition and the goods are then procured from external vendors. A strong MIS set up generates valuable insights for detailed monitoring and helps in improving the Company's operations and efficiency.

The various reports generated are studied on periodical basis to keep the stock position under control and have control on the pilferage. As a result of ARS, the Company has been able to maintain adequate Fill Rates of each product which increases the visibility of products enabling higher sales.

Competitive Advantage

Strong understanding of the 'Retail' Segment

The Company's business plan involves implementation of the concept of the two different formats targeting the general public. The Company intends to provide quality products at competitive prices. It sells a vast range of merchandise across apparels and accessories, FMCG, food products and consumer durables with over 40,000 SKUs. The emphasis has been to maximize the value that the customers derive in spending on goods bought in their stores. The Company endeavors to continuously reduce their costs through a variety of measures, such as, procurement of goods directly from the small and medium size vendors and manufacturers, efficient logistics and distribution systems along with customized product mix at the stores depending on the regional customer behavior and preferences. Collective purchase for wholesale and retail division provides the leverage to get higher discounts.

As per the restated financial statements, the total revenue of retail and cash & carry division for the financial years ended March 31, 2011, 2010, 2009 and 2008 was Rs. 5,212.53 mn., Rs. 4,439.25 mn., Rs. 4,479.64 mn. and Rs. 1,291.01 mn., respectively. For the financial year ended March 31, 2011, 2010, 2009 and 2008 the EBITDA was Rs. 103.59 mn., Rs. 93.66 mn., Rs. 275.69 mn. and Rs 189.97 mn., respectively. The CAGR for Income from operations over the last 3 years for retail and cash & carry Division stood at 59.24%. For details of the restated financial statements refer to the Section titled **"Financial Information"** on page 198 of this Red Herring Prospectus.

JEWELLERY DIVISION

Overview

The Company has entered into the business of retailing and wholesaling of jewellery in the financial year 2008-2009 under the brand name of **"SRS Jewells"**. SRS Jewells offers a wide range of jewellery across a range of popular styles such as kundan, polki, calcutta, hyderabadi amongst others. The Company deals in a variety of ornaments like Gold chains, Necklaces, Bangles, Ear Studs, Nose Rings, Waist Belts, Kasu Malai, Finger Rings, Bracelets etc.

The business is structured around two core divisions – the **retail segment** which sells to the customers directly; and the **wholesale segment** which services jewelers in bulk.

Retail Business

The Company trades in hallmarked Gold Jewellery and certified Diamond Jewels under the brand name of 'SRS Jewells'. The Company sells jewellery through three stand alone stores located at Delhi, Faridabad and Palwal. Apart from the above, the Company also carries out sale through 'shop in shop' outlets in some of its retail stores.

Wholesale Business

The Company manufactures in its manufacturing facility of its Subsidiary and from third parties and supplies to a host of jewelers in the NCR region. The Company deals in fast moving items like rings, bangles, chains etc. which generates large volumes. In addition to this, the Company also deals in gold coins and medallions. The Company currently operates through two stores at Chandni Chowk and Karol Bagh in New Delhi.

Manufacturing Facility & Capacity

The Company procures Jewellery from its 100% subsidiary “SRS Jewells Limited” at Patparganj, New Delhi and through third parties. As on June 15, 2011 the Jewellery manufacturing capacity of this facility is 4.5 tonnes per annum. Further, the Company also outsources the manufacturing of jewellery to third party manufacturers / smiths. This is done locally by identifying the experienced manufacturers / smiths in the area. The manufacturing facility at Patparganj was started in May 2010. Recently, the Company has also started the manufacturing unit at Noida SEZ. The present manufacturing capacity of this unit is 2 kg. per day.

Unit in Noida Special Economic Zone

The Company has received approval for setting up its jewellery manufacturing unit on 645 sq. mts. at Noida Special Economic Zone from the Office of the Development Commissioner, NOIDA SEZ, Department of Commerce, Ministry of Commerce and Industry, Government of India vide Letter of approval No.07/05/2010-PROJ/5364 dated July 19, 2010.

Accordingly, the Company has taken the possession of plot no.129G/54 measuring 645 Sq. Meters situated at Noida Special Economic Zone (‘NSEZ’), Noida on October 11, 2010 and was issued a registration cum membership certificate from Assistant Development Commissioner, NSEZ on January 5, 2011. The Company commenced production and export from the said unit from April, 2011.

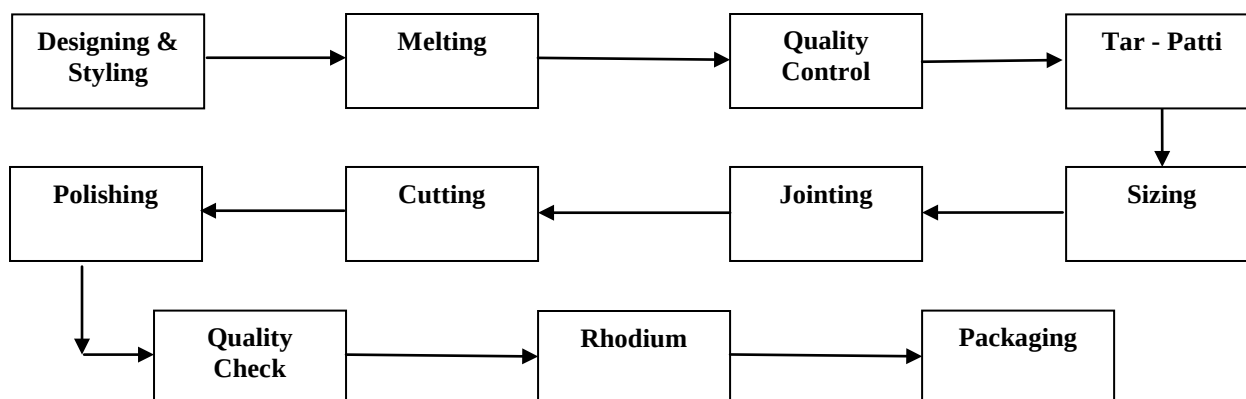
Future Capacity of jewellery manufacturing unit situated at NSEZ

The Company has recently started production at its manufacturing unit situated at NSEZ in April 2011. The projected capacity of the said unit for next three financial years is as follow:

Particulars	FY 2011-12	FY 2012-13	FY 2013-14
Installed Capacity (kg. per day)	25	25	25
Capacity Utilisation (%)	15	60	70

Manufacturing Process

The Company has started its commercial production in unit situated at NSEZ in April 2011. The manufacturing process is given below:



- **Designing and Styling-** It is the process under which designing, size and weight (style) is decided which is done on the basis of customers preferences. This is the foundation of each type of gold jewellery.

- **Melting-** Under this process gold is melted with other metal(s) to form the required alloys as per the decided design and style. Once the gold is melted, it is poured from the carbon crucibles into special moulds to cool and harden into strips of desired size.
- **Quality Control-** Quality control is done by a dedicated team to check for accuracy of the purity of the alloy required in the desired jewellery.
- **Tar- Patti-** In this process, the input received from the melting process is put into the manufacturing machine from which the sheets are prepared of particular shape and size. The output is generally known as *Tar – Patti*.
- **Sizing-** In this process, the rings are prepared from *tar-patti*. The output is given a shape as contemplated in the design.
- **Jointing-** In this process the rings are jointed through soldering to provide them shape and strength.
- **Cutting-** In this process, unfinished rings are put on machines to give them the final shape, size and weight as per the intended design.
- **Polishing-** Polishing starts with the process of buffing. The jewellery is further put in an Ultrasonic Machine for polishing the rear-side and other non-reachable corners of the jewellery which gives it a better look. Finally after the application of the above two techniques the jewellery is washed with chemicals for the glitter and shine.
- **Quality Check-** Quality check is done for design, finish, polishing and purity. The key step under this process is to examine the jewellery to check whether proper quantity of gold and its alloys are used as per norms prescribed by the Gold Council.
- **Rhodium-** In this process, the product undergoes electro-plating process of ‘rhodium’ to give the look of a diamond or in other words, gold jewellery is given a look of white gold. Finally the product gets a better look and is ready for sale and dispatch.
- **Packaging-** Ready stock is packed in boxes.

Sourcing of Raw Material

Gold is a key commodity of the jewellery business and accounts for a bulk of the overall cost. This makes sourcing gold at the best possible prices as a key business requirement. Since gold is an internationally traded commodity, the Company is able to analyze the prices on a transparent and real time basis. Keeping this as a base, the Company invites proposals from leading banks and international dealers of repute. Post negotiations and finalization of their respective supply commissions, the Company enters into supply agreements ranging from six months to one year. Currently, the Company sources bulk of the requirements from Bank of Nova Scotia.

Inventory Management

The Company maintains the inventory of the finished goods and produces as per the delivery schedules. The Company maintains a small inventory of certain fast moving items to meet any repeat orders. The inventory consists of raw materials like gold, consumables, work in progress and finished jewellery.

Market Penetration Strategy

The Company possesses a three pronged strategy to realize its growth targets.

- **Tapping New Markets:** The Company proposes to cater cities such as Ghaziabad, Agra, Sonipat, Panipat, Rewari, etc. for organised retailing of jewellery. With the focus on Tier II and III towns, the Company has access to new and untapped markets to unlock the growth opportunity.
- **Delivering customized jewellery:** The Company believes that very often, smaller cities have a strong demand for not only 22 carat jewellery but also for 20 and 21 carats as well and therefore SRS Jewells

started offering such jewellery as per the desired specifications. The jewellery is however hallmarked to assure quality and purity.

- **Credit facility:** The Company in order to lower barriers and enable small jewelers to purchase a larger volume, sells jewellery on credit. This move has received an enthusiastic response from the market as a result, the sales volumes have gone up as well as the operating margins have also seen an uptrend.

Sales and Marketing

The Company has been in the wholesale business of gold and jewellery since February 2009. Through consistent quality and design ethos, the Company strives to get repeat orders from its customers. The Company also advertises its brand offerings across newspapers, outdoor media such as hoardings, local cable channels and radio channels. To attract customers, it offers special discounts on festive occasions like Akshaya Thiruthi, Aadi Attara, Dhanteras, etc.

As per the restated financial statements, the total revenue of the jewellery division for the financial years ended March 31, 2011, 2010 and 2009 was Rs. 14,579.91 mn., Rs. 8,213.45 mn. and Rs. 157.89 mn., respectively. For the financial year ended March 31, 2011, 2010 and 2009 the EBITDA was Rs. 858.82 mn., Rs. 661.34 mn. and Rs. 4.91 mn., respectively. For details of the restated financial statements refer to the Section titled **“Financial Information”** on page 198 of this Red Herring Prospectus.

QUALITY

The Company is in the service industry, where quality plays a pivotal role for success. In each of the businesses, cinema exhibition, food & beverages, retail and jewellery the Company maintains standards as per the regulatory norms. The Company has stringent internal control systems to monitor set standards and ensure best quality services to customer and society.-

ISO 9001:2008

The Company has obtained ISO certification 9001:2008 which reiterates its compliance with International Standards recognized by the BSCIC Certifications Private Limited for standardisation. This certification recognises quality assurance in Marketing and Running of Malls, Cinemas, Food Courts, Resto-bar, Retail Chain, Banquet Halls and Related works. The certification is valid till December 20, 2012.

CORPORATE SOCIAL RESPONSIBILITY

The Company upholds the highest level of human values and is a responsible corporate citizen. The Company has made conscious efforts to contribute to society at large. The Company has built the ‘SRS Society for Seniors’, a small effort to bring happiness in the life of Senior Citizens. The society provides necessities like shelter, food and clothes to senior citizens belonging to economically weaker sections of the society. The society organizes special events for seniors like Bhajan Sandhya, Medical Camps etc. It runs another society ‘SRS Manav Sewa Educational Society’ which provides education to the under privileged children to ensure a better future for the disadvantaged children.

HUMAN RESOURCE

As on June 15, 2011, the Company had 1,382 full-time employees, apart from the 5 employees who are on the payrolls of its subsidiary SRS Jewells Limited, all of whom are based in India. Company’s ability to maintain and grow a pool of experienced professionals is the key to success. The Company intends to continue to encourage its employees to be enterprising and expect them to ‘learn on the job’ and contribute constructively to the business, either through ideas, personal networks or effective knowledge management. It also focuses to continuously re-engineer the management and organizational structure to allow them to respond effectively to changes in the business environment and enhance its overall profitability. The Company provides training programs for employees to assume cross-functional responsibilities. While the Company considers current employee relations to be good, there can be no assurance that it will not experience disruptions to its operations in the future due to disputes or other problems with its employee force, which may adversely affect the business and results of operations. None of its full-time Company employees are unionized.

Business Division/ Category of employees	Management	Staff	Total
a) Employee on the payroll of the Company			
Head Office/ Corporate	38	110	148
Cinemas	34	338	372
Food and Beverage	26	214	240
Retail	30	567	597
Jewellery	2	23	25
Sub – Total	130	1,252	1,382
b) Employees of Subsidiary Company			
SRS Jewells	3	2	5
Total	133	1,254	1,387

COMPETITION

The Company faces competition from other cinema houses, food & beverages outlets, retailers and jewellery manufacturers. These include stand-alone outlets in the organized and unorganized sector, as well as other chains of outlets. The Company focuses on offering its customers a vast variety of products and services catering to their diverse requirements and needs.

INSURANCE

The Company's operations are subject to risk inherent in the Cinema Exhibition, Food & Beverage, Retail and Jewellery Business such as failure of equipments, work accidents, fire, theft and natural disasters, act of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and destruction of its property and equipment, the properties of others and risk associated with adverse working environmental conditions may affect the operations of the Company. The Company has taken comprehensive insurance policies covering manufacturing units, office premises, retail stores, cinemas, restaurants, warehouses and food courts etc. The various types of insurance policies taken by the Company includes Standard Fire and Special Perils Policy, Public Liability Policy, Burglary Policy, Cash-in transit, cash-in safe and other policies to insure vehicles owned by the Company.

Exports

The Company's jewellery manufacturing unit situated at NSEZ, Noida, is required to achieve positive Net Foreign Exchange ('NFE') in terms of rule 53 of the SEZ Rules, 2006. The said NFE shall be calculated cumulatively for a period of five years from the commencement of production.

In case the said unit fails to meet its NFE obligations, in terms of the SEZ Act, 2005, the Company will be liable to remit the amount of exemptions, drawbacks, concessions and other benefits availed by the unit; and also be subject to such penalties (prescribed under the Foreign Trade (Development and Regulation) Act, 1992, which may extend to one thousand rupees or five times the value of the goods involved, whichever is higher.

Collaborations

The Company has not entered into any collaboration with respect to its business.

INTELLECTUAL PROPERTY

Trademarks

The trademarks SRS WORLD, SRS world, SRS CINEMAS, SRS club, SRS value bazaar and SRS are registered under the Trademark Act 1999. The trademarks SRS WORLD, SRS world, SRS CINEMAS, SRS club, SRS value bazaar are in the earlier name of the Company and it has applied for change in the name to SRS Limited in the said trademarks. For details refer to the section titled **"Government and Other Approvals"** on page 357 of this Red Herring Prospectus.

The Company has entered into an agreement with SRS Meditech Limited, on July 20, 2010. In the said agreement the Company has granted the permission to SRS Meditech Limited to use the word and the logo "SRS", for a consideration of Rs. 500,000/- per annum.

Domain Name

The domain name of the Company is registered in the name and style of **www.srsparivar.com** and the same is valid till December 31, 2017. It is registered in the name of the Company, i.e., "SRS LIMITED".

The Company is using another domain name in the name and style of www.srscinemas.net for online booking of movie tickets. The registration of said domain name is valid till July 29, 2012

Copyright

The Company has never made any application for registration of any copyrightable subject matter nor does it own any registered copyright.

Patents

The Company does not own any patent right and has also never filed any application for grant of patent. Furthermore, the company neither has any license with respect to any patent right owned by any third party nor does it have any exclusive marketing right of a registered patent.

Design

The Company has not filed for any application for registration of any design, under the Designs Act, 2000, nor do they own any registered design in its name.

Immovable Properties

The list of Properties owned by the company is mentioned herein below:

Sl No	Detail of the Property	Area	Consideration	Date of purchase / sale deed	Seller	Remarks
1	Land at Site No-4, Sector 12, Faridabad, Haryana*.	2,136.86 sq. mt.	Rs. 35.5 mn.	19.12.02	Haryana Urban Development Authority	This property is equitably mortgaged to State Bank of India under the consortium agreement
2	Building at DTJ225, DLF Tower-B, Jasola, New Delhi**	1,761 square feet	Rs. 15.01 mn.	14.12.07	Mr. I. C. Sharma s/o Mr. M. C. Sharma R/o. A-48/30, DLF City – I, Gurgaon	This property is mortgaged with ICICI Bank Limited

*The Company has constructed a mall on this land and the area owned by the Company out of the total mall area, is either used by the Company for its various business verticals or given on lease.

**The Owner of the commercial property situated at DLF Tower, Jasola, New Delhi has entered into an 'Agreement to Sell' dated December 14, 2007 with the Company for the sale of the said property. *The purchase price for the said property was determined based on the then prevailing market prices and mutual negotiations and the consideration was paid by the Company from the internal accruals. No part of the proceeds of the initial public offering will be adjusted / used for the said property.*

The Seller has not executed any 'Sale Deed' with the Company. The Company has not registered the property document with competent authorities nor has the same been stamped in accordance with the applicable Stamp Act. *Consequently, the said 'Agreement to Sell' may not be admissible as evidence in a court of law, unless the defects are rectified.*

Till the time of registration of said title deeds of the property, the Company is not the legal owner as per law. Further, in the absence of registered sale deed, the Company may lose consideration already paid i.e. Rs. 15,008,554/- and this may adversely affect the financial position of the Company to that extent.

Properties allotted to the Company under auction by Haryana Urban Development Authority ("HUDA")

The Company has successfully bid for various commercial plots situated in state of Haryana. The said plots were publicly auctioned by HUDA and the payments for the said allotted plots are to be made in 10 (ten) half yearly installments after adjusting the amount deposited at the time of making the bid. The details of the said plots are provided herein below:

Sr. No.	Location of Property	Area	Allotment Letter No. with date	Possession Certificate No. with date	Total Consideration (In Rs.)
1	K – 87, Sector – 2, Urban Estate, Faridabad.	7.56 sq. mt.	5287 dated 10.02.2011	S – 1331 dated 25.03.2011	2,510,000
2	K – 88, Sector – 2, Urban Estate, Faridabad.	7.56 sq. mt.	5288 dated 10.02.2011	S – 1337 dated 25.03.2011	2,490,000
3	K – 125, Sector – 2, Urban Estate, Faridabad.	7.56 sq. mt.	5276 dated 10.02.2011	S – 1327 dated 25.03.2011	2,525,000
4	K – 123, Sector – 2, Urban Estate, Faridabad.	7.56 sq. mt.	5275 dated 10.02.2011	S – 1325 dated 25.03.2011	2,190,000
5	K – 85, Sector – 2, Urban Estate, Faridabad.	7.56 sq. mt.	5286 dated 10.02.2011	S – 1339 dated 25.03.2011	1,650,000
6	K – 86, Sector – 2, Urban Estate, Faridabad.	7.56 sq. mt.	5290 dated 10.02.2011	S – 1341 dated 25.03.2011	2,125,000
7	Booth No. – 29, Sector – 15A, Part – I, Urban Estate, Faridabad.	27 sq. yard	2863 dated 24.01.2011	S – 1169 dated 14.03.2011	4,650,000
8	Booth No. – 19, Sector – 2, Urban Estate, Faridabad.	22.68 Sq. mt.	5284 dated 10.02.2011	S – 1345 dated 25.03.2011	5,810,000
9	Booth No. – 23, Sector – 15A, Part – I, Urban Estate, Faridabad.	27 sq. yard	2858 dated 24.01.2011	S – 1173 dated 14.03.2011	5,490,000
10	Booth No. – 415, Sector – 2, Palwal, Urban Estate, Faridabad.	22.687 sq. mt.	3118 dated 24.01.2011	S – 1238 dated 17.03.2011	4,000,000
11	Booth No. – 22, Sector – 15A, Part – I, Urban Estate, Faridabad.	27 sq. yard	3112 dated 24.01.2011	S – 1171 dated 14.03.2011	5,590,000
12	Booth No. – 29, Sector – 2, Urban Estate, Faridabad.	22.68 sq. mt.	5283 dated 10.02.2011	S – 1335 dated 25.03.2011	5,460,000
13	Booth No. – 53, Sector – 8, Urban Estate, Faridabad.	27 sq. yard	6042 dated 16.02.2011	S – 1938 dated 09.05.2011	5,720,000
14	Plot No. S.C.O. 94, Sector – 2, Urban Estate, Faridabad.	137.5 sq. mt.	5279 dated 10.02.2011	S – 1329 dated 25.03.2011	26,200,000
15	Plot No. S.C.O. 91, Sector – 2, Urban Estate, Faridabad.	137.5 sq. mt.	5280 dated 10.02.2011	S – 1333 dated 25.03.2011	26,800,000
16	Booth No. – 36, Sector – 2, Urban Estate, Faridabad.	22.68 sq. mt.	5282 dated 10.02.2011	S – 1343 dated 25.03.2011	5,690,000
17	Booth No. – 54, Sector – 8, Urban Estate, Faridabad.	27 sq. yard	6043 dated 16.02.2011	S – 1940 dated 09.05.2011	6,010,000
18	K – 176, Sector – 15, Urban Estate, Faridabad.	81.8 sq. mt.	2788 dated 21.01.2011	S – 1774 dated 27.04.2011	2,490,000
19	Booth No. – 61, Sector – 20A, Urban Estate, Faridabad.	22.687 sq. mt.	3959 dated 01.02.2011	S – 1309 dated 24.03.2011	5,090,000

Sr. No.	Location of Property	Area	Allotment Letter No. with date	Possession Certificate No. with date	Total Consideration (In Rs.)
	Faridabad.				
20	Booth No. – 60, Sector – 20A, Urban Estate, Faridabad.	22.687 sq. mt.	3958 dated 01.02.2011	S – 1307 dated 24.03.2011	4,690,000
21	Built up booth No. – 61, Sector – 16, Urban Estate, Faridabad.	29.84 sq. mt.	3111 dated 24.01.2011	S – 1240 dated 17.03.2011	10,100,000
22	K – 181, Sector – 15, Urban Estate, Faridabad.	81.8 sq. mt.	2786 dated 21.01.2011	S – 1768 dated 27.04.2011	3,050,000
23	K – 179, Sector – 15, Urban Estate, Faridabad.	81.8 Sq. mt.	2785 dated 21.01.2011	S – 1772 dated 27.04.2011	3,090,000
24	K – 180, Sector – 15, Urban Estate, Faridabad.	81.8 sq. mt.	2787 dated 21.01.2011	S – 1770 dated 27.04.2011	3,050,000
25	Booth No. – 12, Sector – 31, Urban Estate, Faridabad.	22.687 sq. mt.	3577 dated 27.01.2011	S – 1014 dated 03.03.2011	5,510,000
26	Plot No. 92, Sector – 2, Urban Estate, Faridabad.	137.50 sq. mt.	Re-allotment number 11660 dated 08.04.2011 [Originally allotted to R.K. Constructions and thereafter transferred to Company under permission of HUDA. The Company and R.K. Constructions entered into an Agreement on 26.02.2011].	S – 1319 dated 24.03.2011	27,531,000

Principle terms and Conditions appearing in the allotment letter(s):

1. The properties have been allotted to the Company on free hold basis subject to the provisions of the Haryana Urban Development Authority Act, 1977 (“HUDA Act”) and the Rules/ Regulations/ Policies applicable there under and as amended from time to time including terms and conditions as already announced at the time of auction.
2. The sum deposited by the Company as bid money will be adjusted against the plot/ building.
3. The balance amount can be paid either in lump-sum without interest within 60 days from the date of issue of allotment letter or in 10 half yearly installments.
4. In case the installment is not paid on due date of the month which it falls due, the Estate officer shall proceed to take action for imposition of penalty and resumption of plot in accordance with the provisions of Section 17 of HUDA Act.
5. Estate officer can impose a penalty of 10% on the amount due to HUDA in case of default as per the provisions of HUDA Act.
6. In the event of breach of any other condition of transfer the Estate officer may resume the land, which includes any building built on the land, in accordance with the provisions of Section 17 of HUDA Act.
7. The land/ building shall continue to belong to the HUDA until the entire consideration money together with interest and other amount if any, due to HUDA is paid.

8. Company shall have no right to transfer by way of sale, gift, mortgage or otherwise the plot/ building or any right title or interest therein till the full price is paid to the HUDA, except with the prior permission of the competent authority.
9. The plot/ building shall not be used for any purpose other than for which it has been allotted in accordance with the plans approved by the competent authority.
10. In case the Company installs the generator set in the commercial complex then it has to comply with the noise standards for residential areas as specified in Noise Pollution (Regulation and Control) Rules, 2000.
11. Company to complete construction within two years of the date of offer of possession after getting the plans of the proposed building approved from the competent authority. In the event the Company fails to construct; the HUDA shall levy an extension fees on the plot as per policy.
12. All disputes and differences arising out of or in any way touching or concerning the allotment whatsoever shall be referred to the sole arbitration or the Chief Administrator or any other officer appointed by him. The decision of such arbitrator shall be final and binding on the concerned parties.

In addition to above properties as on June 15, 2011, the Company has 96 properties on lease (including sub-lease) from various parties which are used for operation of its various business segments including cinemas, food courts, retail stores and jewellery stores. The said lease documents pertaining to the various properties have not been registered under the provisions of the Registration Act, 1908 and have not been stamped in accordance with the applicable Stamp Act.

Of the properties taken on lease by the Company, only one property has been taken on lease from a Promoter Group Company namely, SRS Real Infrastructure Limited, for use of its land situated at Prithila, Faridabad (Haryana) for manufacturing of Sweets and Namkeens that is sold by the Company under the brand name of 'SRS 7 Dayz'. The Company is paying Rs.5,00,000/- per month as rent for the same.

REGULATIONS AND POLICIES

The following description is a summary of various sector-specific laws and regulations in India, which are applicable to the Company. The information below has been obtained from publications in the public domain. It may not be exhaustive, and is only intended to provide general information and is neither designed nor intended to substitute for professional legal advice.

A. Cinema Division

The Parliament of India has enacted various Central and State acts, regulations and rules for governing and regulating the cinema and entertainment industry in India. Currently, the Company is operating its cinema business in the States of Haryana and Uttar Pradesh. The important Central and State acts having a bearing on the Company's entertainment business have been discussed below.

- (i) **The Cinematograph Act, 1952 and the Cinematograph (Certification) Rules, 1983; and**
- (ii) **The Cinematograph Film Rules, 1948**

In addition, there are state specific regulations governing licensing requirements in respect of construction of cinema halls or using premises for cinematograph exhibitions. Further, various states have enacted laws for imposition of taxes on patrons of cinemas, which are collected by establishments providing the entertainment by way of inclusion in the ticket price. In certain states, subject to compliance with prescribed conditions, exemptions from payment of such entertainment taxes may be granted. The extent of these benefits also varies from state to state.

Exhibition Business

The Cinematograph Act, 1952 and The Cinematograph (Certification) Rules, 1983

The Cinematograph Act, 1952 provides for the certification of the films, which are used for the purposes of public exhibition, so as to regulate its intended viewer-ship. An exhibitor of a film is required to make an application to the Board of Film Certification (the "Film Board") for the said certificate.

The Advisory Panel makes a determination for the grant of the said certificate, based on the appropriateness of viewer-ship by different categories of viewers. On the recommendation of the Advisory Panel, the Film Board issues the certificate, which is valid for a period of 10 years from the date on which it is granted and which may provide for either restricted or unrestricted viewing. The exhibitor is required to ensure that it shall not contravene any restrictions specified by the Film Board. A person aggrieved by the decision of the Film Board has a right to appeal to the Appellate Tribunal.

Films certified for public exhibition may be re-examined by the Film Board if any complaint is received in respect of the same. All advertisements of films displayed by the producer/ distributor/ exhibitor in any form including hoardings, handbills, newspapers and trailers are required to indicate that the film has been certified for public exhibition. If films are exhibited contrary to restrictions specified by the Film Board, the exhibitor is liable for punishment with imprisonment and/or a fine.

The Film Board is also empowered to direct the applicant to carry out any modifications, as it may think fit. The obligation to obtain such certificate is on the producer of a film. The duplicate copy of the same has to be provided to the distributor or the exhibitor according to the Cinematograph (Certification) Rules, 1983.

The Cinematograph Film Rules, 1948 (the "Cinematograph Rules")

The Cinematograph Rules deal with transportation, storage and handling of films and provide for grant of license for storage of films. The license granted under the Rules is valid till 31st December of the year in which the license is granted and may be renewed annually. The licensee may, at any time before the expiry of the license, apply for permission to transfer the said license to another person. The licensing authority is also empowered to cancel a license in the event any provision of the Petroleum Act, 1934 is contravened.

State Specific Cinema Regulations

The Punjab Cinemas (Regulation) Act, 1952 and the Punjab Cinemas (Regulation) Rules, 1952, as applicable to the state of Haryana

The Punjab Cinemas (Regulation) Act, 1952, as applicable to the state of Haryana (the “Haryana Act”) specifies that cinematograph exhibitions may only be given in places licensed under the Haryana Act. Licences shall only be granted if the applicant has complied with provisions of the Haryana Act, and the licensing authority is satisfied that adequate safety measures have been provided for in the cinema. Licences granted may be cancelled if a licensee fails, without sufficient cause, to give cinematographic exhibitions for a period of 15 days in a month.

Under the Punjab Cinemas (Regulation) Rules, 1952, as applicable to the state of Haryana (the “Haryana Rules”), before granting a license, the licensing authority shall cause an inspection of the premises to ensure that the structural features of the building are in compliance with prescribed conditions, and to ensure that electrical equipment used is satisfactory.

The Haryana Act provides that the licensee must adhere to the classification of seats and the rates for admission to the cinema, as approved by the licensing authority. Any proposed increase in the rates must be sanctioned by the licensing authority. The state government may, however, alter the rates for admission.

The Haryana Act empowers the state government to suspend exhibition of films in an area if it is of the opinion that the same may cause a breach of peace in that area. Penalties, including imprisonment and fine, may be imposed for contravention of the provisions of the Haryana Act. Further, breach of the provisions of the Act, as also the conditions specified in the license may be a cause for termination of the license.

The Punjab Entertainment Tax (Cinematograph Shows) Act, 1954

The applicability of this Act has been extended to Haryana in terms of Haryana Adaptation of Laws (State and Concurrent Subjects) Order, 1968. The said Act provides for levy, charge and payment to the State Government, on all public cinematograph exhibitions to which persons are admitted on payment, and entertainment tax on the gross collection capacity of a cinematograph show held in a cinema house. The said Act provides for different rates of tax depending on the gross collection capacity of a cinematograph show held in a cinema house.

The Uttar Pradesh Cinemas (Regulation) Act, 1955 and the Uttar Pradesh Cinematograph Rules, 1951

The Uttar Pradesh Cinemas (Regulation) Act, 1955 (the “UP Act”) provides that cinematograph exhibitions may only be made in places licensed under the UP Act. Licences shall only be granted if the provisions of the UP Act and the rules thereunder have been complied with, the proposed cinema is suitably located and adequate measures have been taken for the safety of persons attending exhibitions therein.

The Uttar Pradesh Cinematograph Rules, 1951 (the “UP Rules”) provide that persons intending to construct cinemas must apply to the licensing authority for grant of a licence. Prior to grant of the licence, the premises and the building must be inspected by the electrical inspector and the medical officer. Further, the cinema constructed must comply with the specifications prescribed under the UP Rules.

The UP Act provides that licences may be revoked or cancelled in public interest, or on other grounds such as non compliance with the terms and conditions of the license or the UP Act. Further, contravention of the provisions of the UP Act may be punishable with imprisonment and/or fine

The Uttar Pradesh Cinematograph Rules, 1951 (the “UP Rules”) provide that persons intending to construct cinemas must apply to the licensing authority for grant of a license. Prior to grant of the license, the premises and the building must be inspected by the electrical inspector and the medical officer. Further, the cinema constructed must comply with the specifications prescribed under the UP Rules.

Labour Laws

The Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981 (the “Cinema Workers Act”) and The Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Rules, 1984 (the “Cinema Workers Rules”)

The Cinema Workers Act provides for regulation of conditions of employment of certain cine-workers and cinema theatre workers and for matters connected therewith. The Cinema Workers Rules came into force from October 1, 1984. The Cinema Workers Act further states that the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972 shall apply to every cinema in which five or more workers are employed on any day.

Entertainment Tax law

Various states have enacted laws for imposition of taxes on establishments providing entertainment. In certain states, subject to compliance with certain prescribed conditions, exemptions from payment of entertainment taxes may be granted. The extent of entertainment tax relief, which may be available, varies from state to state.

Haryana

The Punjab Entertainments Duty Act, 1955, as applicable to the State of Haryana provides for the levy of entertainment duty on payment of admission to any entertainment, defined therein, at a rate, not exceeding one hundred and twenty five percent of the payment of admission, as may be specified by the state government by a notification. Further, under the said Act the state government is empowered to exempt the payment of such duty where the whole of the net proceeds of the entertainment will be devoted to philanthropic, charitable, educational or scientific purposes, which have been approved as such by the government.

However, the state government has, under a notification, granted a 100% entertainment tax exemption for a period of five years to an integrated entertainment and shopping centre or complex having at least three cinema halls with total minimum capacity of 1000 seats, set up in an area of 4000 square yards or above with a minimum investment of Rs. 200 millions from the date such complex comes into operations.

Uttar Pradesh

Entertainment tax in the state of Uttar Pradesh is levied and collected under the Uttar Pradesh Entertainments and Betting Act, 1979 and Rules framed there under. It is levied on all payments for admission to any entertainment at the rate specified from time to time. The said Act further empowers the state government to exempt any entertainment or class of entertainment from the liability to pay tax for promotion of peace, international goodwill, arts, sports or other public interests. Similarly, the District Magistrate is also empowered to grant exemption to those entertainments whose gross proceeds are devoted to philanthropic, religious or charitable purposes.

At present the incentive scheme applicable to multiplexes having atleast three cinemas in the same premises along with other business activities and are constructed and licensed up to 31-03-2010, provides for a 100% exemption for the first three years and 75% exemption in the next two years.

A. Food Court Division

Prevention of Food Adulteration Act, 1954

In order to sell food products in India, the Company is required to comply with the Prevention of Food Adulteration Act, 1954 (the “PFA Act”). The PFA Act is a consumer protection legislation, which has been designed to prevent, curb and check the adulteration of food products and to punish the offenders. It covers various aspects of food processing such as food color, preservatives, pesticide residues, packaging and labeling and regulation of sales. To give effect to the provisions of the PFA Act, the Prevention of Food Adulteration Rules, 1955 (the “PFA Rules”) were promulgated. The enforcement of the PFA Act and the PFA Rules is entrusted to the Additional Director General of Health Services, Ministry of Health and Family Welfare, Government of India.

Each State Government and Union Territory has created its own organization for implementation of the PFA Act and rules framed thereunder. The offence of adulteration under the PFA Act is a cognizable offence. The company may authorize any of its directors or managers (such manager being employed mainly in a managerial or supervisory capacity) to exercise all such powers and to take all such steps as maybe necessary and expedient to prevent the commission by the company of any offence under the PFA Act. If any offence is committed by the company under the PFA Act then the nominee shall be liable to be proceeded against and punished accordingly. The courts are empowered to impose penalties on the offenders for the contraventions of the provisions of the PFA Act. The procedure for the collection of samples, analysis in the laboratory and timely report by the public analyst has been laid down in the PFA Act and the PFA Rules. The food inspectors appointed under the PFA Act are empowered to follow up cases of adulteration, for this purpose their powers and duties have been delineated in the Act as well as the Rules prescribed. Provisions regarding search and seizure are also provided for in the PFA Act and the food inspector is empowered to break-open the package or door of any place. The liabilities of the manufacturers, dealers and retailers are also prescribed.

The Food Safety and Standards Act, 2006

The PFA Act is expected to be replaced by the Food Safety and Standards Act, 2006 ("FSSA"). The FSSA was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India ("FSSAI") for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. However, all of the provisions of the FSSA have not been notified. Sections 11 to 15 (both inclusive) relating to establishment of a Central Advisory Committee, Scientific Panel and Scientific Committee by the Food Authority and their functions, have been implemented vide Notification dated March 9, 2009 issued by the Ministry of Health and Family Welfare. The FSSA incorporates the salient provisions of the Prevention of Food Adulteration Act 1954.

The important provisions of the FSSA are:

- Establishment of the FSSAI to regulate the food sector;
- FSSAI will be aided by several scientific panels and a central advisory committee to lay down standards for food safety. The standards will include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels;
- Enforcement through State Commissioners of Food Safety and other local level officials;
- Registration or licensing requirement for every entity in the food sector. Such license or a registration would be issued by local authorities;
- Every distributor is required to be able to identify any food article by its manufacturer, and every seller by its distributor; and
- Any entity in the sector is bound to initiate recall procedures if it finds that the food sold has violated specified standards.

B. Jewellery Division

The company is engaged in the business of manufacturing handcrafted gold jewellery and gold jewellery studded with precious stones like rubies, emeralds and sapphires. There are no specific laws in India governing the gems and jewellery industry in India. Set forth below are certain significant legislations and regulations that generally govern this industry in India:

Government Initiatives

The Indian government has provided an impetus to the gems and jewellery industry with the following foreign trade policies:

- The government has lowered import duty on platinum and has exempted rough colored precious gems stones from customs duty.
- Rough, semi-precious stones are also exempt from import duty.
- Duty-free import of consumables for metals other than gold and platinum up to 2 per cent of freight on board value of exports.

- Duty-free import entitlement for rejected jewellery up to 2 per cent of freight on board value of exports.
- Import of gold of 18 carat and above under the replenishment scheme.
- Setting up of SEZs and gems and jewellery parks to promote investment in the sector.
- In May 2007, the government abolished import duty on polished diamonds.
- The government has raised the limit value of jewellery parcels for export through foreign post office (including via speed post) from US\$ 50,000 to US\$ 75,000 and the time period for re-import of branded jewellery remaining unsold has been extended from 180 days to 365 days.
- The export of colored gemstones on a consignment basis has been allowed.

The Government of India vide Notification 15/2009 –CE dated July 7, 2009 effected ‘Nil’ rate of duty for articles of jewellery on which brand name or trade name is indelibly affixed or embossed on the articles of jewellery itself (branded jewellery).

Gem and Jewellery Export Promotion Council

The Government of India has designated the Gem and Jewellery Export Promotion Council (**GJEPC**) as the importing and exporting authority in India in keeping with its international obligations under Section IV(b) of the Kimberley Process Certification Scheme (**KPCS**). The KPCS is a joint government, international diamond and civil society initiative to stem the flow of conflict diamonds, which are rough diamonds used by rebel movements to finance wars against legitimate governments. The KPCS comprises participating governments that represent 99.8% of the world trade in rough diamonds. The KPCS has been implemented in India from January 1, 2003 by the Government of India through communication No. 12/13/2000-EP (GJ) dated November 13, 2002. The GJEPC has been notified as the nodal agency for trade in rough diamonds under para 2.2, chapter 2 of the foreign trade policy (2004-2009). Accordingly, the verification and issuance of KPCB certificates is administered through the Mumbai and Surat offices of GJEPC.

Special Economic Zone Act, 2005

The Special Economic Zones (‘SEZs’) Policy was announced in April 2000 through insertion in the then Exim Policy (now known as ‘Foreign Trade Policy’).

Later, in the year 2005, Special Economic Zone Act, 2005 (‘SEZ Act’) was enacted by the Parliament to provide for the establishment, development and management of the Special Economic Zones for the promotion of exports and for matters connected therewith or incidental thereto. The SEZ Act, 2005 came into force w.e.f. February 10, 2006 simultaneously with the framing of Special Economic Zone Rules, 2006 (‘SEZ Rules’). SEZs are self-contained and integrated projects having their own infrastructure and support services. To provide a hassle free business friendly environment, the SEZ Act envisages a single window regulatory mechanism for the purposes of operations of SEZs.

SEZ is a geographically earmarked area where the economic laws in the matters relating to export and import are more liberal as compared to rest of the parts of the country. The SEZs are considered as deemed foreign territories for the purpose of trade, operations and tariffs. Goods supplied or services rendered from the domestic tariff area (‘DTA’) to SEZs are treated as exports.

Units may be set-up within a SEZ for the manufacture of goods or for rendering services in accordance with the provisions of the SEZ Act and rules made thereunder. Besides single window mechanism, the units in SEZ enjoy various fiscal benefits / concessions.

C. Retail Division & General Legislations

There are no specific laws in India governing the retail industry in India. However the Company as a whole is governed by certain policies and laws.

Set forth below are certain significant legislations and regulations that generally also govern the retail sector in India:

Consumer Protection Act, 1986

The Consumer Protection Act, 1986 (“**COPRA**”) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

The Standard of Weights and Measures Act, 1976

The Standard of Weights and Measures Act, 1976 (“*Weights and Measures Act*”) aims at introducing standards in relation to weights and measures used in trade or commerce. The purpose of this Act is to provide better protection to consumers by ensuring accuracy in weights and measures as well as regulating trade or commerce where goods are sold or distributed by weights, measures or numbers. Use of non-standard weights and measures is a criminal offence under the Weights and Measures Act. Though the Weights and Measures Act is a central legislation, it is enforced by the State Government under the Standard of Weights and Measures (Enforcement) Act, 1985.

Shops and Establishment Acts

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. The Company’s stores have to be registered under the Shops and Establishments legislations of the state where they are located. For details of the Company’s registration under the applicable Shops and Establishments Acts, see “**Government and Other Approvals**” on page 357 of this Red Herring Prospectus.

Labour Related Legislations

The employment of workers and the operations of the Company are regulated by a wide variety of generally applicable labour laws. Some of which are as follow:-

- ***The Factories Act, 1948***
- ***The Workmen’s Compensation Act, 1923***
- ***The Payment of Wages Act, 1936***
- ***The Payment of Bonus Act, 1965***
- ***The Payment of Gratuity Act, 1972***
- ***The Maternity Benefit Act, 1961***
- ***The Minimum Wages Act, 1948***
- ***The Contract Labour (Regulation and Abolition) Act, 1970***
- ***The Employees State Insurance Act, 1948***
- ***The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952***
- ***The Industrial Disputes Act, 1947***
- ***The Employer’s Liability Act, 1938***

Fiscal Regulations

The Company is subject to certain fiscal legislations:

Foreign Investment Regulation

Foreign Direct Investment (“FDI”) in India is governed by the Foreign Direct Investment Policy (“FDI Policy”) issued by the Department of Industry Policy and Promotion, Ministry of Commerce & Industry, Government of India (“DIPP”). Under the existing legal framework, DIPP makes policy pronouncements concerning FDI through Press Notes/ Press Releases which are subsequently given effect by the Reserve

Bank of India (RBI) by way of notifications amending the existing Notification No. FEMA 20/2000-RB dated May 3, 2000 issued under the Foreign Exchange Management Act, 1999 (FEMA).

The existing FDI Policy inter alia prohibits FDI in Retail Trading (except single brand product retailing), which is one of the activities being carried on by the Company. Based on the said Consolidated FDI Policy, the Company is not allowed to accept investment from foreign investors under the FDI route, as one of the activities carried on by it falls under the prohibited sector (i.e., multi brand retail trading).

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic /Foreign Company whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax Return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Central Sales Tax Act, 1956

In accordance with the Central Sales Tax Act, every dealer registered under the Act shall be required to furnish a return in Form I (monthly/ quarterly/ annually) as required by the State Sale Tax laws of the assessing authority together with treasury challan or bank receipt in token of the payment of taxes due.

Service Tax

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service Tax Rules, the assessee is required to pay service tax in GR-7 challan by fifth (sixth in case of e-payment) of the month immediately following the month to which it relates. Further under Rule 7 of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

Value Added Tax

In terms of the policies enumerated in the Central Government’s proposed budget for the current fiscal year, implementation of Value Added Tax (“VAT”) is scheduled to be completed within this fiscal year. While VAT is a State subject and therefore the States will have the freedom for appropriate variations in their VAT regimes, it is expected that these variations will be consistent with the basic design as laid down in the White Paper on State-Level Value Added Tax dated January 17, 2005 prepared by the Empowered Committee of State Finance Ministers. After the introduction of VAT, not only will the various state sales taxes be abolished, but the Central sales tax will also be phased out. The essence of VAT is in providing set-off for the tax paid earlier, and this is given effect through the concept of input tax credit. VAT is based on the value addition to goods, and the related VAT liability the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. The company is registered under Delhi Value Added Tax Act, 2004, UP Value Added Tax Act, 2008, Haryana Value Added Tax Act, 2003, Gujarat Value Added Tax Act, 2003, Punjab Value Added Tax Act, 2005 and MP Value Added Tax Act, 2002.

Importer Exporter Code

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

Intellectual Property Laws

The Copyright Act, 1957

The Copyright Act of 1957 governs the law relating to copyright in India and defines infringement and provides remedies for the same. Copyright means the exclusive right to do or authorize others to do certain

acts in relation to original (1) literary, dramatic or musical works, not being a computer programme, (2) computer programme, (3) artistic work, (4) cinematograph film and (5) sound recording. The object of copyrights is to protect the author of a copyrighted work from any unlawful reproduction or exploitation. Copyright subsists during the life of the author/creator of the work and 60 years thereafter in case the author is a natural person. In all other cases, copyright subsists for 60 years from the date of publication of the work concerned.

The Trade Marks Act, 1999

The Indian law on trademark is enshrined in the Trade Marks Act of 1999. Under the existing Act, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'Mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style, the shape of goods other than those for which a mark is proposed to be used, or any combination thereof or a combination of colors and so forth. The trademark once it is applied for is advertised in the trademarks journal, oppositions, if any, are invited and after satisfactory adjudication of the same, is given a certificate of registration. The right to use a mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fees.

Laws Regulating the Immoveable Property:

The Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by the operation of law, is governed by the Transfer of Property Act, 1882 (the "TP Act"). The TP Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

The Registration Act, 1908

The Registration Act, 1908 (the "Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non compulsory registration of documents as enumerated in the provision.

The Indian Stamp Act, 1899

The Indian Stamp Act, 1899 (the "Stamp Act") provides for the imposition of stamp duty at specified rates on instruments listed in Schedule I of the Act. The applicable rates for stamp duty on these instruments, including those relating to conveyance, are prescribed by state legislation. Instruments chargeable to duty under the Stamp Act which are not duly stamped are inadmissible in a court of law and have no evidentiary value. Public officials have the power to impound such documents and if the executor wants to rectify them, he may have to pay a penalty of upto 10 times the original stamp value.

The Easements Act, 1882

The law relating to easements is governed by the Easements Act, 1882 (the "Easements Act"). The right of easement is derived from the ownership of property and has been defined under the Easements Act to mean a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done in respect of certain other land not his own.

Under this law an easement may be acquired by the owner of immovable property, i.e. the “dominant owner”, or on his behalf by the person in possession of the property. Such a right may also arise out of necessity or by virtue of a local custom.

The Haryana Urban Development Authority (Erection of Buildings) Regulations, 1979

framed by HUDA provide for the design / Structural requirements for different types of buildings, as well as specify the proportion of the site which may be covered with building, F.A.R. and the maximum height of the building.

Municipality Laws

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non compliance.

Police Laws

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same including registering eating houses and obtaining a ‘no objection certificate’ for operating such eating houses with the police station located in that particular area, along with prescribing penalties for non compliance.

Other Licences, Clearances and Registrations

The Information Technology Act, 2000

The Information Technology Act, 2000 (the “IT Act”) was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud. The IT Act regulates Information Technology i.e. it governs information storage, processing and communication. The Act provides legal recognition of electronic records and electronic signatures, their use, retention, attribution and security. Penalties are provided for cyber crimes which include tampering with computer source document and electronic publishing of obscene information, in addition to provision of compensation in certain cases.

The Environment Protection Act, 1986

Under this Act, and other environment protection regulations various state pollution control boards have been established. Also, the Central Pollution Control Board has laid down standards for, emission and effluent that can be released from any building or establishment. NOC from the Haryana State Pollution Control Board is a pre-requisite for setting up of establishments which discharge effluents in any water body, emissions in the air, generate hazardous waste etc. Also permission is required under the Noise Pollution Rules, 2000.

The Indian Contract Act, 1872

Indian Contract Act codifies the way the Company enter into a contract, execute a contract, implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It only provides a framework of rules and regulations which govern formation and performance of contract. The rights and duties of parties and terms of agreement are decided by the contracting parties themselves. The court of law acts to enforce agreement, in case of non-performance.

The Motor Vehicles Act, 1988

The Motor Vehicles Act, 1988 (the “**MV Act**”) aims at ensuring road transport safety. The MV Act, among other things, provides for compulsory driving license, compulsory insurance, compensation in case of no fault liability and ‘hit and run’ motor accidents, compensation by the insurer to the extent of actual liability to the victims or motor accidents irrespective of the class of vehicles. Under the MV Act it is the responsibility of the owner of the vehicle to ensure that the driver of the vehicle has a valid driving license and is not below the prescribed age limit. Acts such as driving the vehicle without a valid license, allowing such person to use the vehicle, and driving vehicle of unsafe condition, are criminal offences under the MV Act. The Central Motor Vehicles Rules, 1989 formulated under the MV Act provide for, among other things, procedures to register the motor vehicle and obtain licences.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief Corporate History of the Company

The Company was incorporated as 'SRS Commercial Company Limited' under the Companies Act, 1956, with the Registrar of Companies, N.C.T. Delhi and Haryana, ('ROC') on August 29, 2000, and has obtained a certificate of commencement of business on October 16, 2000. The Corporate Identity Number ("CIN") is U74999HR2000PLC040183.

The name of the Company was subsequently changed on various occasions, as detailed here under:

Sr. No.	Change of Name	Date of EGM Resolution	Date of fresh certificate of incorporation	Reason for change in name
1	From 'SRS Commercial Company Limited' to 'SRS Entertainment Limited'	December 28, 2004	January 25, 2005	The Company launched its Multiplex "SRS-World" in Faridabad and decided to concentrate on Entertainment Activities on a large scale.
2	From 'SRS Entertainment Limited' to 'SRS Entertainment and Multitrade Limited'	December 8, 2008	December 15, 2008	The Company diversified in many activities including trading of goods. The change in name was to better reflect the diversified line of business.
3	From 'SRS Entertainment and Multitrade Limited' to 'SRS Entertainment & Retail Limited'	December 26, 2008	January 2, 2009	The Company has been working in organized retail segment. To make it evident from its name and also as advised by an astrologer, the Directors of the Company decided to further change the name of the Company.
4	From 'SRS Entertainment & Retail Limited' to 'SRS Limited'	July 7, 2009	July 16, 2009	Considering the diversification of the Company into different verticals, a need to create an umbrella corporate identity under which all the business brands and verticals could blossom was felt.

For details relating to the Company's business activities, operations and growth, competition, environmental issues, see section titled "**Business Overview**" on page 85. For details relating to the management of the Company, see section titled "**Management**" on page 133.

Changes in the Registered Office

Presently the Registered office of the Company is located at SRS Multiplex, Top Floor, City Center, Sector – 12, Faridabad, Haryana – 121007, with effect from March 19, 2010.

The Company has changed its registered office on various occasions detailed as under-

Sr. No.	Particulars	Date of Board/ General Body Resolution	Reason for Change
1.	804, Manjusha, 57 Nehru Place, New Delhi – 110 019	Since incorporation on August 29, 2000	-
2	E-985, Near Mala Devi School, 100 Ft. Road, Babarpur, Shahadara, Delhi – 110 094	Vide Board resolution dated December 1, 2000	For operational convenience.
3	C-4/1, North Chhajjupur,	Vide Board resolution dated	For operational

Sr. No.	Particulars	Date of Board/ General Body Resolution	Reason for Change
	Shahadara, Delhi – 110 094	April 23, 2003	convenience.
4	Flat No. 202, 2 nd Floor, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi – 110 001.	Vide Board resolution dated November 18, 2006	For operational convenience.
5	E – 18, Nehru Ground, N.I.T., Faridabad, Haryana – 121 001	Vide Board resolution dated March 4, 2010, approved by the shareholders in the extra-ordinary general meeting held on November 27, 2009. Approved by the Order of the Company Law Board, Delhi dated February 26, 2010.	To carry on activities in more economic and efficient manner.
6	SRS Multiplex, Top Floor, City Center, Sector – 12, Faridabad, Haryana – 121 007	Vide Board resolution dated March 19, 2010.	On account of fire at the earlier premises(*).

**On March, 19, 2010 a fire broke out in the then registered office of the Company located at E-18, Nehru Ground, NIT, Faridabad – 121 001. This property was taken on rent by the Company. The Company lodged First Information Report (FIR) for the same and pursuant to this event, shifted its registered office to “SRS Multiplex”, Top Floor, City Centre, Sector-12, Faridabad 121 007.*

Major Events and Mile Stones

Year	Major Events and Mile Stones
2000	Incorporated as SRS Commercial Co. Ltd. with the objective of trading in FMCG goods
2002	Acquired the 3 acre plot from HUDA and started the construction of the Mall and multiplex
2004	- On 22nd October 2004 the company opened SRS Mall – Faridabad. - On the same day, the Company launched its 1st Food Court under the brand name of “SRS 7 dayz” at SRS Mall - Launched its first 3-screen Cinema on November 12, 2004 at SRS Mall under a management fee / franchise model with PVR Limited.
2006	The Company opened its first Retail outlet under the brand name of “SRS Value Bazaar” at SRS Mall, Faridabad on January 1, 2006
2007	Started its Wholesale and Cash & Carry Business
2008	- Opened its first Jewellery Store under the brand name of “SRS Jewells” at SRS Mall, Faridabad - Opened its first Fashion Wear store at Crown Interior Mall, Faridabad - Started Private Labels in FMCG and Apparels
2009	- Started the packaged snack food business - Opened its fine dining restaurant in the brand name of “Punjabi Haandi” at sector-12 Faridabad - Started wholesale jewellery business
2010	SRS Jewells Limited, a 100% subsidiary was incorporated and jewellery manufacturing started at Patparganj, Delhi
2011	Started export of jewellery from the unit set up at Noida SEZ

The Company had filed a Draft Red Herring Prospectus dated September 12, 2005 with SEBI and Stock Exchanges for a Public Issue of 22,857,200 Equity Shares of Rs. 10/- each. Subsequently, the Company had withdrawn its Draft Red Herring Prospectus on January 8, 2007, on the advise of the then BRLM, i.e. UTI Bank Limited. The Company did not proceed with the proposed expansion plan as then envisaged.

Number of Members / Shareholders

As on date of filing of this Red Herring Prospectus, there are 61 shareholders in the Company.

Certifications

The Company has obtained ISO 9001:2008 certification from BSCIC Certifications Private Limited vide certification number BU0351/0162:1209 dated December 21, 2009, for Marketing and Running of Mall, Cinemas, Food court, Restobar, Retail Chain, Banquet Halls and Related Work. The Expiry date of said certification is December 20, 2012.

Main Objects of the Company

The main objects of the Company as contained in the Memorandum of Association are:

1. To carry on the business of all kinds of entertainment, running and managing the multiplex, Cinema halls, open/digital theatres stage programmes, restaurants, bar, cafe, discotheques, club, gymnasium, swimming pool, amusement parks, children games and sports center, video game parlor, casino, hotels, holiday resorts, beauty parlor & saloon, recreational & sports activities, banquet halls, marriage home, departmental store, auditorium and all other activities required for running the business of multiplex.
2. To carry on the business of production, direction, exhibition, distribution, purchase, sale, marketing of movies or films of Bollywood and/or Hollywood and to enter into partnership, joint venture, franchise or any type of association with any other person, firm or company engaged in doing any of these things.
3. To carry on the business of consultancy and marketing of activities related to entertainment and in particular to sell or otherwise provide on rent, the space for advertisement to the persons, firms, corporate or anybody interested for the same, to organize events, road shows etc. for the purpose of marketing and business promotion, within and outside the multiplex, restaurant, banquet, cinema halls and any other building.
4. To buy exchange or otherwise acquire an interest in any immovable property for the purpose of trading, construction of multiplex, cinemas halls, open/digital theatres, restaurants, bar, hotels, discotheques, club, gymnasium, swimming pool, amusement parks, beauty parlor & saloon, recreational & sports museum, banquet halls, departmental store, auditorium and any other such type of building.
5. To carry on the business of production, distribution, exhibition, designing, direction, broadcasting, telecasting and marketing of Films, T.V. Programmes, musical programmes, serials, quiz programmes, thrillers, family dramas, sports, Shows, Teleplays, News, Current Affairs, Sound Studio, Shooting Studio, Magazines, Articles, Newspapers and allied works by all means of mass communication through internet, printed word, audio & video visuals and for this purpose to acquire, set up, run, maintain, lease or license printing press, cable network work stations or equipment for distribution of signals, telecast, broadcast, release, display, transmission, exhibition through Cable T.V., satellite transponder or otherwise directly or indirectly through agents, franchise, lessee, licensee by using the equipments for communication via satellite, cable or otherwise, in India or abroad.
6. To organize and carry out the business of Advertisers, Agents, Publicity Consultants, Public Relations, Advertising Companies, to produce advertisement reels, Cinema Slides, T.V. Serials, Films, Shows through Radio, Television or any other media and to do advertising research, graphic designing either on its own or in collaboration/joint venture with State/Central Government or any other person in India or abroad.
7. To carry on the business as manufacturers, importers, exporters, buyers, sellers, distributors, agents, brokers, sub-brokers, wholesale and retail dealers of all types of vegetable products, grains, pulses, vegetable oil, crude oil, processed foods, dry fruits, kirana items, confectionery items, agriculture products, metals & stones such as gold, silver, ethnic & traditional items, brassware, jewellery, building material, iron, zinc, cement, steel, ferrous & non ferrous metals, packaging material of all types, leather goods, clothing and wearing apparel of every kind, milk & milk products, desi ghee, bakery items, sanitary items, furniture & home furnishing items, plywood and plywood items, petroleum products, electronic goods, devices of all kinds of industrial use and household consumer articles, heavy & light vehicles, engineering goods & spare parts, all types of chemicals and chemical compounds (organic & inorganic), agricultural equipments, decorative items and all types of articles and to enter into partnership, joint venture, franchise or any other type of association with any other person, firm or company, either in India or abroad.

8. To act as a generator, receiver, producer, improver, buyer, seller, reseller, acquirer, user, transmitter, accumulator, employer, distributor, developer, handler, protector, supplier, agent, broker, representative, consultant, collaborator of power of any nature including electric power at all places as may be permitted by appropriate authorities by establishing thermal power plants, hydro power plants, solar power plants, wind power plants, nuclear power plants and other power plants based on any source of energy either on its own or in collaboration/joint venture with State/Central Government or any other person.
9. To carry on the business at any place in India or elsewhere in the world of generation, production, conversion, storage and distribution of electricity, all types of gases such as Liquefied Petroleum Gas, Liquid Natural Gas, Compressed Natural Gas; all types of energies such as solar/nuclear energy either on its own or in collaboration/joint venture with State/Central Government or any other person.
10. To take, act as developers, install power project, supply material for, take projects on turnkey basis of electrical power generation, civil, electrical & mechanical development and to sell electricity to central government; various states of India; and to general public with or without collaboration with State/Central Government or any other Person.
11. To carry on the business as manufacturers, buyers, sellers, importers & exporters and to set up steam boilers, solar power batteries and other forms of equipment for generating energy from different sources like hydro power energy, biomass based energy, solar energy and to provide steam power, solar power, gases to industries and for domestic use.
12. To acquire licences granted by and to enter into contracts with the Government of India or the Government of any State in India or any Municipal or Local Authority, Company or person, for the construction and maintenance of any electric installation for the production, transmission or use of electric power or any other form of energy for any application or purpose.
13. To carry on business of manufacturing, trading, importing exporting buying, selling, giving on hire, distributing, exchanging, converting, altering, processing, assessing centre testing, designing, repairing, evaluating, laboratories testing, appraising, certifying, and the valuers of all types of precious & semi precious stones, bullions, gemstones, silver, gold, platinum, diamonds, ornaments, jewellery, imitation and artificial jewellery, minerals, curious, antiques, cutlery and their components/accessories, and articles/items made or consisting thereof and other works of art.
14. To purchase, acquire, take on lease, layout, develop, construct, build, sell, let or dispose off any land, building, structures, markets, integrated city, high-tech city, group housing projects, township, multi-storied building, commercial complex, residential complex, amusement parks, roads, row houses, flats, floors, villas, apartments, school complex consisting main building, play grounds, library & laboratory building, hostels, factory sheds, highways, multiplexes, hotels, entertainment centers, sewers, bridges, canals, dam, reservoirs, embankments, irrigations, improvements, sanitary, water electric works and power supply works or any other such structural or architectural work related thereto and for such purpose to prepare estimates, designs, plans, specification or models related thereto.
15. To carry on the business of fabricators, architects, consultants, civil engineers, soil tester, builders and developers of land contractors, colonizers, civil contractors and undertake any residential, commercial or industrial, construction, either independently or jointly in partnership or on agency or sub contracts basis with or on behalf of any individual, firm body corporate, association or society Central or State Government, Cantonment board or any local authority and to provide all sorts of Consultancy Services related to Architecture and Interior Designing, Land Scrapping, Structural, Electrical, Sanitary & Water Supply works within and outside India.
16. To carry on the activity of establishing, developing, maintaining and operating Special Economic Zones (SEZ) for all industrial sector like information technology, bio technology, food processing, garments, gems & jewellery, auto components, light & heavy machineries either on its own or in collaboration/joint venture with state/Central Government.
17. To carry on the business of stock and share broking and in allied matters such as acting as agent, Share transfer agent, broker/dealer to the issue of securities, Lead managers, Book Running Lead Managers (BRLMs), co-managers, insurance agent under IRDA, manage investment pools, mutual funds, portfolio managers, brokers, sub-brokers, registrars to issue and offers, whether of shares, debentures, securities of all kinds including ADR's, GDR's, ECB, FCCB and all other types in India or abroad and to do the Portfolio Management and act as advisors and consultants to the issue and manage/arrange of all types of mergers/acquisitions and provide the D-mat facility and to obtain membership of one or more recognized stock exchanges in India, recognized by Government of India under securities contracts (Regulation Act, 1964) or outside India (including Bombay Stock Exchange and National Stock Exchange).

18. To invest in, acquire and hold, underwrite buy/sell or otherwise dispose off or deal in any manner in securities of any kind, share, debentures, debenture stocks, ADR's, GDR's, ECB, FCCB, properties, letter of credits, foreign letter of credit, bonds, mutual funds, units, commercial papers, negotiable instruments and instruments of all type & kinds issued or guaranteed by any Government/Semi-Govt./State Authorities or Companies, Union Territory, Municipal or Civic Body, Financial Institutions, Public Ltd. or Private Ltd. Companies carrying on business in India or abroad and to act as brokers in connection thereof.
19. To carry on the business of constructing, managing and running hospitals, nursing homes, clinics, dispensaries, maternity homes, diagnostic centers, pathological laboratories, X-Ray Clinics either on its own or in collaboration/joint venture with State/Central Government or any other person in India or abroad.
20. To establish, run, maintain, manage and administer centers, schools, colleges, pre-medical, medical, engineering institutions, software training education, educational institutes, training centres, seminars, conferences, workshops and Universities for imparting education to students either through regular classes or by correspondence in any stream; and develop, maintain and manage allied resource facilities like library, computer rooms and to facilitate and promote research and development activities in the field of Accountancy, Finance, Marketing, Commerce, Business Management, Engineering and Medical Science either on its own or in collaboration/joint venture with State/Central Government or any other person in India or abroad.
21. To carry on the business of internet and internet based solutions, to provide services including buying, selling, export, import, franchise, licensing, agency, consultants, web site hosting on different themes on the internet, speech to text, text to speech, organizing cyber exhibitions of information technology products, service and hardware, operating entertainment plazas, display centres, cyber cafes, communication network and solutions, setting up facilities for video conferencing and internet telephoning and other relating fields, offshore software development projects, production, development & promotion of digital films, cartoon films, documentaries, development of computer languages, software & hardware programmes of any and all kinds and to take up turnkey basis projects for software developments, hardware manufacturing and creating all types of infrastructural facilities including construction, development & maintenance of IT Park/Unit, either alone or in association with any other person, firm or company in joint venture or on revenue sharing basis, lease out basis or in any other manner in India or abroad.
22. To carry on the business of assembling, marketing, manufacturing, operating, altering, converting, processing, importing, designing, buying, selling, exporting, transferring, installing, servicing, exchanging, taking franchise, agency or otherwise dealing in all types of computer, mini computer, micro processing, data processing machines, computer peripherals, word processing machines, electronic exchange, computerized telecommunication network system, tele-printer, satellite communication system, radio communication system, other computer based systems and instruments, their compounds, devices & spare parts and electronic goods, photographic equipments, digital or non-digital, directly or indirectly supported by computer programmes at the places owned/leased on sharing/rent basis.
23. To develop, design, structure, establish, maintain and to set up the business of handling customer support services by establishing Call Centres, Business Process Outsource Units, Knowledge Process Outsource units, Medical Transcription Centres, Data Information Processing Centres, Back-end processing Centres and Educational Bureaus and to render services to own customers or client's customers in India or elsewhere by processing there jobs and to impart education & training on electronic data processing computer software & hardware to customers and others.
24. To carry on the business of Contractors, Sub Contractors, Agents, Sub-Agents, Consultants, Repairers, Service Providers, and to do maintenance, supervise, marketing, exchange, collaborate and deal in all kinds of Housekeeping Services, Maintenance Services, Hygienic & Cleaning Services, Cleaning Equipments & material, to bid/participate in all contracts & execute them & allied Services in India or abroad.
25. To act as financial consultants, investment consultants, portfolio consultants, management consultants, marketing consultants, technical consultants, tax consultants, legal consultants, risk management consultants, technology consultants, strategy consultants, accounting consultants, placement consultants, corporate governance consultants, engineering consultants, advertising consultants, Information Technology consultants and to undertake corporate restructuring, auditing including systems audit certification work and to provide consultancy services with and/or outside India in the field of human resources.

26. To carry on the business of Airlines, chartering aircrafts, helicopters and allied air vehicles in scheduled and unscheduled manner to institutions, concerns, bodies, corporate, associations (corporated and unincorporated), Governments, public and local bodies and authorities, societies and trusts and persons in India and outside India and to promote and carry on the business of air travel in all its manifestations and for this purpose to undertake and operate air services and air taxi operations subject to the permissions and control of appropriate Government and their agencies as may be required.
27. To carry on the business of integrated activities for maintenance of all types of aeronautical equipments, aircrafts, helicopters and other air vehicles and to carry on general purpose activities connected therewith and all types and kinds of aviation activities including survey and air photography, publicity and promotion, search and rescue relief operations.
28. To carry on the business of tourists and travel agents, transport agents, cargo agents, forwarding agents, packing & forwarding agents and distribution and transportation of cargo, handling and haulage contractors, warehouse men and common carriers by land, rail, air and water to carry and handle goods and passengers, freight and passage brokers and representatives of airlines, steamship lines, railways and other carriers, whether Indian or foreign, to arrange and operate tours, to facilitate, traveling by land, air, sea and space and to provide for tourists and travelers, provisions of conveniences of all kinds by way of documentation, issuance of rail/air/sea tickets, circular tickets, sleeping cars and berths, reserved places, hotels and lodging accommodation whether in India or aboard.
29. To act as IATA Agents, Passengers Sales, Sub-Agents and Agents for Airlines Companies and Shipping Companies, Shipping Agents, Charter Party Contractors, Warehousemen, Store Keepers, Loading and Unloading Agent act as consultants and advisors for any Airlines, Shipping Companies, Railways, Road Transport Companies and such other organizations and to deal in foreign exchange at commission, brokerage or otherwise either on its own or through any agency/franchise and act as full fledged money changer and act as consultants to give advise to engage in and provide information in all aspects of passport/visa/tours/travels whether in India or abroad.
30. To carry on the business of refiners, stores, dealers, suppliers and distributors of petroleum and petroleum products including the business of extracting, treating, pumping, drawing, transporting, distilling, purifying and dealing in petrol, diesel, lubricant, grease, oils and other petroleum products such as crude oil, LPG and also to act as dealers and distributors for petroleum companies either on its own or in collaboration/joint venture with State/Central Government or any other person.

For details relating to the business and operations, please refer to sections **“Business Overview”** and **“Financial Information”** on pages 85 and 198 respectively

Changes in Memorandum of Association

Since incorporation, the following changes have been made to the Memorandum of Association:

Sr. No	Date of EGM Resolution	Nature of Amendment
1.	March 1, 2002	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 1 mn. to Rs. 10 mn.
2.	May 15, 2002	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 10 mn. to Rs. 30 mn.
3.	August 1, 2002	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 30 mn. to Rs. 125 mn.
4.	September 20, 2002	Alteration in Main Objects Clause III(A) of Memorandum of Association by inserting Clause No. 6 after existing Clauses Nos.1-5.
5.	December 6, 2004	Alteration in Main Objects III (A) of Memorandum of Association by deleting the existing Clause Nos.1-6 and replacing the same by New Clause Nos.1-5
6.	December 28, 2004	Alteration in Clause I of Memorandum of Association and Articles of Association by Changing of Name of the Company from “SRS Commercial Company Limited” to “SRS Entertainment Limited”
7.	January 6, 2005	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 125 mn. to Rs. 150 mn.
8.	February 4, 2005	Alteration in Objects Incidental or Ancillary to the Attainment of the Main Objects Clause III (B) of Memorandum of Association.
9.	March 10, 2005	Alteration in Clause V of Memorandum of Association by increasing the

Sr. No	Date of EGM Resolution	Nature of Amendment
		Authorized Capital of the Company from Rs. 150 mn. to Rs. 200 mn.
10.	June 30, 2005	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 200 mn. to Rs. 600 mn.
11.	March 27, 2008	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 600 mn. to Rs. 750 mn.
12.	April 11, 2008	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 750 mn. to Rs. 1,250 mn.
13.	May 5, 2008	Alteration in Main Objects III(A) of Memorandum of Association by inserting Clause No.6 after the existing Clause Nos. 1-5.
14.	September 11, 2008	Alteration in Clause V of Memorandum of Association for Sub-division of Shares from Rs. 10/-(Rupees Ten) each to Re. 1/-(Rupee One) each.
15.	December 8, 2008	Alteration in Clause I of Memorandum of Association and Articles of Association by Changing the Name of the Company from “SRS Entertainment Limited” to “SRS Entertainment and Multitrade Limited”
16.	December 26, 2008	Alteration in Clause I of Memorandum of Association and Articles of Association by Changing the Name of the Company from “SRS Entertainment and Multitrade Limited” to “SRS Entertainment & Retail Limited”
17.	July 7, 2009	Alteration in Clause I of Memorandum of Association and Articles of Association by Changing the Name of the Company from “SRS Entertainment & Retail Limited” to “SRS Limited”. Alteration in Main Objects Clause III (A) of Memorandum of Association by replacing all the existing Clause Nos.1-6 by inserting New Clause Nos.1-30.
18.	October 15, 2009	Alteration in Clause V of Memorandum of Association for Consolidation of Shares from Re. 1/-(Rupees One) each to Rs. 10/-(Rupee Ten) each.
19.	November 27, 2009	Alteration in Clause II of Memorandum of Association by changing the place of Registered office from ‘National Capital Territory’ of Delhi to State of Haryana.
20.	June 18, 2010	Alteration in Clause V of Memorandum of Association by increasing the Authorized Capital of the Company from Rs. 1,250 mn. to Rs. 1,500 mn.

Subsidiary Company

The Company has one Wholly Owned subsidiary. The details of the same are as follows:

SRS Jewells Limited (“SRS Jewells”)

SRS Jewells Limited was originally incorporated vide Certificate of Incorporation dated March 19, 2009 under the name ‘SRS Bullions & Jewellers Limited’. It was issued the certificate for commencement of business on March 31, 2009. The name of SRS Jewells was subsequently changed to its present name vide fresh Certificate of Incorporation dated March 31, 2010. The Corporate Identity Number of SRS Jewells is U52390DL2009PLC188618. The Registered Office of the Company is situated at 202, 2nd Floor, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi – 110 001.

SRS Jewells is involved in the business of manufacturing, trading, importing, exporting buying, selling, giving on hire, distributing, exchanging, converting, altering, processing, assessing centre, testing, designing, repairing, evaluation, laboratories, appraisal certifiers, valuers of all types of precious & semi precious stones, bullions, gemstones, silver, gold, platinum, diamonds, ornaments, jewellery and other works of art etc.

Details of the Board of Directors of SRS Jewells as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Rahul Agarwal
2. Mr. Sanjay Kumar
3. Mr. Sandeep Singla
4. Dr. Anil Jindal

5. Mr. Sunil Jindal
6. Mr. Rajesh Mangla
7. Mr. Bhagwan Dass
8. Mr. Naresh Goel
9. Mr. Sushil Kumar
10. Mr. Lalit Kumar
11. Mr. Vinod Jindal

Details of shareholding pattern as on date of filing of this Red Herring Prospectus of SRS Jewells are as under—

Sr. No.	Particulars	No. of Equity Shares @ Rs. 10	Shareholding (%)
1.	Mr. Sushil Singla (Nominee shareholders of SRS Limited)	10	0.01
2.	Mr. Rajesh Mangla (Nominee shareholders of SRS Limited)	10	0.01
3.	Mr. Nanak Chand Tayal (Nominee shareholders of SRS Limited)	10	0.01
4.	Mr. Bishan Bansal (Nominee shareholders of SRS Limited)	10	0.01
5.	Dr. Anil Jindal (Nominee shareholders of SRS Limited)	10	0.01
6.	Mr. Sunil Jindal (Nominee shareholders of SRS Limited)	10	0.01
7.	SRS Limited	83,690	99.94
	Total	83,750	100.00

Summary of audited financial of SRS Jewells since incorporation is as follow:

(Rs. in mn.)

Particulars	For the year / period ended March 31		
	2011	2010	2009
Sales	7.06	-	-
Other Income	0.01	0.06	0.03
PAT	1.24	0.00	0.00
Share Capital	0.84	0.50	0.50
Reserves & Surplus	4.27	0.00	0.00
Net Worth	5.11	0.50	0.50
EPS (Rs.) (Basic & Diluted)	24.67	0.01	0.10
Book Value per Share (Rs.)	24.67	10.01	10.00

SRS Jewells has not been declared a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 and is not under winding up.

The Company, SRS Limited, is not operating under any injunction or restraining order.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

The Company is not in default or process of rescheduling in respect of any borrowings with Financial Institution / Banks.

Strikes or Labour Unrest, in the Company, SRS Limited

There have been no strikes or labour unrest since incorporation in the Company.

Changes in the activities of the Company, SRS Limited, during the last five years

The company started with cinema activity in the year 2004, subsequently the company ventured into other businesses namely retail and food & beverages. In the year 2008 the company started with the Jewellery Business.

For details relating to the business and operations of the Company, please refer section “**Business Overview**” on page 85 of this Red Herring Prospectus.

Capital raising through equity and debt

For details in relation to capital raising activities through equity and debt, see the section titled “**Financial Information**” and “**Capital Structure**” on page 198 and 21 respectively.

Shareholders Agreement

There is no shareholders Agreement existing as on date in respect of the shares of the Company. Further, the company has also not entered into any shareholders agreement in respect of the shares of any other company.

Other Agreements

Debenture Subscription Agreement

The company has entered into a Debenture Subscription Agreement with HT Media Limited on January 14, 2009, whereby 7,50,000 0% Fully – Convertible Debentures of the Company were issued to HTML at par value of Rs. 100/- per debenture aggregating to Subscription Amount of Rs. 75 Million. These debentures were converted into Equity Shares with a face value of Re. 1/- each on September 15, 2009. The equity shares of the Company were consolidated at Rs. 10 per equity share on October 15, 2009. As on Date of filing of this Red Herring Prospectus, HTML holds 760,279 Equity shares of the Company.

Some of the important terms and conditions of this agreement are as follows:

- 1) The Company and the Promoters, jointly and severally covenant that they shall use reasonable endeavors to cause an initial public offering of the company (“IPO”) on or before 60 months from the date of this agreement including but not limited to obtaining all consents and approvals (corporate and otherwise) for the same in accordance with applicable laws.

The Company and Promoters undertake to purchase all the shares of the Company held by HTML before the IPO at a price equivalent to the subscription amount plus an annualized return of 12% compounded annually. However it is clarified that HTML shall have the right but not any obligation to accept the offer of purchase made by the Company and Promoters. In case the Company and promoters does not offer to purchase all the shares of the Company held by HTML, then the Company undertake to include an offer for of all/part of the equity shares of the Company held by HTML (at HTML discretion) during the IPO.

In case HTML does not exercise the right to sell the shares held by it in the manner as stated above before the IPO, then the Company undertakes to include an offer for sale of all/part of the equity shares of the Company held by HTML (at HTML discretion) during the IPO only if the Company opts to include in the IPO the offer for sale of all/ any of the equity shares held by any other shareholders.

HTML has issued a ‘No Objection Certificate’ on February 16, 2010 confirming they have no objection to the proposed IPO, to be made by the Company by means of fresh issue of the equity shares.

- 2) The Company and Promoters to take reasonable endeavors to come out with an Initial Public Offer within 60 months from the date of this agreement.
- 3) If the Company makes a right issue or any further issue of Equity Shares after conversion of the Debentures; it shall issue a notice to HTML and provide an opportunity to HTML to subscribe pro-rata to such new Equity Shares (by paying cash to the company) so as to enable HTML to maintain its then existing percentage interest in the Company.

- 4) In the event the Company issues any further Equity Shares to any third party prior to the completion of IPO at a price lower than the cost of the acquisition of HTML's Equity Shares arising out of conversion of Debentures, then the Promoters shall, jointly and severally within 45 days of the allotment to any other person at such lower price or within a period of 45 days of conversion of the Debentures, as the case may be, transfer such number of shares held by the Promoters to HTML at zero consideration as may be required to render the average price of the HTML's holding in the Company, equal to the price at which the Equity Shares are issued and allotted to any third party.
- 5) HTML has Tag Along Rights in the event the Promoters intend to transfer all or part of their shareholding in the Company to third party who is not an affiliate of the Promoters, the Promoters shall provide notice of such proposed sale to HTML 30 days prior to the proposed conclusion of such sale. In the event that any such sale or disposal by the Promoters results in the Promoter's shareholding remaining above 80% of issued and paid-up capital of the Company, the Tag Along Right would not be applicable. But in the event that any such sale or disposal by the Promoters results in the Promoter's Shareholding falling below 51% of issued and paid-up capital of the Company, the Promoters shall not be permitted to carry out such sale or otherwise dispose of the Shares held by them, unless simultaneously with the sale, the Third Party offer or makes an offer in writing to HTML to purchase all the HTML shares held by HTML in the Company at such time, on the same terms and conditions as the Third Party Offeror's proposed acquisition of shares from the Promoters, including at the same price.
- 6) In the event there is no IPO on or before 31st December 2013 or no trade sale of shares held by HTML occurs to a strategic investor or financial investor, HTML shall be entitled to put its equity shares and cause the promoter to purchase such equity shares either directly or through any of their nominees at a price equivalent to the subscription amount plus an IRR of 12%.
- 7) The agreement shall cease to be in force upon listing of the equity shares of the Company after the IPO.

The Company undertakes that no part of the proceeds from this Issue would be utilized to fulfill obligations, if any, made under the said agreement, as of now or in future.

For details of the Equity shares allotted to HTML, see "**Capital Structure**" on page 21.

The Company has also entered into an "Advertisement Agreement" with HTML on January 14, 2009, to advertise the Company's products, services and brands in both print publications and non-print media of HT at discounted rates and in accordance with the terms & conditions provided in the Agreement.

The important terms of the said agreement are as follows:

- a) This agreement is entered on non-exclusive basis for the existing products / services of the Company. However, only the incremental advertisements spend computed on yearly basis shall be deemed to be part of the total commitment utilized by the Company for the products/brands acquired by the Company after the date of this Agreement.
- b) As per this agreement, the Company agreed to place advertisements of the value of Rs. 75 mn. on net billing basis in the HTMedia (Total Commitment) in four years in the manner set out below:

Sub term	Annual commitment (Rs in mn.)
First sub-term	10.00
Second sub-term	15.00
Third sub-term	25.00
Fourth sub-term	25.00
Total	75.00

- c) The agreement shall also cover advertisements relating to corporate campaigns, financial information and recruitment requirements of the Company but shall not cover advertisement of any co-branded products.

- d) The term of the agreement is for a period of four (4) years on and from the Commencement Date. However, either party may terminate this Agreement at any time in the event of a breach by the other party if it has been not cured or remedied (if capable of) by the defaulting party within sixty (60) days of the receipt of written notice.
- e) The Company indemnifies HT against any claims, costs, charges, damages, losses and legal charges, of any nature whatsoever.
- f) Any dispute between the parties which cannot be settled amicably within thirty (30) days shall be referred to a panel of three (3) Arbitrators in accordance with Arbitration & Conciliation Act, 1996.
- g) The Agreement shall be governed and construed in accordance with the laws of India.

Except as disclosed in this Red Herring Prospectus, there are no material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by the Company and entered into more than two years before the date of filing of this Red Herring Prospectus.

Strategic Partners

The Company does not have any strategic partners.

Financial Partners

The Company does not have any financial partners.

MANAGEMENT

BOARD OF DIRECTORS

The Company functions under the control of Board of Directors. At present, the Company has twelve (12) Directors on the Board of which four (4) are Executive Directors and eight (8) Non Executive Directors including six (6) Independent Directors.

The day-to-day operations of the Company are looked after by Dr. Anil Jindal (Chairman), Mr. Sunil Jindal (Managing Director), Mr. Vinod Kumar (Whole-time Director) and Mr. Raju Bansal (Whole-time Director). All Executive Directors of the Company are under the direct control and superintendence of the Board of Directors.

The details of the Board of Directors of the Company as on the date of this Red Herring Prospectus, are as under:

Name, Father's Name, Age, Designation, Address, Occupation and DIN	Date of Appointment	Qualifications	Experience (no. of years)	Other Directorships
Dr. Anil Jindal S/o. Shri Girraj Singh Jindal Aged: 47 years Chairman Address - House No.538, Sector-14, Faridabad, Haryana Occupation: Business DIN: 00005585	Additional Director-January 15, 2007 Chairman-April 1, 2007 Director (Executive)-November 1, 2008 Re-appointed as Director (Executive) - June 1, 2010 Expiration of Term on May 31, 2013	D.Litt. in Commerce from 'Chaudhary Charan Singh University, Meerut' Ph. D. in Commerce from 'Chaudhary Charan Singh University, Meerut' CCA from 'National Institute of Management' MBA from 'National Institute of Management' M.Com. from 'Agra University' B.Com. from 'Maharshi Dayanand University'	25 Years	1. SRS Real Infrastructure Limited 2. SRS Real Estate Limited 3. SRS Jewells Limited 4. SRS Entertainment Limited 5. SRS Global Securities Limited (Formerly known as SRS Housing Finance Limited) 6. SRS Value Bazar Limited
Mr. Sunil Jindal S/o. Shri Girraj Singh Jindal Aged: 32 Years Managing Director Address - H.No.538, Sector-14, Faridabad, Haryana Occupation: Business DIN: 00013791	Additional Director -December 1, 2004 Managing Director-December 21, 2004 Reappointed as Managing Director-November 1, 2009 Expiration of term on October 31, 2014	L.Lb from 'Dr. Bhimrao Ambedkar University, Agra' MBA from 'Maharshi Dayanand University, Rohtak' M.Com. from 'Dr. Bhimrao Ambedkar University, Agra' B.Com. from 'Maharshi Dayanand University, Rohtak'	11 Years	1. SRS Seven-Days Restaurants Limited 2. SRS Modern Sales Limited 3. SRS Jewells Limited 4. SRS Real Estate Limited 5. SRS Entertainment Limited 6. SRS Value Bazar Limited 7. SRS Retail Limited
Mr. Raju Bansal S/o Shri Nanak Chand Bansal	Additional Director-January 21, 2002	Passed Matriculation Examination from the Board of School Education, Haryana.	12 Years	1. SRS Seven-Days Restaurants Limited 2. SRS International

Name, Father's Name, Age, Designation, Address, Occupation and DIN	Date of Appointment	Qualifications	Experience (no. of years)	Other Directorships
Aged - 35 Years Whole-time Director Address - H.No.122, Sector-9, Faridabad, Haryana Occupation: Business DIN: 00007344	Whole-Time Director- October 1, 2005 Ceased to be Whole-time Director – November 1, 2009 Reappointed as Whole-time Director – February 1, 2010 Expiration of term on January 31, 2015.			Limited 3. SRS Retail Limited 4. SRS Mines & Minerals Limited 5. SRS Buildcon Private Limited
Mr. Vinod Kumar S/o Late Shri Chunni Lal Aged- 57 Years Whole-Time Director Address - B-9, Chawla Colony, Ballabgarh, Faridabad, Haryana Occupation: Business DIN: 00013729	Additional Director-25/02/02 Whole-Time Director-01/10/05 Reappointed as Whole-time Director- June 1, 2010 Expiration of Term on May 31, 2015	Bachelor of Arts from Jabalpur University, Madhya Pradesh	26 Years	1. Madhavtech India Private Limited 2. Neelabh Engineers Private Limited
Mr. Jitender Kumar S/o Late Shri Prem Nath Garg Aged – 47 Years Non Executive Director Address - H.No.537, Sector-14, Faridabad, Haryana Occupation: Professional DIN: 00088125	Additional Director – November 1, 2009 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2013-14	L. Lb from 'Chaudhary Charan Singh University, Meerut' M. Phil. in Commerce from 'Vinayaka Missions University' M.Com from 'Vinayaka Missions University' B.Com. from 'Maharshi Dayanand University'	21 Years	1. SRS Real Infrastructure Limited 2. SRS Real Estate Limited 3. JMA Buildcon Limited 4. SRS Professional Services Limited
Mr. Praveen Kumar Kapoor	Additional Director	L.Lb from Agra University,	21 Years	1. Horizon Rubber Products Limited

Name, Father's Name, Age, Designation, Address, Occupation and DIN	Date of Appointment	Qualifications	Experience (no. of years)	Other Directorships
S/o Late Shri Tilak Raj Kapoor Aged- 48 Years Non-Executive Director Address - H.No.515, Sector-14, Faridabad, Haryana Occupation: Professional DIN: 00005617	November 1, 2009 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2013-14	B.Com. from Maharshi Dayanand University, Rohtak.		2. SRS Professional Services Limited 3. Hawk Designing House Private Limited 4. SRS Meditech Limited
Mr. Praveen Gupta S/o Shri Roop Chand Gupta Aged - 37 Years Independent Director Address - House No.963, Chawla Colony, Ballabgarh, Faridabad, Haryana. Occupation: Business DIN: 02954957	Additional Director - February 15, 2010 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2011-12	L.LB from University of Rajasthan, Jaipur. B.A. from University of Rajasthan, Jaipur.	12 Years	1. SRS Real Infrastructure Limited
Mr. Shiv Mohan Gupta S/o Shri Jagdish Prasad Gupta Aged 50 Years Independent Director Address - 219, Ground Floor, Gali Laharan, Ajmeri Gate, Delhi – 110 006. Occupation: Business	Additional Director - February 15, 2010 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2013-14	B. Com. (Hons.) from University of Delhi	26 Years	1. SRS Real Infrastructure Limited 2. JPGS Metals Private Limited

Name, Father's Name, Age, Designation, Address, Occupation and DIN	Date of Appointment	Qualifications	Experience (no. of years)	Other Directorships
DIN: 00251104 Mr. Nishant Goel S/o Shri Mukesh Goel Aged 25 Years Independent Director Address - H. No. 56, Sector - 9, Faridabad - 121 006., Haryana Occupation: Business DIN: 02944135	Additional Director February 15, 2010 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2011-12	B. Com (H) from University of Delhi MBA from ICFAI Business School, ICFAI University	2 Year	-
Mr. Joginder Lal Chhabra S/o Lt. Shri Surjan Das Chhabra Aged 60 Years Independent Director Address - A-12 FF, Manak Vihar, Near Ashok Nagar, New Delhi - 110 018. Occupation: Business DIN: 02956330	Additional Director - February 15, 2010 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2011-12	B.Com and M.Com. from Chaudhary Charan Singh University, Meerut.	36 Years	-
Mr. Kailash Kumar S/o Shri Brij Lal Aged 36 Years Independent Director R/o. 47, Gupta Park, Najafgarh, New Delhi - 110 043. Occupation: Business	Additional Director - February 15, 2010 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2012-13	B.Com from Maharshi Dayanand University, Rohtak M.Com. from Dr. Bhimrao Ambedkar University, Agra	8 Years	1. SRS Real Infrastructure Limited 2. Shri Krishna Landscapers Private Limited 3. Golden Propmart Private Limited

Name, Father's Name, Age, Designation, Address, Occupation and DIN	Date of Appointment	Qualifications	Experience (no. of years)	Other Directorships
DIN: 02111657				
Mr. Lalit Kumar S/o Shri Gordhan Das Aged 31 Years Independent Director Address - House No. 425, Ward No. 5, Jindal Traders, Near P O Main Bazar, Ballabgarh, Faridabad - 121 004. Occupation: Professional DIN: 02956291	Additional Director February 15, 2010 Regularized in AGM dated May 31, 2010 Liable to retire by rotation in AGM of year 2012-13	L.Lb. from Dr. Bhimrao Ambedkar University, Agra. MBA from Maharshi Dayanand University, Rohtak. M.A. from Dr. Bhimrao Ambedkar University, Agra. B. Com. From Maharshi Dayanand University, Rohtak.	6 Years	1. SRS Finance Limited 2. SRS Jewells Limited

DETAILS OF DIRECTOR'S SHAREHOLDING

Detail of the Directors' shareholding in the Company as on date of filing of this Red Herring Prospectus is as under:

Sr. No.	Name	No. of Equity Shares @Rs. 10	Shareholding (%)
1	Dr. Anil Jindal	6,710,800	6.43
2	Mr. Sunil Jindal	168,100	0.16
3	Mr. Vinod Kumar	100	0.00
4	Mr. Raju Bansal	1,811,500	1.74
5	Mr. Jitender Kumar	45,000	0.04
6	Mr. Praveen Kumar Kapoor	46,000	0.04
7	Mr. Praveen Gupta	Nil	Nil
8.	Mr. Shiv Mohan Gupta	Nil	Nil
9.	Mr. Nishant Goel	Nil	Nil
10.	Mr. Joginder Lal Chhabra	Nil	Nil
11.	Mr. Kailash Kumar	Nil	Nil
12.	Mr. Lalit Kumar	Nil	Nil

BRIEF DETAILS OF DIRECTORS

Dr. Anil Jindal aged 47 years, residing at House No. 538, Sector 14, Faridabad (Haryana), holds a Ph.D. and D.Litt. in Commerce from Chaudhary Charan Singh University, Meerut, an MBA from National Institute of Management, Chartered Certified Accountant (CCA) from National Institute of Management and a Master's Degree in Commerce from Agra University.

He has experience of more than 25 years in areas of finance & leasing, entertainment, cinemas, food & beverages, retail and real estate. He started his entrepreneurial journey by providing financial services in 1985 and in the year 1990 incorporated Manu Leasing Private Limited (now known as SRS Real Infrastructure Limited) which was in the business of providing vehicle loans, equipment loans, machinery loans etc.

He was associated with 'BTL Investments Limited' as a Director from 1999 to 2004 and was looking into its Financing and Leasing business. During this period, he was also involved in the construction and management of "SRS Multiplex". In the years 2005 and 2006, he explored various business opportunities, including real estate. He was inducted as one of the Promoters and also appointed as a Director on the Board of the Company in January 2007. Since then he has been actively involved in 'SRS Limited' to expand and diversify into the businesses of Cinema, Food & Beverages, Retail Cash & Carry and Jewellery. Since 2007, he is also associated with 'SRS Real Estate Limited' and is a Non-Executive Chairman of the Company since April 2008. He is actively involved in planning, developing and implementation of real estate projects such as residential and commercial complexes, mini townships, hotels and farm houses.

Presently, Dr. Anil Jindal is the Chairman of the Company. Dr. Anil Jindal has been honoured with awards like Bhartiya Nirman Shiromani Puraskar by Dr. Bhishma Narain Singh, Indira Gandhi Sadbhavana award by H.E. Dr. A. R. Kidwai and Rajiv Gandhi Shiromani award by H.E. Dr. A.R Kidwai. He is also on the Board of SRS Real Infrastructure Ltd., SRS Real Estate Ltd., SRS Jewells Ltd., SRS Entertainment Ltd., SRS Global Securities Limited, SRS Value Bazaar Ltd.

Mr. Sunil Jindal aged 32 years, residing at House No. 538, Sector 14, Faridabad (Haryana), holds degree in L.Lb. from Dr. Bhimrao Ambedkar University, Agra, MBA from Maharishi Dayanand University, Rohtak, Master of Commerce from Dr. Bhimrao Ambedkar University, Agra. He is the founder promoter of the Company and has an experience of more than 11 years in management of Mall, Multiplexes, Retail Chain and Corporate Planning. He is associated with the Company as the Managing Director since December 2004 and is involved in the day to day operations. He is also responsible for conceiving and executing the marketing strategies and activities for ensuring adherence to the short term and long term growth. He plans, directs and coordinates the cinema, retail & jewellery operations. He is also on the Board of SRS Real Estate Limited, SRS Seven-Dayz Restaurants Ltd., SRS Modern Sales Ltd., SRS Jewells Ltd., SRS Entertainment Ltd., SRS Value Bazaar Ltd., and SRS Retail Ltd.

Mr. Raju Bansal aged 35 years, residing at House No. 122, Sector 9, Faridabad in the State of Haryana. He is matriculate and is on the Board of the Company since January 21, 2002. He is entrusted with the responsibility of planning, management and expansion of Food & Beverages Division. He is responsible for opening of new food courts, product development, brand building and providing assistance in day to day operations of the Company. He developed the concept of fine dining restaurants and played an instrumental role in the brand building of "Punjabi Haandi". He is also on the Board of SRS Mines and Minerals Limited, SRS Seven-Dayz Restaurants Limited, SRS International Limited, SRS Retail Limited and SRS Buildcon Private Limited.

Mr. Vinod Kumar, aged 57 years, holds a degree of Bachelors of Arts from Jabalpur University. He has a vast experience of 26 years in General Management and Administration. He is entrusted with the responsibility of general management of the Company.

Mr. Jitender Kumar aged 47 years, holds a degree in M.Phil. in Commerce from Vinayaka Mission University, L.Lb. from Chaudhary Charan Singh University, Meerut, Master of Commerce from Vinayaka Mission University and Bachelor of Commerce from Maharishi Dayanand University from Rohtak. He is a Practicing Advocate having experience of over 21 years in Income Tax related matters.

Mr. Praveen Kumar Kapoor aged 48 years holds degree in Bachelor of Law and Bachelor of Commerce and is the Proprietor of Kapoor & Co., Advocates. He has an experience of more than 21 years in matters related to Sales Tax.

Mr. Praveen Gupta, aged 37 years, holds a degree of L.Lb and Bachelor of Art from University of Rajasthan, Jaipur. He is a Practicing Advocate in Civil and Criminal matters, having experience of 12 years.

Mr. Shiv Mohan Gupta, aged 50 years, holds a degree of B.Com. (Hons.) from University of Delhi. Mr. Gupta has experience of about 26 years in trading business and has knowledge of Finance and Accounts.

Mr. Nishant Goel, aged 25 years, is MBA (Finance) from ICFAI University and B.Com. (Hons.), from University of Delhi. He has experience of about two years as a Financial Analyst and presently associated with Rawal Institute of Engineering & Technology, Faridabad.

Mr. Joginder Lal Chhabra, aged 60 years, holds a degree in Master of Commerce from Chaudhary Charan Singh University, Meerut. He has worked with 'UP Bridge Corporation Limited' as an Assistant Accounts Officer and having knowledge of handling Accounts, Audit and Book Keeping and has an experience of 36 years.

Mr. Kailash Kumar, aged 36 years, holds Master of Commerce from Dr. Bhimrao Ambedkar University, Agra and Bachelor of Commerce from Maharshi Dayanand University. He has experience in general management and administration of the business and has an experience of 8 years.

Mr. Lalit Kumar, aged 31 years, holds an L.Lb from Dr. Bhimrao Ambedkar University, an MBA degree from Maharshi Dayanand University and M.A. from 'Dr. Bhimrao Ambedkar University. He has been practicing law for the past six years.

CHANGES IN THE CONSTITUTION OF BOARD DURING THE PRECEDING 3 YEARS

Details of changes in the constitution of the Board of Directors, during the last three (3) years are as under:

Name of Director	Date of Appointment	Date of Cessation	Reason
		November 1, 2009	Resignation
Mr. Kailash Mohan Mehta		February 15, 2010	Resignation
Mr. Devendra Singh		January 4, 2010	Resignation
Mr. Raju Gupta		February 15, 2010	Resignation
Mr. Naresh Kumar Goyal		November 1, 2008	Resignation
Mr. Jyoti Prakash Gadia		November 1, 2009	Resignation
Mr. Praveen Kumar	March 2, 2009		To broadbase the Board
		November 1, 2009	Resignation
Mr. Tej Singh	March 2, 2009		To broadbase the Board
		November 1, 2009	Resignation
Mr. Mahender Singh	March 2, 2009		To broadbase the Board
		November 1, 2009	Resignation
Mr. Jitender Kumar	November 1, 2009		To broadbase the Board
Mr. Praveen Kumar Kapoor	November 1, 2009		To broadbase the Board
Mr. Praveen Gupta	February 15, 2010		To broadbase the Board
Mr. Shiv Mohan Gupta	February 15, 2010		To broadbase the Board
Mr. Nishant Goel	February 15, 2010		To broadbase the Board
Mr. Joginder Lal Chhabra	February 15, 2010		To broadbase the Board
Mr. Kailash Kumar	February 15, 2010		To broadbase the Board
Mr. Lalit Kumar	February 15, 2010		To broadbase the Board

Appointment and remuneration of Managing Director / Whole-Time Directors

Details of the appointment and remuneration of the Managing Director and Whole-time Directors of the Company are as under:

Name	Dr. Anil Jindal	Mr. Sunil Jindal
Designation	Chairman	Managing Director
Period	3 (three) years with effect from 1 st June, 2010	5 (five) years with effect from November 1, 2009
Remuneration	Remuneration of Rs.1,500,000/- per month as approved by Central Government vide its letter dated 12th March, 2010 as detailed below: -	Remuneration of Rs.1,80,000/- p.m. as per detailed below:

Name	Dr. Anil Jindal	Mr. Sunil Jindal
	Basic - Rs. 346,425/- p.m. House Rent Allowance -Rs. 207,857/- p.m. Conveyance Allowance-Rs. 138,570/- p.m. Medical Allowance-Rs. 100,000/- p.m. CCA- Rs. 175,000/- Education Allowance-Rs. 60,000/- p.m. Furnishing Allowance-Rs. 175,000/- p.m. Special Allowance- Rs. 250,000/- p.m. Gross Salary- Rs. 1,452,852/- p.m. Employer's PF Contribution-Rs. 47,148/- p.m. Cost to Company- Rs. 1,500,000/- p.m. PERQUISITES In addition to salary, the incumbent shall also be entitled to following perquisites: Telephone The incumbent will be paid actual telephone charges. News papers and Magazines The incumbent will be given actual expenses towards newspaper and magazines. Chauffer driven car One suitable chauffer driven car for official and personal use. Statutory Benefits All the Statutory benefits applicable to the Company from time to time shall be payable as per applicable provisions Gratuity Gratuity payable shall not exceed half month's salary for each completed year of service. These perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost. In the event of absence or inadequacy of profits in any financial year, Dr. Anil Jindal will be paid the salary and perquisites as approved by the members of the Company and the Central Government.	Basic- Rs.120,000/- p.m. House Rent Allowance- Rs. 36,000/- p.m. Conveyance Allowance- Rs. 12,000/- p.m. Medical Allowance- Rs. 12,000/- p.m. Cost to Company- Rs. 180,000/-p.m. PERQUISITES In addition to salary, the incumbent shall also be entitled to following perquisites: - Telephone The incumbent will be paid actual telephone charges. News papers and Magazines The incumbent will be given actual expenses towards newspaper and magazines. Chauffer driven car One suitable chauffer driven car for official and personal use. Statutory Benefits All the Statutory benefits applicable to the company from time to time shall be payable as per applicable provisions. Gratuity Gratuity payable shall not exceed half month's salary for each completed year of service. These perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost. In the event of absence or inadequacy of profits in any financial year, Sh. Sunil Kumar will be paid the salary and perquisites as minimum remuneration not exceeding the limits specified under Section II of Part II of Schedule XIII of the Act by making such compliances as provided in the Schedule.

Name	Mr. Raju Bansal	Mr. Vinod Kumar
Designation	Whole-time Director	Whole-time Director
Period	5 (Five) years with effect from February 1, 2010	5 (Five) years with effect from June 1, 2010
Remuneration	Remuneration of Rs.148,800/- p.m. as per	Remuneration of Rs.148,800/-p.m., as per

Name	Mr. Raju Bansal	Mr. Vinod Kumar
	the details given below- Basic- Rs.96,000/- p.m. House Rent Allowance- Rs.28,800/- p.m. Conveyance Allowance- Rs.12,000/- p.m. Medical Allowance- Rs.12,000/- p.m. Total- Rs.148,800/-p.m. PERQUISITES In addition to salary, the incumbent shall also be entitled to following perquisites: - Telephone The incumbent will be paid actual telephone charges. News papers and Magazines The incumbent will be given actual expenses towards newspaper and magazines. Statutory Benefits All the Statutory benefits applicable to the company from time to time shall be payable as per applicable provisions Gratuity Gratuity payable shall not exceed half month's salary for each completed year of service. These perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost. In the event of absence or inadequacy of profits in any financial year, Sh. Raju Bansal will be paid the salary and perquisites as minimum remuneration not exceeding the limits specified under Section II of Part II of Schedule XIII of the Act by making such compliances as provided in the Schedule.	detailed below: Basic- Rs. 96, 000/-p.m. House Rent Allowance- Rs .28, 800/-p.m. Conveyance Allowance-Rs. 12, 000/-p.m. Medical Allowance- Rs. 12,000/-p.m. Total- Rs.1,48, 800/-p.m. PERQUISITES In addition to salary, the incumbent shall also be entitled to following perquisites: - Telephone The incumbent will be paid actual telephone charges. News papers and Magazines The incumbent will be given actual expenses towards newspaper and magazines. Statutory Benefits All the Statutory benefits applicable to the Company from time to time shall be payable as per applicable provisions. Gratuity Gratuity payable shall not exceed half month's salary for each completed year of service. These perquisites shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost. In the event of absence or inadequacy of profits in any financial year, Sh. Vinod Kumar will be paid the salary and perquisites as minimum remuneration not exceeding the limits specified under Section II of Part II of Schedule XIII of the Act by making such compliances as provided in the Schedule.

Further, the shareholders of the Company in their Extra-ordinary General meeting held on June 18, 2010, have approved / authorised to the Board of Directors of the Company for the changes in the terms and conditions of appointment of Mr. Sunil Jindal, Managing Director of the Company, in respect to his remuneration which shall not exceed Rs.12,000,000/- (Rupees Twelve Millions Only) per annum or 5% of the Net Profits of the Company, whichever is lower, as and when they deem fit and changes in the terms and conditions of appointment of Mr. Raju Bansal, Whole-Time Director of the Company in respect to his remuneration which shall not exceed Rs.10,000,000/- (Rupees Ten Millions Only) per annum or 5% of the Net Profits of the Company, whichever is lower, as and when they deem fit and change in terms and conditions of appointment of Mr. Vinod Kumar, Whole-time Director of the Company, in respect to his remuneration which shall not exceed Rs.10,000,000/- (Rupees Ten Millions Only) per annum or 5% of the Net Profits of the Company, whichever is lower, as and when they deem fit. These remunerations are subject to the maximum limit of 10% of Net Profit of the Company for all the Executive Directors.

Sitting Fees to Non-Executive Directors

Pursuant to the provisions of Sections 309 and 310 and such other provisions of the Companies Act, 1956, the shareholders of the Company in its meeting held on June 18, 2010 have authorized the Board of Directors of the Company to make payment of sitting fees to all the Non-Executive Directors of the Company, for attending each meeting of the Board of Directors and the Committees thereof upto Rs. 20,000/- per meeting per person or any other amount subject to ceiling prescribed under the Companies Act, 1956. Presently the Company pays sitting fees of Rs. 6,000/- for attending the Board Meeting and Rs. 2,500/- for attending the Committee Meeting.

Compensation paid and benefits in kind granted to Directors during the financial year 2010-11.

Following is the detail of compensation paid and benefits in kind granted to the Board of Directors of the Company during the financial year 2010-11.

Particulars	Dr. Anil Jindal	Mr. Sunil Jindal	Mr. Vinod Kumar	Mr. Raju Bansal	Total
Basic	4,157,100	1,440,000	1,152,000	1,152,000	7,901,100
Allowances	13,277,124	720,000	633,600	633,600	15,264,324
PF Employer Share	498,852	-	-	-	498,852
Total	17,933,076	2,160,000	1,785,600	1,785,600	23,664,276

Relationship among the Directors:

None of the Directors are related to each other except Dr. Anil Jindal and Mr. Sunil Jindal, who are brothers.

There are no litigations, disputes pending against the Directors of the Company other than those disclose in the section titled “**Outstanding Litigation and Material Development**” on page no 320 in the Red Herring Prospectus. No proceedings for economic offences have been initiated against them.

Interests of Directors

All Directors of the Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them under the Articles of Association of the Company. The Directors are interested to the extent of remuneration paid to them for services rendered by them as officers or employees of the Company.

All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them and to companies and firms in which they are interested as directors / members / partners.

All the Directors may be deemed to be interested in the contracts, agreements / arrangements entered into or to be entered into by them with any company in which they hold directorships or any partnership firm in which they are partners.

None of the Directors have any interest in any property acquired by the Company within two years of the date of this Red Herring Prospectus.

None of the Directors were Director of any other Company whose shares were suspended from trading by Stock Exchange(s) during last 5 years or delisted from Stock Exchange(s).

None of the Directors has been appointed pursuant to any arrangement, understanding with major shareholders, customers, suppliers or others.

Details of the Borrowing powers

The members of the Company have passed a resolution under the provisions of Section 293(1)(d) of the Companies Act, 1956 in the Extra Ordinary General Meeting held on June 18, 2010 enabling the Board of Directors to borrow from time to time such sum or sums of money so that the total amounts of monies so borrowed at any time may exceed the aggregate paid-up capital and free reserves of the Company but shall not exceed the sum of Rs. 100 bn. (Rupees One Hundred Billion Only) apart from the temporary loans obtained from Company's bankers in the ordinary course of business.

Corporate Governance

Provisions of Corporate Governance, as contained in clause 49 of the Listing Agreement shall apply to the Company after its shares are listed at the Stock Exchange(s). The Company has re-constituted its Board of Directors and its Committees, namely, Audit Committee, Investors' Service Committee and Remuneration Committee in accordance with the provisions of clause 49 of the Listing Agreement. In addition, the Board has also constituted an IPO Committee (for deciding various modalities for IPO).

COMMITTEES OF THE BOARD OF DIRECTORS

The Company has re-constituted the following committees of its Board of Directors for compliance with corporate governance requirements:

1. Audit Committee;
2. Investors' Service Committee;
3. Remuneration Committee; and
4. IPO Committee

AUDIT COMMITTEE

As per Section 292A of the Companies Act every public company having paid-up share capital of not less than rupees five crores shall constitute a Committee of Board known as the 'Audit Committee', which shall consist of atleast three Directors and such number of other Directors as the Board may determine of which two-thirds of total number of members shall be Directors, other than Managing or Whole-time Directors.

In terms of the above stated provision of the Companies Act, the Company constituted its Audit Committee on June 12, 2003. The constitution of the Audit Committee was last modified by the Board of Directors in their meeting held on February 15, 2010.

As on the date of this Red Herring Prospectus, the Audit Committee comprises of the following Directors:

Sr. No.	Name of Director	Chairman/ Member	Designation
1	Mr. Shiv Mohan Gupta	Chairman	Independent Director
2	Mr. Kailash Kumar	Member	Independent Director
3	Mr. Jitender Kumar	Member	Non- Executive Director

The Company Secretary of the Company acts as the Secretary of this Committee.

The terms of the Audit Committee are to comply with the requirements of Section 292A of the Companies Act and Clause 49 of the listing agreement to be entered into with the Stock Exchange(s). In terms of the resolution passed at the meeting of the Board of Directors held on June 14, 2010, the Audit Committee shall have the following role and powers:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, re-appointment, replacement and removal of the statutory auditor, fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management the annual financial statements before submission to the Board for approval, focusing primarily on the following:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - Any changes in the accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by the management
 - Qualifications in the draft audit report
 - Significant adjustments made in the financial statements arising out of audit findings
 - The going concern assumption

- Compliance with accounting standards
 - Compliance with listing and other legal requirements relating to financial statements
 - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
 6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or right issue (if applicable) and making appropriate recommendations to the Board to take up steps in this matter.
 7. Reviewing with the management, performance of statutory and internal auditors, and adequacy of internal control systems
 8. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audits.
 9. Discussion with the internal auditors on any significant findings and follow-up thereon.
 10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 11. Discussion with the statutory auditors before the audit commences, nature and scope of audit as well as post audit discussions to ascertain any area of concern.
 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 13. To review the functioning of the Whistle Blower mechanism, as and when the same will be adopted.
 14. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
 15. Reviewing the Company's financial and risk management policies.

Further, the power of Audit Committee includes:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee
- c) to obtain outside legal or other professional advise
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary

INVESTORS' SERVICE COMMITTEE

The Investors' Service Committee was constituted by the Board of Directors on June 14, 2005. The said committee was dissolved by the Board vide resolution dated January 15, 2007. Thereafter, the Investors' Service Committee was again constituted on February 15, 2010.

As on date of filing of this Red Herring prospectus the Investors' Service Committee currently consists of following members:

Sr. No.	Name of Director	Chairman/ Member	Designation
1	Mr. Praveen Kumar Kapoor	Chairman	Non –Executive Director
2	Mr. Jitender Kumar	Member	Non –Executive Director
3	Mr. Raju Bansal	Member	Whole-time Director

The Company Secretary of the Company acts as the Secretary of this Committee. Further, Ms. Mamta Rastogi, Deputy Company Secretary of the Company has been designated as the Compliance Officer pursuant to Board Resolution dated February 11, 2010.

The role of the said committee, as per the board resolution dated February 15, 2010 shall be as follows-

1. To consider and approve requests for transfers, transmissions, dematerialization/ re-materialisation and issue of fresh share certificates on replacement/sub-division/ consolidation, issue of duplicate share certificates on loss whether by theft, misplacement or otherwise;
2. To review the status of dematerialization of Company's shares and matters incidental thereto;
3. To review and monitor the approval to the transfers and transmission made by any Director under executive authority delegated to him from time to time;
4. To monitor the matters of litigation related to shareholders and take decisions relating thereto;
5. To consider, review and monitor the matters related to the shareholders grievances, and to look into the redressing of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc.;
6. To consider and finalize the report on Corporate Governance to be annexed with the Annual Report of the company; and
7. To deal with any other matters related and/or incidental to the shareholders.

REMUNERATION COMMITTEE

The Remuneration Committee was constituted by the Board of Directors on August 17, 2005. The constitution of the Committee was last modified by the Board of Directors in its meeting held on February 15, 2010.

As on the date of this Red Herring Prospectus the remuneration committee consists of the following members:

Sr. No.	Name of Director	Chairman/ Member	Designation
1	Mr. Lalit Kumar	Chairman	Independent Director
2	Mr. Praveen Gupta	Member	Independent Director
3	Mr. Joginder Lal Chhabra	Member	Independent Director

The Company Secretary of the Company acts as the Secretary of this Committee.

The role of the Remuneration Committee is as follows-

1. To determine and recommend to the Board of Directors the remuneration package of Managing Director / Whole-Time Directors; and
2. To approve in the event of loss or inadequate profits in any year the minimum remuneration payable to the Managing Director / Whole Time Directors within limits and subject to the parameters as prescribed in Schedule XIII of the Companies Act.

IPO COMMITTEE

The Board of Directors constituted the IPO Committee on February 15, 2010. The constitution of the Committee was last modified by the Board of Directors in its meeting held on May 24, 2010.

As on date of this Red Herring Prospectus the IPO committee consists of following members:

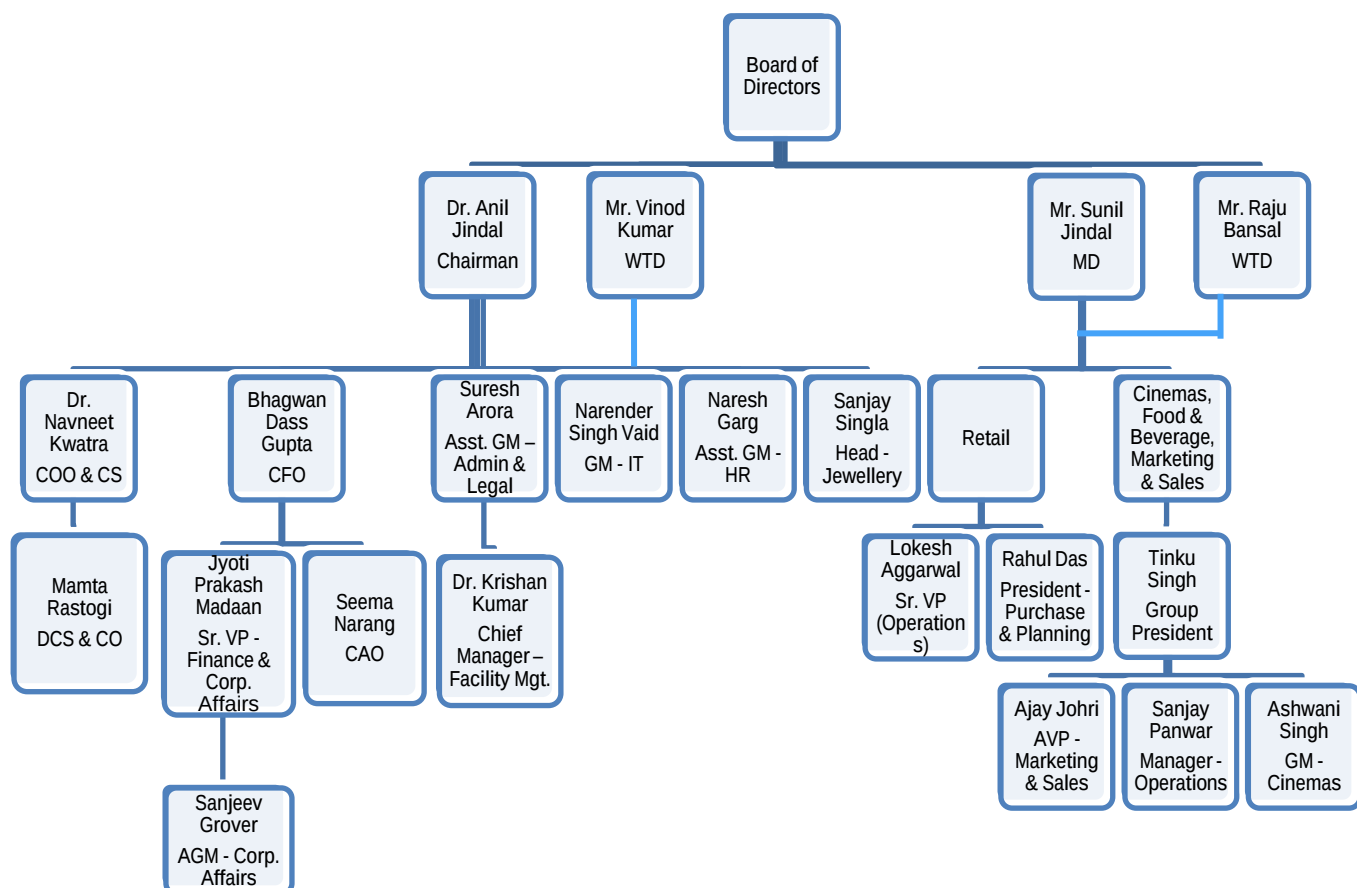
Sr. No.	Name of Director	Chairman/ Member	Designation
1	Dr. Anil Jindal	Chairman	Chairman
2	Mr. Jitender Kumar	Member	Non-executive Director
3	Mr. Shiv Mohan Gupta	Member	Independent Director

The principal function of the committee is to review and take decision on all matters in connection with the issue of shares to the public including signing any documents, deeds and declaration to be filed before any authorities including Securities and Exchange Board of India, The National Stock Exchange of India Limited, Bombay Stock Exchange Limited.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 12 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 will be applicable to the Company immediately upon the listing of its Equity Shares on the Stock Exchanges. It shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 1992 prior to listing of its Equity Shares.

Management Organisation Structure



KEY MANAGERIAL PERSONNEL

As on the date of filing of this Red Herring Prospectus, the details of Key Managerial Personnel of the Company are as follows:

Sr. No.	Name of the Employee	Age (in years)	Designation/ Position	Qualification	Experience (in years)	Date of Joining
1	Mr. Tinku Singh	42	Group President – Cinemas, Food & Beverages and Marketing & Sales	B.A.	25	November 1, 2009
2	Mr. Rahul Das	49	President -Purchase and Planning (Retail)	B.A. (Economics)	25	August 17, 2005
3	Mr. Bhagwan Dass Gupta	45	Chief Financial Officer	B.Com.	21	May 1, 2010
4	Mr. Jyoti Prakash Madaan	42	Sr. Vice President – Finance & Corporate Affairs.	Post Graduate Diploma in Business Management - Finance	15	April 1, 2011
5	Mr. Lokesh Aggarwal	42	Senior Vice President - Retail Operations	B.Com.	19	November 18, 2005
6	Dr. Navneet Kwatra	31	Chief Operating Officer & Company Secretary	Ph.D. (Commerce & Business Administration) , CS, L.Lb., M.Com.,	8	February 10, 2003
7	Ms. Seema Narang	37	Chief Accounts Officer	B.Ed., B.A.	20	October 1, 2004
8	Mr. Ajay Johri	41	Assistant Vice President - Marketing and Sales	M.A.- Business Economics	16	November 1, 2009
9	Mr. Ashwani Singh	35	General Manager - Cinemas	B.Com.	14	November 1, 2006
10	Mr. Narender Singh Vaid	38	General Manager –IT	BE –Electronics	17	January 1, 2005
11	Mr. Suresh Arora	47	Assistant General Manager – Administration & Legal	B.E.	25	August 1, 2005
12	Ms. Mamta Rastogi	34	Deputy Company Secretary and Compliance Officer	CS, B.Com. (Hons.)	5	February 1, 2010
13	Mr. Sanjeev Grover	37	AGM-Corporate Affairs & Public Relation	B.Com.	15	January 1, 2004
14	Mr. Naresh Garg	41	Asst. General Manager - HR	B.A.	20	April 01, 2011
15	Mr. Sanjay Panwar	36	Manager - Operations	Diploma in Hotel Management & Catering Technology	15	September 06, 2010
16	Dr. Krishan Kumar	32	Chief Manager -Facility Management and Allied Services	PhD, Diploma in Naturopathy & Yoga, M.A. - English, M.A. Science of Living & Yoga,	6	April 1, 2007
17	Mr. Sanjay Singla	42	Head – Jewellery	Matriculation	20	June 1, 2010

Brief Profile of Key Managerial Personnel

Mr. Tinku Singh, aged 42 years, Group President – Cinemas, Food & Beverages and Marketing, has been associated with the Company since November 2009. He has completed his Bachelor of Arts from Agra University, Agra. He has over 25 years of experience in hospitality, FMCG, retail and entertainment services industries. He is responsible for managing the cinema exhibition and food & beverages across all the locations. He is driving the aggressive growth plans of the Company for its cinemas business across various cities / towns. Prior to joining the Company, he was working with SRS Real Infrastructure Limited, prior to which he was with PVR Limited, as Vice President – Operations / Franchising & Strategic Planning. His compensation for the Financial Year 2010-11 was Rs 1.32 mn.

Mr. Rahul Das, aged 49 years, is President – Purchase & Planning (Retail) and has been associated with the Company since 2005. He has completed Bachelor of Arts degree from Osmania University. He has over 25 years of experience in the retail domain. He is responsible for warehouse, inventory management and effectively managing the stores and plays an important role in implementing different schemes to promote the brand of the Company. Prior to joining the Company, he was working with Karam Chand Thapar Africa Ltd. His compensation for the Financial Year 2010-11 was Rs 1.35 mn.

Mr. Bhagwan Dass Gupta, aged 45 years, is holding the position of Chief Financial Offer. He was earlier associated with a Promoter Group Company. However, he was appointed as Chief Financial Offer of the Company with effect from May 1, 2010. He completed his Bachelor of Commerce from Maharishi Dayanand University, Rohtak (Haryana). He has over 21 years of experience. Prior to joining the Company he was working with SRS Modern Sales Limited prior to which he was working with Escorts Hospital & Research Centre Limited in Finance & Accounts Department. His compensation for the financial year 2010-11 was Rs.1.32 mn. since his joining in the Company.

Mr. Jyoti Prakash Madaan aged 42 years, is the Sr. Vice President – Finance & Corporate Affairs and has been associated with the company since April 1, 2011. He holds a Post Graduate Diploma in Business Management with specialization in Finance. He has over 15 years of experience in the field of Finance and Capital Markets. Before joining the Company he was working as an independent consultant.

Mr. Lokesh Aggarwal, aged 42 years, is the Sr. Vice President – Retail Operations. He has been associated with the Company since 2005. He has a Bachelor of Commerce degree from the University of Rajasthan and has over 19 years of experience in Marketing & Corporate Trainings. Prior to joining the Company, he was working with Dolphin Infotek Pvt. Ltd. His compensation for the Financial Year 2010-11 was Rs 1.23 mn.

Dr. Navneet Kwatra, aged 31 years, is holding the position of Chief Operating Officer and Company Secretary. She has been associated with the Company since 2003. She holds a degree of Ph.D. in Commerce on Management Development Programme in Public Sector Undertakings, is a member of Institute of Company Secretaries of India, L.Lb. from the University of Delhi, Master in Commerce degree from Dr. B.R. Ambedkar University, Agra and Bachelor of Commerce degree from University of Delhi. She has over eight years of experience in the Secretarial field. Prior to joining the Company, she was Secretarial Officer with Gujarat Perstorp Electronics Limited. Her compensation for the Financial Year 2010-11 was Rs 1.47 mn.

Ms. Seema Narang, aged 37 years, Chief Accounts Officer, has been associated with the Company since October 2004. She has completed her B.Ed. from Maharishi Dayanand University and Bachelor of Arts from the University of Delhi. Prior to joining the Company she was working with BTL Investments ltd. prior to which, prior to which she was working with Faridabad Credit Facilities Pvt. Ltd. Her compensation for the Financial Year 2010-11 was Rs 1.47 mn.

Mr. Ajay Johri, aged 41 years, is the Assistant Vice President - Marketing and Sales and has been associated with the Company since November 2009. He has a Master in Business Economics from University of Delhi (Specialization – Marketing) and Bachelor of Commerce. He has over 16 years of experience in marketing. Prior to joining the Company he was working with SRS Modern Sales Limited, prior to which he was working with Indepay Networks. His compensation for the Financial Year 2010-11 was Rs 1.34 mn.

Mr. Ashwani Singh, aged 35 years, is the General Manager – Cinemas. He has been associated with the Company since 2006. He has completed his Bachelor of Commerce from the University of Delhi and has over 13 years of experience in the cinema industry. Prior to joining the Company, he was working with PVR Limited. His compensation for the Financial Year 2010-11 was Rs 1.12 mn.

Mr. Narender Singh Vaid, aged 38 years, is General Manager – Information Technology. He has been associated with the Company since 2005. He completed his Bachelor of Engineering in Electronics from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad and has over 17 years of experience in the IT domain. Prior to joining the Company, he worked with Micro Chip Computer as Technical Head. His compensation for the Financial Year 2010-11 was Rs 1.35 mn.

Mr. Suresh Arora, aged 47 years, is the Assistant General Manager – Administration & Legal. He has been associated with the Company since 2005. He holds a Degree in Electronics & Tele Communication from Indian Air Force. Prior to joining the Company, he was working with Manu Consultants Limited. He has over 21 years of experience with the Indian Air Force as an Air Man in technical trade. His compensation for the Financial Year 2010-11 was Rs 0.72 mn.

Ms. Mamta Rastogi, aged 34 years, is the Deputy Company Secretary & Compliance Officer and has been associated with the Company since February 2010. She is a member of Institute of Company Secretaries of India and has completed her Bachelor of Commerce (Hons.) from the University of Delhi. She looks after the Secretarial functions of the Company. Her compensation for the Financial Year 2010-11 was Rs 0.34 mn.

Mr. Sanjeev Grover, aged 37 years, is the Assistant General Manager – Corporate Affairs and has been associated with the Company since 2004. He has completed his Bachelor of Commerce from Maharishi Dayanand University with over 15 years of experience. Prior to joining the Company, he was working as an Independent Contractor. His compensation for the Financial Year 2010-11 was Rs. 0.50 mn.

Mr. Naresh Garg aged 41 years, is the Asstt. General Manager - HR and has been associated with the Company since April 2011. He has completed his B.A. from Magadh University, Bodh-Gaya. He has over 20 years of experience in the field of Human Resource, Industrial Relation and administration of Manufacturing and servicing industries. Prior to joining the Company, he was working with SRS Real Infrastructure Limited.

Sanjay Panwar, aged 26 years is the Manager – Operations and has been associated with the Company since September 2010. He is taking care of Food & Beverage operations. He has a Diploma in Hotel Management and Catering Technology from Board of Technical Education, U.P. He has 15 Years of Experience in Hospitality Industry. Prior to joining the Company, he was working with International Amusement Limited (An Appu Ghar Initiative) as Operations Head. His compensation for the financial year 2010 - 11 was Rs.0.27 mn. for the part of year.

Dr. Krishan Kumar, aged 32 years, is the Chief Manager - Facility Management and Allied Services and has been associated with the Company since 2007. He has completed his Ph.D., and Diploma in Naturopathy & Yoga, M.A. in English and M.A. in Science of Living & Yoga. He has over 4 years of experience in consultancy. Prior to joining the Company, he was working with Parsvanath Developers Ltd. His compensation for the Financial Year 2010-11 was Rs 0.62 mn.

Mr. Sanjay Singla, aged 42 years, is the Head – Jewellery division and has total of 20 years experience. Earlier he was working with SRS Jewells Limited. He has also worked with the Company from June 1, 2008 to March 31, 2010. His compensation for the Financial Year 2010-11 was Rs 0.61 mn.

Shareholding of the Key Managerial Personnel

As on date of filing of this Red Herring Prospectus, none of the key managerial personnel hold any shares in the Company.

Changes in the Key Managerial Personnel during the last three years

The changes in the Key Managerial Personnel in the last three years are as follows:

Sr. No.	Name	Designation	Date of Appointment / Resignation	Reasons for Change
1	Mr. Ashutosh Prasar	Business Head	December 31, 2008	Resigned
2	Mr. Gourav Sain	Head – Marketing & Sales	May 15, 2009	Resigned
3	Mr. Pramod Varshney	President -Finance and Accounts	September 1, 2009	Appointment
4	Mr. Tinku Singh	Group President	November 1, 2009	Appointment
5	Mr. Ajay Johri	Asst. Vice President – Marketing and Sales	November 1, 2009	Appointment
6	Ms. Mamta Rastogi	Deputy Company Secretary & Compliance Officer	February 1, 2010	Appointment
7	Mr. Bhagwan Dass Gupta	Chief Financial Officer	May 1, 2010	Appointment
8	Mr. Vir Singh Gosain	Operation Head – SRS Seven Dayz	May 3, 2010	Appointment
9	Mr. Sanjay Singla	Head - Jewellery	June 1, 2010	Appointment
10	Mr. Vijender Singh	Corporate Chef	June 30, 2010	Resignation
11	Mr. Vir Singh Gosain	Operation Head – SRS Seven Dayz	July 12, 2010	Resignation
12	Mr. Sanjay Panwar	Manager - Operations	September 06, 2010	Appointment
13	Mr. Pramod Varshney	President – Finance and Accounts	February 15, 2011	Resignation
14	Ms. Sangita Chowdhury	Sr. Manager - HR	March 08, 2011	Resignation
15	Mr. Naresh Garg	Asst. General Manager - HR	April 01, 2011	Appointment
16	Mr. Jyoti Prakash Madaan	Sr. Vice President – Finance & Corporate Affairs	April 01, 2011	Appointment

Nature of any family relationship between any of the key managerial personnel

Dr. Navneet Kwatra, COO and Company Secretary is the sister of Ms. Seema Narang, Chief Accounts Officer.

Employees related to the Promoters / Directors

None of the key management employee(s) are related to the Promoter / Director of the Company.

Status of key managerial personnel

All the key managerial personnel of the Company are on the payroll of the Company as permanent employees.

Payment or Benefit to Officers of the Company (non salary related)

The Company does not have any performance linked bonus and a profit sharing scheme for their employees. The Key Managerial Personnel of the Company do not have any interest in the Company other than to the extent of the remuneration or benefits or Profit sharing, if any, to which they are entitled as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

None of the key managerial personnel has been appointed pursuant to any arrangement, understanding with major shareholders, customers, suppliers or others.

Employees Stock Option scheme

The Company does not have any Employees Stock Option Scheme.

PROMOTERS AND PROMOTER GROUP

Promoters

Following is the list of the Promoters of the Company –

1. Dr. Anil Jindal
2. Mr. Sunil Jindal
3. Mr. Bishan Bansal
4. Mr. Raju Bansal
5. BTL Industries Limited
6. BTL Portfolio Limited

Individual Promoters:

	Dr. Anil Jindal aged 47 years, residing at House No. 538, Sector 14, Faridabad (Haryana), holds a Ph.D. and D.Litt. in Commerce from Chaudhary Charan Singh University, Meerut, an MBA from National Institute of Management, Chartered Certified Accountant (CCA) from National Institute of Management and a Master's Degree in Commerce from Agra University. He has experience of more than 25 years in the areas of finance & leasing, entertainment, cinemas, food & beverages, retail and real estate. He started his entrepreneurial journey by providing financial services in 1985 and in the year 1990 incorporated Manu Leasing Private Limited (now known as SRS Real Infrastructure Limited) which was in the business of providing vehicle loans, equipment loans, machinery loans etc. He was associated with 'BTL Investments Limited' as a Director from 1999 to 2004 and was looking into its Financing and Leasing business. During this period, he was also involved in the construction and management of "SRS Multiplex". In the years 2005 and 2006, he explored various business opportunities, including real estate. He was inducted as one of the Promoters and also appointed as a Director on the Board of the Company in January 2007. Since then he has been actively involved in 'SRS Limited' to expand and diversify into the businesses of Cinema, Food & Beverages, Retail Cash & Carry and Jewellery. Since 2007, he is also associated with 'SRS Real Estate Limited' and is a Non-Executive Chairman of the Company since April 2008. He is actively involved in planning, developing and implementation of real estate projects such as residential and commercial complexes, mini townships, hotels and farm houses. Presently, Dr. Anil Jindal is the Chairman of the Company. Dr. Anil Jindal has been honoured with awards like Bhartiya Nirman Shiromani Puraskar by Dr. Bhishma Narain Singh, Indira Gandhi Sadbhavna award by H.E. Dr. A. R. Kidwai and Rajiv Gandhi Shiromani award by H.E. Dr. A.R Kidwai. He is also on the Board of SRS Real Infrastructure Ltd., SRS Real Estate Ltd., SRS Jewells Ltd., SRS Entertainment Ltd., SRS Global Securities Limited, SRS Value Bazaar Ltd.
	Mr. Sunil Jindal aged 32 years, residing at House No. 538, Sector 14, Faridabad (Haryana), holds degree in L.Lb. from Dr. Bhimrao Ambedkar University, Agra, MBA from Maharishi Dayanand University, Rohtak, Master of Commerce from Dr. Bhimrao Ambedkar University, Agra. He is the founder promoter of the Company and has an experience of more than 11 years in management of Mall, Multiplexes, Retail Chain and Corporate Planning. He is associated with the Company as the Managing Director since December 2004 and is involved in the day to day operations. He is also responsible for conceiving and executing the marketing strategies and activities for ensuring adherence to the short term and long term growth. He plans, directs and coordinates the cinema, retail & jewellery operations. He is also on the Board of SRS Real Estate Limited, SRS Seven-Dayz Restaurants Ltd., SRS Modern Sales Ltd., SRS Jewells Ltd., SRS Entertainment Ltd., SRS Value Bazaar Ltd., and SRS Retail Ltd.

	Mr. Bishan Bansal aged 40 years, resides at House No. 122, Sector 9, Faridabad in the State of Haryana. He is a senior secondary pass and has experience of 16 years in the field of finance, food court, retail and real estate business. He was inducted as one of the Promoters in the Company in January 2007. He advises on the methods for the betterment of Food & Beverages Division of the Company. He was associated in the financing & leasing business from 1995 to 2005. He was also the Managing Director of S.B.S. Finance Limited for four years from 2005-2008 and was looking after its financing business. He has also been involved in the real estate and infrastructure sector. He has experience in the real estate sector and provides advice being on the Board of 'SRS Real Estate Limited' since 2006. He is responsible for planning, monitoring and execution of various real estate projects. Presently, he is also on the Board of BTL Impex (India) Limited, BTL Investments & Securities Limited, SRS Real Infrastructure Limited, SPS Buildcon Limited, SRS Events & Media Limited, SRS Infrastructure Limited, SRS Portfolio Limited, SRS Retreat Services Limited, SRS Computech Limited, SRS Mines & Minerals Limited, Dimension Infrastructure private Limited, Haryana Infracon Private Limited, SRS IT Solutions Private Limited, SRS Communications Private Limited, SRS Promoters Private Limited, SRS Components (India) Limited.
	Mr. Raju Bansal aged 35 years, resides at House No. 122, Sector 9, Faridabad in the State of Haryana. He is a matriculate and is on the Board of the Company since January 21, 2002. He is entrusted with the responsibility of planning, management and expansion of Food & Beverages Division. He is responsible for opening of new food courts, product development, brand building and providing assistance in day to day operations of the Company. He developed the concept of fine dining restaurants and played an instrumental role in the brand building of "Punjabi Haandi". He is also on the Board of SRS Mines and Minerals Limited, SRS Seven-Dayz Restaurants Limited, SRS International Limited, SRS Retail Limited and SRS Buildcon Private Limited.

Identification Particulars	Details
Dr. Anil Jindal	
Permanent Account Number	AAOPJ9776G
Passport Number	G1072386
Driving License Number	117/F/2007/OS
Bank Account Details	354402010125157 (Union Bank of India)
Mr. Sunil Jindal	
Permanent Account Number	AFSPJ5785L
Passport Number	Z1902635
Driving License Number	3196/F/2005
Bank Account Details	354402010124582 (Union Bank of India)
Mr. Bishan Bansal	
Permanent Account Number	AEZPS1452H
Passport Number	G1827632
Driving License Number	5649/B/2008
Bank Account Details	039010100550437 (Axis Bank)
Mr. Raju Bansal	
Permanent Account Number	AANPB7648A
Passport Number	H0737022
Driving License Number	646-B-2005
Voter ID	RRC0256487
Bank Account Details	354402010124581 (Union Bank of India)

The Company confirms that the PAN, bank account numbers and passport number of the promoters have been submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with them.

Corporate Promoters:

1. BTL Industries Limited

BTL Industries Limited (“BTLIL”) was originally incorporated as ‘Brightways Trade-Finlease Limited’ vide Certificate of Incorporation dated January 22, 1997. The name of BTLIL was subsequently changed to its present name vide fresh Certificate of Incorporation dated January 13, 1998. It was issued the certificate for commencement of business on February 3, 1997. The present address of registered office of BTLIL is at 202, 2nd Floor, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi – 110 001.

Other Details of BTLIL are as follow:

Corporate Identity Number	U65921DL1997PLC084630
Permanent Account Number	AACCB0573C
Bank Account Details	Account No.354401010035280 maintained with Union Bank of India, Faridabad
Address of Registrar of Companies	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019

The main objects of the BTLIL include trading, manufacturing and dealing in all types of Kirana items, electrical and electronic equipments etc.

Dr. Anil Jindal, Mr. Sunil Jindal, Mr. Bishan Bansal and Mr. Raju Bansal are the promoters of BTLIL.

There has been no change in the control or management of BTLIL during the period of three years immediately preceding the date of filing of this Red Herring Prospectus with SEBI.

The Equity Shares of BTL Industries Limited are not listed on any stock exchange.

Detail of the Board of Directors of BTLIL as on date of filing of this Red Herring Prospectus is as under:

1. Mr. Girraj Singh Jindal
2. Mr. Nanak Chand
3. Mr. Rajesh Singla

The Shareholding Pattern of the BTLIL as on date of filing of this Red Herring Prospectus as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Girraj Singh Jindal	128,300	5.30
2	Mr. Murari Lal Jindal	114,600	4.73
3	Mr. Sunil Jindal	132,620	5.47
4	Ms. Shashi Jindal	61,750	2.55
5	Mr. Vinod Jindal	131,625	5.43
6	Ms. Shalini Jindal	66,650	2.75
7	Ms. Ritu Jindal	45,040	1.86
8	Mr. Bishan Bansal	125,000	5.16
9	Mr. Lalit Kumar Bansal	71,060	2.93
10	Mr. Raju Bansal	105,000	4.33
11	Mr. Nanak Chand Bansal	99,250	4.10
12	Ms. Kanta Bansal	79,350	3.27
13	Ms. Shelly Jindal	40,000	1.65
14	Ms. Suman Bansal	56,950	2.35
15	Mr. Pratik Jindal	35,000	1.44
16	Ms. Sanjana Bansal	81,000	3.34
17	Smt. Indrawati Bansal	21,295	0.88
18	Ms. Kanti Devi Jindal	3,900	0.16
19	Smt. Gomti Devi	15,500	0.64
20	Mr. Suresh Bansal	100,190	4.13
21	Mr. Sanjay Singla	65,700	2.71
22	Mr. Ashok Kumar Jindal	70,880	2.92

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
23	Mr. Sushil Singla	43,740	1.80
24	Mr. Parveen Singla	78,185	3.23
25	SRS Buildcon Private Limited	122,312	5.05
26	SRS Infracon Limited	112,434	4.64
27	BTL Investments & Securities Ltd.	50,695	2.09
28	SRS Communications Pvt. Ltd.	80,700	3.33
29	SRS Computech Limited	83,020	3.42
30	SRS Events & Media Ltd.	97,520	4.02
31	SRS Movies Pvt. Ltd.	68,100	2.81
32	SRS Portfolio Ltd.	36,720	1.51
	Total	2,424,086	100.00

The summary of audited financial of BTL Industries Limited for the past three year is as under

(Rs. in millions)

Particulars	For the year ended March 31		
	2011	2010	2009
Sales	1.63	4.09	11.78
PAT	0.02	2.76	0.39
Share Capital	24.24	19.90	18.27
Reserves & Surplus	643.47	213.20	130.91
Net Worth	667.71	233.09	149.19
Advance from Collaborators #	-	385.59	327.74
EPS (Rs.):			
-Basic	0.05	1.46	0.24
-Diluted	0.05	1.46	0.24
Book Value per Share (Rs.)	275.45	117.16	81.65

Represents advance received from collaborators against land in the name of BTL Industries Limited.

The collective figures of Net worth & advance from collaborators justify the investment of Rs.418.40 mn. in SRS Limited.

BTLIL has not been declared a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 and is not under winding up.

2. BTL Portfolio Limited

BTL Portfolio Limited ("BTLPL") was originally incorporated as 'Pappu Investment Company (India) Pvt. Ltd.' vide Certificate of Incorporation dated November 1, 1990. On conversion to Public Limited Company, the name of BTLPL was changed into Pappu Investment Company (India) Limited vide fresh Certificate of Incorporation dated June 11, 1996. This name was subsequently changed to 'Gomti Manutrade Limited' vide fresh Certificate of Incorporation dated July 16, 2002 and further the name was changed to BTL Sales Ltd. vide fresh Certificate of Incorporation dated November 18, 2003. Further, the name of BTLPL was subsequently changed to its present name vide fresh Certificate of Incorporation dated March 25, 2010. The present address of registered office of the BTLPL is at 202, 2nd Floor, 27 New Delhi House, Barakhamba Road, Connaught Place, New Delhi – 110 001.

Other Details of BTLPL are as follows:

Corporate Identity Number	U74120DL1990PLC041949
Permanent Account Number	AACCB5063B
Bank Account Details	Account No. 354401010035096 maintained with Union Bank of India, Faridabad
Address of Registrar of Companies	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019

The main objects of BTLPL is to carry on the business of stock and shares broking and in allied matters.

Dr. Anil Jindal, Mr. Sunil Jindal, Mr. Bishan Bansal and Mr. Raju Bansal are the promoters of BTLPL.

The Shareholding Pattern of the BTLPL as on date of filing of this Red Herring Prospectus is as under-

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Ms. Sanjana Bansal	48,000	2.27
2.	Mr. Bishan Bansal	114,850	5.43
3.	Mr. Vinod Jindal	87,650	4.14
4.	Mr. Sunil Jindal	180,250	8.52
5.	Mr. Raju Bansal	108,090	5.11
6.	Ms. Shashi Jindal	63,900	3.02
7.	Ms. Shalini Jindal	62,100	2.93
8.	Mr. Nanak Chand Bansal	76,500	3.61
9.	Mr. Girraj Singh Jindal	71,500	3.38
10.	Ms. Ritu Jindal	90,770	4.29
11.	Mr. Lalit Bansal	99,460	4.70
12.	Ms. Toshi Devi Bansal	35,500	1.68
13.	Mr. Suresh Bansal	30,000	1.42
14.	Ms. Suman Bansal	20,300	0.96
15.	Ms. Kanta Devi Bansal	24,000	1.13
16.	Dr. Anil Jindal	70,000	3.31
17.	BTL Investments & Securities Limited	127,210	6.01
18.	SRS Mines and Minerals Limited	66,285	3.13
19.	SRS Movies Private Limited	108,150	5.11
20.	Smt. Gomti Devi	26,000	1.23
21.	Mr. Sushil Kumar	103,837	4.90
22.	Mr. Rajesh Singla	82,299	3.89
23.	Mr. Trilok Chand Singla	66,650	3.14
24.	Mr. Kailash Chand Singla	800	0.04
25.	Mr. Murari Lal Jindal	94,600	4.47
26.	Mr. Ashok Jindal	98,326	4.64
27.	Ms. Indrawati Bansal	62,317	2.94
28.	Mr. Parveen Singla	73,773	3.49
29.	Ms. Mamta Singla	20,500	0.96
30.	SRS Tours & Travels Private Limited	3,200	0.15
	Total	2,116,817	100.00

There has been no change in the control or management of BTLPL during the period of three years immediately preceding the date of filing of this Red Herring Prospectus.

The equity shares of BTL Portfolio Limited are not listed on any stock exchange.

Detail of the Board of Directors of BTLPL as on date of filing of this Red Herring Prospectus is as under –

1. Ms. Shashi Jindal
2. Mr. Rajesh Singla
3. Mr. Nanak Chand Tayal

The summary of audited financial of BTL Portfolio Limited for the past three year is as under:

Particulars	(Rs. in Millions)		
	For the year ended March 31		
	2011	2010	2009
Sales	0.06	1.73	1.69
PAT	0.12	0.93	0.23
Share Capital	21.17	21.17	20.00
Reserves& Surplus	285.88	285.76	227.50

Net Worth	307.05	306.92	247.49
EPS (Rs.):			
-Basic	0.06	0.46	0.14
-Diluted	0.06	0.46	0.14
Book Value per Share (Rs.)	145.05	144.99	123.76

The Net worth of BTL Portfolio Limited justifies the investment of Rs. 225.07 mn. in the Company.

The Company undertakes that the details of the PAN, Bank Account Number, Company Registration Number and address of the Registrar of Companies where the Company is registered have been submitted to the Stock Exchanges at the time of filing the Red Herring Prospectus with them.

Interest of Promoters

The Promoters do not have any interest:

1. in any property acquired by the Company within two years of the date of this Red Herring Prospectus or proposed to be acquired by it
2. except to the extent of their shareholding in the Company and the dividends received on such shareholding.

Further, save and except as stated otherwise in the sections titled '**Business Overview**' and '**Management**' and the section titled '**Financial Information - Related Party Transactions**' on page nos. 85, 133 and 198, respectively, of this Red Herring Prospectus.

Related Party Transactions

For details of Related Party Transactions, please refer "**Financial Information – Related Party Transactions**" on page 198 of this Red Herring Prospectus.

Payment or benefit to Promoters

The Promoters are interested in the Company to the extent of their shareholding, for which they are entitled to receive the dividend declared, if any, by the Company.

Since, Dr. Anil Jindal, Mr. Sunil Jindal and Mr. Raju Bansal are Executive Directors on the Board of the Company, they are interested to the extent of their remuneration from the Company, as disclosed under the section "Management" on page 133 of this Red Herring Prospectus.

Common Pursuits

Out of the Promoter Group companies, following eight Companies have main objects which conflict with the present business activities of the Company.

Cinema Exhibition

SRS Movies Pvt. Ltd. and SRS Entertainment Ltd. have Cinema exhibition business as one of its main objects. Presently, these Companies are not carrying out any business activities.

Food & Beverages

SRS Seven Dayz Restaurants Ltd. has Food & Beverages business as one of its main objects. Presently, this Company is not carrying out any business activity.

Retail and Cash & Carry

SRS Commercial Company Ltd., SRS Superb Marktrade Ltd., SRS Value Bazaar Ltd. and SRS Retail Ltd. have retail business as one of their main objects. SRS Commercial Company Ltd. is only receiving rental income from its business activities and other three Companies are not carrying out any business activity.

SRS Modern Sales Ltd. has Retail and Cash & Carry business as one of its main objects which is in conflict with the business of SRS Limited. However, presently, this Company has major income coming from trading of building material like steel, cement etc. This Company also operates eight Kissan Bazaars where products like: (a) Fertilizer, Manures & Cattle feed; and (b) Kirana items like Sugar, Flour etc. are sold.

The Promoter Group Companies may compete in the same industries, businesses and locations in which the Company operates. There cannot be assurance that conflict of interest between the Company and its Promoter Group Companies would not arise. Such conflicts could adversely affect the prospects, business, results of operations and financial condition of the Company.

The Company has executed, Non-Compete Agreement(s) on October 1, 2010 with the aforesaid eight promoter group companies. Further, the Company has executed Addendum to aforesaid Non-Compete Agreement(s) on May 25, 2011, wherein the Company has agreed to pay a non-compete fee of Rs. 100,000 per annum to each company.

Promoter Group

In addition to the Promoters named above, the following natural persons and Companies are part of the Promoter Group:

Sr. No.	Name	Equity Shareholding in the Company as on Date of this RHP	Shareholding (%)
A. Individuals			
1.	Mr. Rajesh Kumar Mangla	484,600	0.46
2.	Mrs. Sunita Mangla	265,400	0.25
3.	Mr. Praveen Kumar Kapoor	46,000	0.04
4.	Mr. Jitender Kumar	45,000	0.04
5.	Mr. Naresh Goel	45,000	0.04
6.	Mr. Vinod Jindal	20,000	0.02
7.	Mr. Raju Gupta	200	0.00
8.	Mr. Vinod Kumar	100	0.00
9.	Mrs. Shashi Jindal	NIL	NIL
10.	Mr. Girraj Singh Jindal	NIL	NIL
11.	Mrs. Gomti Devi	NIL	NIL
12.	Mrs. Pushpa Goyal	NIL	NIL
13.	Ms. Shelly Jindal	NIL	NIL
14.	Mr. Pratik Jindal	NIL	NIL
15.	Mrs. Shalini Jindal	NIL	NIL
16.	Mrs. Toshi Devi Bansal	NIL	NIL
17.	Mr. Nanak Chand Bansal	NIL	NIL
18.	Mrs. Indrawati	NIL	NIL
19.	Mr. Lalit Bansal	NIL	NIL
20.	Mr. Suresh Bansal	NIL	NIL
21.	Mr. Kunal	NIL	NIL
22.	Mrs. Sanjana Bansal	NIL	NIL
23.	Mr. Sushil Singla	NIL	NIL
24.	Mr. Rajesh Singla	NIL	NIL
B. Bodies Corporate			
25.	BTL Impex (India) Ltd.	2,319,375	2.22
26.	Madhavtech India Pvt. Ltd.	2,100,000	2.01
27.	Neelabh Engineers Pvt. Ltd.	1,650,000	1.58
28.	SRS Commercial Company Limited	2,615,125	2.51
29.	SRS Superb Marktrade Ltd.	2,147,250	2.06
30.	SRS Realbuild Pvt. Ltd.	3,280,950	3.15
31.	SRS Professional Services Ltd.	5,178,200	4.97
32.	SRS Developers Pvt. Ltd.	3,061,217	2.94
33.	SRS Seven Dayz Restaurants Ltd.	3,116,430	2.99
34.	SRS Communications Pvt. Ltd.	3,020,738	2.90
35.	SRS International Ltd.	13,167,674	12.63
36.	SRS Promoters Pvt. Ltd.	2,675,000	2.56
37.	SRS Components (India) Limited (Formerly known as SRS Educational Institutions Pvt. Ltd.)	2,275,000	2.18
38.	SRS Realtech Pvt. Ltd.	2,077,546	1.99

Sr. No.	Name	Equity Shareholding in the Company as on Date of this RHP	Shareholding (%)
39	SRS Events & Media Ltd.	1,975,000	1.89
40	SRS Facilities Pvt. Ltd.	1,053,775	1.01
41	SRS IT Solutions Pvt. Ltd.	5,071,725	4.86
42	SRS Infracon Ltd.	692,035	0.66
43	SRS Infrabuild Pvt. Ltd.	487,565	0.47
44	SRS Mines & Minerals Ltd.	550,000	0.53
45	SRS Tours & Travels Pvt. Ltd.	137,900	0.13
46	SRS Movies Pvt. Ltd.	20,100	0.02
47	SRS Buildcon Pvt. Ltd.	1,731,435	1.66
48.	SRS Heights Pvt. Ltd.	41,600	0.04
49.	SRS Real Estate Ltd.	100	0.00
50.	SRS Modern Sales Ltd.	NIL	NIL
51.	SRS Entertainment Ltd.	NIL	NIL
52.	SRS Value Bazaar Ltd.	NIL	NIL
53.	SRS Retail Ltd.	NIL	NIL
54.	SRS Real Infrastructure Ltd.	NIL	NIL
55.	SRS News Ltd.	NIL	NIL
56.	SRS Portfolio Ltd.	NIL	NIL
57.	SRS Finance Limited	NIL	NIL
58.	SRS Global Securities Limited (Formerly known as SRS Housing Finance Limited)	NIL	NIL
59.	BTL Investment & Securities Limited	NIL	NIL
60.	SRS Meditech Limited	NIL	NIL
61.	SRS Computech Ltd.	NIL	NIL
62.	SRS Infrastructure Ltd.	NIL	NIL

Companies forming part of the Promoter Group

Unless otherwise specifically stated, no equity shares of any of the Group Companies are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

Neither of the Promoter Group Companies to which SICA is applicable has become a sick company under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985, nor is in the process of being wound-up.

The details of all of the Promoters group companies are as follows:

1) SRS Finance Limited

SRS Finance Limited (“SRSFL”) was initially incorporated as Skytone Capital Services Private Limited vide Certificate of Incorporation dated February 1, 1994. On conversion to Public Limited Company, the name of SRSFL was changed into ‘Skytone Capital Services Limited vide fresh Certificate of Incorporation dated March 23, 1995. Further, the name of this company was changed to SRS Exhibitors & Hoteliers Limited, vide fresh certificate of incorporation dated April 18, 2007. The name of the SRSFL was changed to its present name vide fresh certificate of incorporation dated September 5, 2008.

Detail of the Board of Directors of SRSFL as on date of filing of this Red Herring Prospectus is as under:

1. Mr. Raju Gupta
2. Mr. Dinesh Kumar Khatri
3. Mr. Rajesh Mangla
4. Mr. Mukesh Kumar
5. Mr. Lalit Kumar
6. Mr. Praveen Sharma

BTL Investments Limited & S.B.S. Finance Limited were merged with SRSFL vide order of Honourable High Court of Delhi dated February 10, 2009. The company is listed on Delhi Stock Exchange, Jaipur Stock Exchange & Ahmedabad Stock Exchange. During the last Six months, the Equity Shares of SRSFL are not traded in any of the above mentioned exchanges.

The Corporate Identity Number of SRSFL is L74899HR1994PLC040440.

SRSFL is a NBFC registered (vide number N-14.03202 dated December 31, 2009) with the Reserve Bank of India.

The shareholding pattern of SRSFL as on June 16, 2011, is as follow:

Category Code	Category of Shareholders	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
(A)	Shareholding of Promoter and promoter group							
(1)	Indian							
(a)	Individuals/Hindu undivided Family	43	48335126	47497681	49.26	49.26	0	0.00
(b)	Central/ State Government (s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	17	19163531	19163531	19.53	19.53	0	0.00
(d)	Banks/Financial Institutions	0	0	0	0.00	0.00	0	0.00
(e)	Any other Directors & their relatives (specify)	3	365780	365780	0.37	0.37	0	0.00
	Sub-Total (A) (1)	63	67864437	65347877	69.16	69.16	0	0.00
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A) (2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+A(2)	63	67864437	65347877	69.16	69.16	0	0.00
(B)	Public Shareholding							
(1)	Institutions							
(a)	Mutual Funds/UTI	0	0	0	0.00	0.00	0	0.00
(b)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(c)	Central/ State Government (s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance	0	0	0	0.00	0.00	0	0.00

Category Code	Category of Shareholders	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
	Companies							
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Any Other							
	Sub Total(B) (1)	0	0	0	0.00	0.00	0	0.00
(2)	Non- institutions							
(a)	Bodies Corporate	39	26644993	26642893	27.16	27.16	0	0.00
(b)	Individuals							
	i. Individuals shareholders holding nominal share capital upto Rs. 1 Lakh	526	282656	23056	0.29	0.29	0	0.00
	ii. Individuals shareholders holding nominal share capital in excess of Rs. 1 Lakh	36	3329027	2885147	3.39	3.39	0	0.00
(c)	Any other Clearing Member	0	0	0	0.00	0.00	0	0.00
	Trust	0	0	0	0.00	0.00	0	0.00
	NRI	0	0	0	0.00	0.00	0	0.00
	HUF	7	480	480	0.00	0.00	0	0.00
	Sub-Total (B) (2)	608	30257156	29551576	30.84	30.84	0	0.00
	Total Public Shareholding (B)= (B) (1)+ (B) (2)	608	30257156	29551576	30.84	30.84	0	0.00
	Total (A) + (B)	671	98121593	96578568	100.00	100.00	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	N.A	0.00	0	0.00
	Grand Total (A)+(B)+ (C)	671	98121593	96578568	N.A	100.00	0	0.00

Note: As on date there are no convertible instrument outstanding in SRSFL.

The summary of audited financial of SRS Finance Limited for the past 3 year is as under:

(Rs. in mn.)

Particulars	For the year ended March 31		
	2010	2009	2008
Sales	755.33	563.31	78.59
PAT	5.18	2.57	2.53
Share Capital	981.22	816.22	31.49
Reserves & Surplus	174.05	3.88	0.32
Net Worth	1,155.27	820.09	31.81

EPS (Rs.):			
-Basic	0.06	0.04	0.80
-Diluted	0.06	0.04	0.80
Book Value per Share (Rs.)	11.77	10.05	10.10

2) SRS Real Infrastructure Limited

SRS Real Infrastructure Limited (“SRSRIL”) was originally incorporated as ‘Manu Leasing Private Limited’ *vide* Certificate of Incorporation dated June 26, 1990. On conversion to Public Limited Company, its name was changed to ‘Manu Leasing Limited’ *vide* Certificate of Incorporation dated December 30, 1994. This name was subsequently changed to ‘Manu Finlease Limited’ *vide* Certificate of Incorporation dated March 9, 1995. The name was then changed to ‘Manu Leasing Limited’ *vide* Certificate of Incorporation dated November 19, 1997. Further, the name was subsequently changed to its present name *vide* Certificate of Incorporation dated March 28, 2007. The Corporate Identity Number of SRSRIL is L65910HR1990PLC040431.

The main objects of SRSRIL includes the business of purchasing, acquiring, taking on lease any land, buildings and structures and to develop, dispose off or maintain the same, build townships, markets, commercial complexes, to act as commission agents and dealers in farm, land, building whether commercial or residential.

Detail of the Board of Directors of SRSRIL as on date of filing of this Red Herring Prospectus is as under:

1. Dr. Anil Jindal
2. Mr. Jitender Kumar
3. Mr. Bishan Bansal
4. Mr. Rajesh Singla
5. Mr. Nanak Chand Tayal
6. Mr. Kailash Kumar
7. Mr. Praveen Sharma
8. Mr. Mahender Kumar Goyal
9. Mr. Shiv Mohan Gupta
10. Mr. Praveen Gupta

SRSRIL is listed on Bombay Stock Exchange Limited, Delhi Stock Exchange, Ahmedabad Stock Exchange and Jaipur Stock Exchange.

During the period of last six months the shares of SRSRIL have not traded in any of the above mentioned exchanges, except BSE. The shares of SRSRIL are traded on Bombay Stock Exchange w. e. f. January 25, 2011.

The shareholding pattern of SRSRIL as on June 16, 2011, is as follow:

Category Code	Category of Shareholders	Number of Shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
(A)	Shareholding of Promoter and promoter Group							
(1)	Indian							
(a)	Individuals/Hindu undivided Family	14	14,354,150	14,354,150	7.14	7.14	0	0.00
(b)	Central/ State Governments	0	0	0	0.00	0.00	0	0.00
(C)	Bodies Corporate	19	120,335,500	120,335,500	59.86	59.86	0	0.00

Category Code	Category of Shareholders	Number of Shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
(d)	Banks/Financial Institutions	0	0	0	0.00	0.00	0	0.00
(e)	Any other Directors and their relatives (specify)	5	312,000	1,000	0.16	0.16	0	0.00
	Sub-Total (A) (1)	38	135,001,650	134,690,650	67.16	67.16	0	0.00
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(c)	Institutions	0	0	0	0.00	0.00	0	0.00
(d)	Any Other (specify)	0	0	0	0.00	0.00	0	0.00
	Sub-Total (A) (2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group A=A(1)+A(2)	38	135,001,650	134,690,650	67.16	67.16	0	0.00
(B)	Public Shareholding							
(1)	Institutions							
(a)	Mutual Funds/UTI	0	0	0	0.00	0.00	0	0.00
(b)	Banks/Financial Institutions	0	0	0	0.00	0.00	0	0.00
(c)	Central/ State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Any other							
	Sub-Total (B) (1)	0	0	0	0.00	0.00	0	0.00
(2)	Non-Institutions							
(a)	Bodies Corporate	112	49,660,659	48,660,659	24.70	24.70	300,000	0.15
(b)	Individuals i. Individual shareholders holding nominal share capital upto Rs.1 Lakh	766	2,551,985	1,449,635	1.27	1.27	0	0.00
	ii. Individual shareholders holding nominal share capital in	24	10,524,151	10,524,151	5.24	5.24	0	0.00

Category Code	Category of Shareholders	Number of Shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
	excess of Rs.1 Lakh							
(c)	Any other Clearing Member	110	148,377	148,377	0.07	0.07	0	0
	Trust	23	0	0	0.00	0.00	0	0
	NRI		3,129,178	3,129,178	1.56	1.56	0	0
	Sub-Total (B) (2)	936	66,014,350	63,912,000	32.84	32.84	0	0.00
	Total Public Shareholding (B)=(B) (1)+(B)(2)	936	66,014,350	63,912,000	32.84	32.84	0	0.00
	Total (A)+(B)	974	201,016,000	198,602,650	100.00	100.00	300,000	0.15
(c)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	N.A	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	974	201,016,000	198,602,650	100.00	100.00	300,000	0.15

Note: As on date there are no convertible instrument outstanding in SRSRIL.

The high and low closing prices and associated volumes of securities traded during last three years (since the date of listing of the shares) is as follows:

Period	High (In Rs.)	Date of High	Volume on date of high (no. of shares)	Low (In Rs.)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (In Rs.)
January 25, 2011 – June 30, 2011	44.95	10/03/2011	370,551	34.25	25/01/2011	322,286	41.19

The high and low closing prices and associated volume of securities traded during the last six months is as follows:

Period	High (In Rs.)	Date of High	Volume on date of high (no. of shares)	Low (In Rs.)	Date of Low	Volume on date of low (no. of shares)	Weighted Average Price (In Rs.)
June, 2011	40.45	22/06/11	845,553	37.65	20/06/11	317,466	39.84
May, 2011	39.25	02/05/11	171,297	36.05	27/05/11	192,610	37.62
April, 2011	43.45	04/04/11	252,339	39.55	29/04/11	185,687	42.87
March, 2011	44.95	10/03/11	370,551	42.90	29/03/11	489,695	43.86
February, 2011	39.75	28/02/11	496,371	37.95	01/02/11	209,096	38.93
January 25, 2011 to January 31, 2011	37.60	31/01/11	94,522	34.25	25/01/11	322,286	35.85

The summary of audited financials of SRS Real Infrastructure Limited for the past 3 year is as under:

(Rs. in mn..)

Particulars	For the year ended March 31		
	2010	2009	2008
Sales	3,079.78	1,394.60	171.43
PAT	65.67	31.91	16.05
Share Capital	201.02	176.02	166.02
Reserves & Surplus	1804.88	1,171.56	934.15
Net Worth	2005.90	1,347.58	1,100.17
EPS (Rs.):			
-Basic	0.37	0.19	2.40
-Diluted	0.37	0.19	2.40
Book Value per Share (Rs.)	9.98	7.66	66.27

3) SRS Real Estate Limited

SRS Real Estate Limited ("SRSREL") was incorporated *vide* Certificate of Incorporation dated October 10, 2005. It was issued Certificate for Commencement of Business on November 18, 2005. The Corporate Identity Number of SRSREL is U45201HR2005PLC041051.

The main objects of SRSREL include the business of purchasing, acquiring, taking on lease any land, buildings and structures and to develop, dispose off or maintain the same, build townships, markets, commercial complexes, to act as commission agents and dealers in farm, land, building whether commercial or residential.

Detail of the Board of Directors of SRSREL as on date of filing of this Red Herring Prospectus is as under—

1. Dr. Anil Jindal
2. Mr. Vinod Jindal
3. Mr. Nanak Chand Tayal
4. Mr. Rajesh Singla
5. Mr. Jitender Kumar
6. Mr. Bishan Bansal
7. Mr. Sunil Jindal
8. Mr. Suresh Bansal
9. Mr. Praveen Sharma

Details of shareholding pattern of SRSREL as on date of filing of this Red Herring Prospectus is as under:

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	SRS Real Infrastructure Limited	7,881,576	100.00
2.	Mr. Rajesh Singla (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
3.	Mr. Nanak Chand Tayal (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
4.	Dr. Anil Jindal (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
5.	Mr. Sunil Jindal (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
6.	Mr. Vinod Jindal (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
7.	Mr. Bishan Bansal (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
8.	Mr. Raju Bansal (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
9.	Mr. Jitender Kumar (Nominee Shareholder of SRS Real Infrastructure Ltd.)	10	0.00
	Total	7,881,656	100.00

The summary of audited financial of SRS Real Estate Limited for the past three years is as under:

Particulars	For the year ended March 31		
	2010	2009	2008
Sales	1,799.41	782.39	1,189.77
PAT	6.69	5.74	20.28
Share Capital	78.82	35.73	35.73
Reserves & Surplus	955.96	453.83	448.09
Net Worth	1,034.78	489.56	483.83
EPS (Rs.):			
-Basic	1.07	1.61	5.87
-Diluted	1.03	1.36	5.78
Book Value per Share (Rs.)	131.29	137.00	135.40

4) SRS Modern Sales Limited

SRS Modern Sales Limited ("SRS Modern") was originally incorporated as 'SRS Retail Limited' vide Certificate of Incorporation dated January 18, 2007. The name of SRS Modern was subsequently changed to its present name vide fresh Certificate of Incorporation dated August 28, 2008. It was issued the Certificate for Commencement of Business on January 29, 2007. The Corporate Identity Number of SRS Modern is U51109HR2007PLC040823.

The main objects of SRS Modern include the business of opening, managing, developing, establishing, operating, franchising and running departmental stores and to carry on the business as whole-sellers, retailers, general order suppliers, contractors, importers, exporters, stockiest, traders, buyers, sellers, manufacturers, agents, brokers, commission & consignment agents and dealers of various items.

Detail of the Board of Directors of SRS Modern as on date of filing of this Red Herring Prospectus is as under:

1. Mr. Sushil Kumar
2. Mr. Bhagwan Dass
3. Mr. Sunil Jindal
4. Mr. Murari Lal
5. Mr. Ashok Kumar Jindal

Details of shareholding pattern of SRS Modern as on as on date of filing of this Red Herring Prospectus are as under—

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	SRS Finance Limited	474,250	42.01
2.	BTL Investments & Securities Limited	178,378	15.80
3.	SRS Computech Limited	77,280	6.85
4.	SRS Facilities Private Limited	34,020	3.01
5.	SRS Superb Marktrade Limited	99,465	8.81
6.	SRS Buildcon Private Limited	110,720	9.81
7.	SRS Infrabuild Private Limited	8,000	0.71
8.	SRS IT Solutions Private Limited	16,060	1.42
9.	SRS Professional Services Ltd.	8,300	0.74
10.	SRS International Ltd.	121,512	10.77
11.	Mr. Sushil Kumar	200	0.02
12.	Mr. Bhagwan Dass	200	0.02
13.	Mr. Ashok Kumar Jindal	200	0.02
14.	Mr. Murari Lal	150	0.01
	Total	1,128,735	100.00

The summary of audited financials of SRS Modern Sales Limited for the past 3 year is as under

(Rs. in mn.)

Particulars	For the year ended March 31		
	2011	2010	2009
Sales	3,993.23	3,087.26	2,463.29
PAT	13.05	16.77	4.28
Share Capital	11.29	10.19	10.19
Reserves & Surplus	318.51	196.67	179.90
Net Worth	329.80	206.86	190.09
EPS (Rs.):			
-Basic	12.81	16.46	7.17
-Diluted	12.80	16.46	7.17
Book Value per Share (Rs.)	292.19	203.04	186.57

5) SRS Portfolio Ltd.

SRS Portfolio Limited (“SRSPL”) was originally incorporated as ‘Manu Strips Limited’ *vide* Certificate of Incorporation dated June 3, 1996. The name of SRSPL then changed to Manu Portfolio Limited *vide* fresh Certificate of Incorporation dated September 4, 2000, and subsequently changed to its present name *vide* fresh Certificate of Incorporation dated September 6, 2004. It was issued Certificate for Commencement of Business on June 14, 1996. The Corporate Identity Number of SRSPL is U27107DL1996PLC079387.

The main objects of SRSPL include the business of Securities / Commodities Trading and allied matters.

SRSPL is registered with MCX and NCDEX having registration number as follows

MCX MEMBER Code: 45520 | FMC Code No. MCX/TM/CORP/1782

NCDEX Member Code: 09-00969 | FMC Code No. NCDEX/TM/CORP/0946

Detail of the Board of Directors of SRSPL as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Bishan Bansal
2. Mr. Rajesh Mangla
3. Mr. Sushil Kumar

Details of shareholding pattern of SRSPL as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Suresh Bansal	56,582	7.67
2.	Mrs. Kanta Bansal	14,900	2.02
3.	Mr. Bishan Bansal	86,650	11.74
4.	Mrs. Toshi Devi Bansal	5,050	0.68
5.	Mr. Lalit Bansal	72,710	9.85
6.	Mr. Nanak Chand Bansal	28,670	3.89
7.	Mr. Rajesh Mangla	35,000	4.74
8.	Mrs. Sunita Mangla	21,250	2.88
9.	Mr. Sushil Singla	50,000	6.78
10.	Mr. Trilok Chand Singla	20,000	2.71
11.	Mrs. Seema Singla	14,981	2.03
12.	SRS Communications Pvt. Ltd.	12,987	1.76
13.	SRS Events & Media Ltd.	49,310	6.68
14.	SRS Heights Pvt. Ltd.	54,050	7.32
15.	SRS Infrabuild Pvt. Ltd.	54,790	7.42
16.	SRS Developers Pvt. Ltd.	2,330	0.32
17.	SRS International Ltd.	6,373	0.86
18.	SRS Computech Limited	12,076	1.64
19.	SRS Finance Limited	140,243	19.01
	TOTAL	737,952	100.00

The summary of audited financial of SRS Portfolio Limited for the past 3 year is as under:

Particulars	(Rs. in mn.) For the year ended March 31		
	2011	2010	2009
Sales	299.02	50.30	236.07
PAT	83.49	1.35	0.79
Share Capital	7.38	7.38	6.03
Reserves & Surplus	274.20	190.71	123.21
Net Worth	281.57	198.08	129.24
EPS (Rs.):			
-Basic	113.14	2.23	1.83
-Diluted	113.14	2.23	1.83
Book Value per Share (Rs.)	381.56	268.42	214.34

Earlier, SRS Portfolio Limited was acting as sub-broker of the NSE vide SEBI sub-broker registration number INS231083234/23-08773, which was surrendered in the month of August, 2008.

6) BTL Investments & Securities Limited

BTL Investments & Securities Limited ("BTLISL") was initially incorporated as North Delhi Credit and Investment Private Limited vide Certificate of Incorporation dated December 2, 1993. The Company was converted into a public limited company vide resolution passed by shareholders on March 25, 1996 for which a fresh certificate of incorporation was issued by RoC on April 8, 1996. The name of BTLISL was changed to its present name vide certificate of incorporation dated June 8, 2009. The Corporate Identity Number of BTLISL is U65993DL1993PLC056269.

BTLISL is an NBFC registered (vide number B-14.01609, dated February 25, 2000) with the Reserve Bank of India. The main objects of the Company includes leasing and hire / purchase of Industrial and office plant, all types of equipments, machinery etc.

The Board of Directors of the Company as on date of filing of this Red Herring Prospectus are:

1. Mr. Parveen Kumar
2. Mr. Bishan Bansal
3. Mr. Sushil Kumar

The Shareholding Pattern of BTLISL as on date of filing of this Red Herring Prospectus is as under:

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Dinesh Kumar Khatri	103,200	3.36
2.	Mrs. Rekha Khatri	33,110	1.08
3.	Mr. Kishan Chand Khatri	6,450	0.21
4.	Mr. Parveen Kumar	161,700	5.26
5.	Mr. Bharti Singla	136,410	4.44
6.	Mr. Kailash Chand Singla	42,775	1.39
7.	Mr. Sanjay Singla	68,722	2.24
8.	Mr. Sandeep Singla	67,160	2.18
9.	Mrs. Sakshi Singla	20,000	0.65
10.	Mr. Sushil Singla	138,450	4.50
11.	Mr. Seema Singla	89,400	2.91
12.	Mrs. Shanti Devi	25,000	0.81
13.	Mr. Rajesh Singla	100,000	3.25
14.	Mrs. Mamta Singla	63,596	2.07
15.	Mr. Murari Lal Jindal	50,000	1.63
16.	Mrs. Gomti Devi	135,000	4.39
17.	Mr. Bishan Bansal	145,000	4.72

18.	Mrs. Toshi Devi Bansal	125,800	4.09
19.	Mr. Nanak Chand Bansal	117,825	3.83
20.	Mr. Raju Bansal	27,700	0.90
21.	Mr. Lalit Kumar Bansal	29,972	0.97
22.	Mrs. Sanjana Bansal	10,000	0.33
23.	Mr. Suresh Bansal	25,000	0.81
24.	SRS Commercial Company Limited	97,603	3.18
25.	SRS Mines & Minerals Limited	165,190	5.37
26.	SRS Events & Media Limited	20,459	0.67
27.	SRS Computech Limited	61,290	1.99
28.	SRS IT Solutions Private Limited	116,130	3.78
29.	SRS Superb Marktrade Limited	73,342	2.39
30.	SRS International Limited	109,088	3.55
31.	SRS Buildcon Private Limited	149,158	4.85
32.	SRS Communications Private Limited	113,825	3.70
33.	SRS Facilities Private Limited	51,865	1.69
34.	SRS Heights Private Limited	67,315	2.18
35.	SRS Infrastructure Limited	63,033	2.05
36.	SRS Promoters Private Limited	32,955	1.07
37.	SRS Realbuild Private Limited	59,284	1.93
38.	SRS Realtech Private Limited	48,796	1.59
39.	SRS News Limited	76,198	2.48
40.	SRS Components (India) Ltd. (Formerly known as SRS Educational Institutions Pvt. Ltd.)	46,290	1.51
	Total	3,074,091	100.00

7) BTL Impex (India) Limited

BTL Impex (India) Ltd. (“**BTL Impex**”) was originally incorporated as ‘G.S.J.P. Leasing & Credits Limited’ vide Certificate of Incorporation dated February 27, 1997. The name of BTL Impex was subsequently changed to its present name vide Certificate of Incorporation dated March 25, 2003. It was issued certificate for commencement of business on April 15, 1997. The Corporate Identity Number of BTL Impex is U65910DL1997PLC085457.

The main objects of BTL Impex include the business to act as direct selling agent, marketing agent, forwarding agent and other marketing business.

Detail of the Board of Directors of BTL Impex as on date of filing of this Red Herring Prospectus is as under:

1. Ms. Ritu Jindal
2. Mr. Bishan Bansal
3. Mr. Sanjay Kumar

List of Shareholders of BTL Impex as on the date of filing of this Red Herring Prospectus is as follow:

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mrs. Ritu Jindal	68,685	3.87
2	Mrs. Shashi Jindal	79,300	4.46
3	Mr. Vinod Jindal	169,285	9.53
4	Mrs. Shalini Jindal	134,190	7.55
5	Mr. Sunil Jindal	129,200	7.27
6	Mrs. Indrawati Bansal	27,150	1.53
7	SRS Movies Pvt.Ltd.	77,660	4.37
8	SRS Buildcon Pvt. Ltd.	12,500	0.70
9	Anil Jindal (HUF)	43,700	2.46
10	Mrs. Gomti Devi	17,861	1.01
11	Mr. Bishan Bansal	123,431	6.95

12	Mr. Nanak Chand Bansal	100,000	5.63
13	Mr. Raju Bansal	109,947	6.19
14	Mr. Suresh Bansal	122,625	6.90
15	Mrs. Kanta Bansal	50,000	2.81
16	Mr. Lalit Bansal	111,250	6.26
17	Mrs. Suman Bansal	30,000	1.69
18	Mr. Parveen Singla	46,170	2.60
19	Mr. Sushil Kumar	50,302	2.83
20	Mr. Ashok Jindal	28,800	1.62
21	Mr. Rajesh Singla	74,894	4.22
22	Mr. Trilok Chand Singla	8,550	0.48
23	Mr. Murari Lal Jindal	15,034	0.85
24	Mr. Kailash Chand Singla	7,990	0.45
25	Mrs. Mamta Singla	2,712	0.15
26	BTL Investments & Securities Ltd.	1,35,400	7.62
	Total	1,776,636	100.00

8) SRS Global Securities Limited (Formerly known as SRS Housing Finance Limited)

SRS Global Securities Limited ("SRSGSL") was initially incorporated as Manu Commercial Limited vide Certificate of Incorporation dated September 19, 2000 and received its certificate of commencement of business on October 16, 2000. Subsequently its name was changed to BTL Commercial Limited vide certificate of registration dated November 14, 2003. Thereafter, its name was changed to SRS Housing Finance Limited vide fresh certificate of incorporation dated June 8, 2009. Again, its name was changed to its present name SRS Global Securities Limited vide fresh certificate of incorporation consequent upon change of name dated March 31, 2011. The Corporate Identity Number of SRSGSL is U74900HR2000PLC040855.

SRSGSL has surrendered its certificate of registration to National Housing Bank and got acknowledgement for the same dated March 11, 2011. Further, SRSGSL has applied to the Bombay Stock Exchange Limited vide letter dated May 2, 2011 for admitting it as a trading member. BSE has asked for certain documents / information from SRSGSL vide letter dated June 21, 2011. SRSGSL has replied vide letter dated June 30, 2011, for the same and provided the necessary information to the BSE. SRSGSL has not received any communication from BSE thereafter.

The main objects of SRSGSL include the business of Securities / Commodities Trading and allied matters.

The Board of Directors of 'SRSGSL' as on date of filing of this Red Herring Prospectus are: –

1. Dr. Anil Jindal
2. Mr. Sushil Kumar
3. Mr. Dinesh Kumar

List of Shareholders of SRSGSL as on the date of filing of this Red Herring Prospectus is as follow:

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Vinod Jindal	69,050	3.14
2.	Mr. Bishan Bansal	193,725	8.82
3.	Mr. Sunil Jindal	259,500	11.81
4.	Ms. Ritu Jindal	118,590	5.40
5.	Mr. Girraj Singh Jindal	173,000	7.88
6.	Ms. Shalini Jindal	41,970	1.91
7.	Dr. Anil Jindal	83,000	3.78
8.	Mrs. Shashi Jindal	95,000	4.32
9.	BTL Investments & Securities Limited	304,744	13.87

10.	Mr. Dinesh Kumar	2,500	0.12
11.	Mr. Sushil Kumar	349,291	15.90
12.	Mrs. Seema Singla	371,129	16.89
13.	BTL Impex (India) Ltd.	260	0.01
14.	SRS Mines & Minerals Ltd.	26,500	1.21
15.	SRS Buildcon Pvt. Ltd.	20,000	0.91
16.	SRS Commercial Company Ltd.	4,380	0.20
17.	SRS Computech Limited	20,900	0.95
18.	SRS Developers Pvt. Ltd.	4,000	0.18
19.	SRS Heights Pvt. Ltd.	24,400	1.11
20.	SRS Movies Pvt. Ltd.	34,370	1.56
21.	SRS Professional Services Ltd.	630	0.03
	Total	2,196,939	100.00

9) Madhav Tech (India) Private Ltd.

Madhav Tech (India) Private Limited (“**Madhav Tech**”) was incorporated *vide* Certificate of Incorporation dated February 22, 2000. The Corporate Identity Number of Madhav Tech is U25209DL2000PTC103892.

The main objects of Madhav Tech include the business of manufacturing, producing, processing of all types of ferrous, non-ferrous & plastic moulded components used in automobile engineering, electronic and other types of industry.

The Board of Directors of ‘Madhav Tech’ as on date of filing of this Red Herring Prospectus are: –

1. Mr. Vinod Kumar
2. Mr. Rahul Gupta

Details of Shareholding Pattern of ‘Madhav Tech’ as on date of filing of this Red Herring Prospectus are as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Rahul Gupta	226,500	35.28
2.	Mr. Ashish Gupta	226,250	35.24
3.	Ms. Pinky Gupta	189,000	29.44
4.	Mr. Vinod Gupta	100	0.02
5.	Mr. Rakesh Gupta	100	0.02
	Total	641,950	100.00

Madhav Tech has not been declared a sick Company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 and is neither under winding up nor has a negative net worth.

10) Neelabh Engineers Private Ltd.

Neelabh Engineers Private Limited (“**NEPL**”) was incorporated *vide* Certificate of Incorporation dated December 2, 1996. The Corporate Identity Number of NEPL is U29191HR1996PTC033403.

The main objects of NEPL include the business of manufacturing and dealing in automobile parts, accessories, spare & tools etc.

Detail of the Board of Directors of NEPL as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Vinod Kumar
2. Ms. Monica Gupta

Details of shareholding pattern of NEPL as on date of filing of this Red Herring Prospectus are as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholdings (%)
1.	Mr. Vinod Kumar	241,100	62.60
2.	Ms. Monica Gupta	50,100	13.00
3.	Vinod Kumar (HUF)	94,000	24.40
	Total	385,200	100.00

11) SRS Superb Marktrade Limited

SRS Superb Marktrade Limited (“SRS Superb”) was originally incorporated as ‘Dreams Success Leasing Private Limited’ vide Certificate of Incorporation dated May 25, 1993. On conversion to Public Limited Company, the name of SRS Superb was changed to ‘Dreams Success Leasing Limited’ vide fresh Certificate of Incorporation dated May 25, 2004. The name of SRS Superb was subsequently changed to its present name vide Certificate of Incorporation dated July 31, 2008. The Corporate Identity Number of SRS Superb is U74899DL1993PLC053737.

The main objects of SRS Superb include the business of buying, selling, importing, exporting and acts as brokers and commission agents etc. of perfume, medicine drugs etc.

Detail of the Board of Directors of SRS Superb as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Ashok Kumar Jindal
2. Mr. Girraj Singh Jindal
3. Mr. Murari Lal

Details of shareholding pattern of SRS Superb as on date of filing of this Red Herring Prospectus is as under –

S. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Vinod Kumar Garg	5,400	0.44
2	Mr. Rajesh Kumar Mangla	3,500	0.29
3	Mr. Deepak Mangla	27,700	2.26
4	Mr. Bhagwan Dass	4,600	0.38
5	Ms. Sunita Mangla	91,500	7.47
6	Mr. Parveen Singla	30,000	2.45
7	Mr. Sanjay Singla	20,000	1.63
8	Ms. Kanta Bansal	30,000	2.45
9	Mr. Suresh Bansal	20,000	1.63
10	Ms. Lakshmi Gupta	55,000	4.49
11	Mrs. Saroj Goel	80,000	6.53
12	Mr. Bhagwat Dayal	10,000	0.82
13	Ms. Rekha Khatri	3,912	0.32
14	Mr. Raju Bansal	10,000	0.82
15	Mr. Jitender Kumar Garg	270,600	22.10
16	Mr. Hariom Goyal	63,000	5.14
17	Mr. Chunni Lal	40,290	3.29
18	Mr. Nand Kishore Goyal	10,000	0.82
19	Ms. Sapna Tayal	4,052	0.33
20	Ms. Vandana Tayal	30,000	2.45
21	Ms. Gayatri Garg	22,000	1.79
22	. Mr. Kapil Aggarwal	36,360	2.97

S. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
23	Mr. Lalit Bansal	18,000	1.47
24	Mr. Ravinder Kumar Garg	19,704	1.61
25	Ms. Sangita Garg	55,054	4.50
26	Mr. Shalender Kumar Garg	20,522	1.68
27	Ms. Sikha Garg	12,980	1.06
28	Ms. Sneha Lata	14,136	1.15
29	Mrs. Suman Bansal	6,948	0.57
30	SRS International Limited	43,576	3.56
31	Ms. Swati Garg	22,810	1.86
32	Mr. Parveen Tayal	4,010	0.33
33	Mr. Karamveer Singh	15,400	1.26
34	Mr. Anil Kumar Mittal	4,350	0.36
35	SRS Infrastructure Ltd.	24,723	2.02
36	SRS Infrabuild Pvt. Ltd.	20,300	1.66
37	SRS Realbuild Pvt. Ltd.	29,000	2.36
38	SRS Communications Pvt. Ltd.	24,283	1.98
39	SRS Realtech Pvt. Ltd.	20,900	1.71
	Total	1,224,610	100.00

12) SRS Realbuild Private Limited

SRS Realbuild Private Limited (“SRS Realbuild”) was incorporated *vide* Certificate of Incorporation dated February 14, 2007. The Corporate Identity Number of SRS Realbuild is U70102DL2007PTC159292.

The main objects of SRS Realbuild include the business of purchase, acquire, take on lease any land / building and to develop, dispose and other real estate activities.

Detail of the Board of Directors of SRS Realbuild as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Sachin Bhatia
2. Mr. Rajesh Singla

Details of shareholding pattern of SRS Realbuild as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Rajesh Singla	5,000	1.03
2	Mr. Suresh Bansal	5,000	1.03
3	Mrs. Toshi Bansal	14,750	3.03
4	Mr. Raju Bansal	8,013	1.64
5	Mr. Deepak Mangla	15,652	3.21
6	Mrs. Kanta Bansal	8,500	1.74
7	Mr. Nanak Chand Tayal	16,770	3.44
8	Mrs. Seema Singla	825	0.17
9	SRS Facilities Private Limited	23,752	4.87
10	SRS Professional Services Limited	33,855	6.94
11	SRS Computech Limited	28,195	5.78
12	SRS News Limited	30,548	6.27
13	SRS International Limited	32,400	6.65
14	SRS Developers Private Limited	26,000	5.33
15	Mr. Rajiv Chandila	15,115	3.10
16	Mr. Narender Kumar Singhal	36,450	7.48
17	Mrs. Saroj Singhal	20,000	4.10

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
18	Ms. Geetika Singhal	11,080	2.27
19	Mr. Gautam Singhal	9,880	2.03
20	Mrs. Radhika Garg	37,692	7.73
21	Mr. Yogesh Kumar	300	0.06
22	Mr. Manoj Goyal	20,600	4.23
23	SRS Heights Private Limited	12,755	2.62
24	Mr. Bharat Bhushan	1,020	0.21
25	Mrs. Sapna Mittal	1,000	0.21
26	Mr. Suresh Arora	5,430	1.11
27	Mr. Parmod Kumar	3,186	0.65
28	Mr. Dhanesh Kumar	2,180	0.45
29	Mrs. Sonika M Wadhwa	800	0.16
20	SRS Commercial Company Ltd.	20,650	4.24
31	SRS Events & Media Ltd.	40,100	8.23
	Total	487,498	100.00

13) SRS Professional Services Limited

SRS Professional Services Limited (“SRS Professional”) was incorporated *vide* Certificate of Incorporation dated November 18, 2005. It was issued the certificate for Commencement of Business on December 15, 2005. The Corporate Identity Number of SRS Professional is U74140DL2005PLC142706.

The main objects of SRS Professional include the business of providing consultancy services on back-office processing and to act as consultants for various activities.

Detail of the Board of Directors of SRS Professional as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Dinesh Kumar Khatri
2. Mr. Jitender Kumar
3. Mr. Praveen Kumar Kapoor
4. Mr. Rajesh Singla

Details of shareholding pattern of SRS Professional as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Murari Lal Jindal	6,000	2.50
2	Mr. Sushil Singla	3,000	1.25
3	Mr. Ashok Kumar Jindal	3,000	1.25
4	Mr. Sanjay Singla	2,000	0.83
5	Mr. Bishan Bansal	2,000	0.83
6	Mr. Rajesh Kumar Mangla	3,000	1.25
7	Mrs. Kanta Bansal	5,000	2.08
8	Mrs. Seema Singla	4,000	1.67
9	Mr. Nanak Chand Tayal	4,000	1.67
10	Mrs. Mamta Singla	4,000	1.67
11	Mrs. Sanjana Bansal	2,000	0.83
12	Mr. Sanjay Mangla	3,000	1.25
13	Ms. Sapna Tayal	5,000	2.08
14	Mr. Parveen Singla	4,000	1.67
15	Mr. Ajay Mangla	10,070	4.20
16	Mrs. Chhaya Dhawan	11,200	4.67
17	Mr. Gaurav Kumar	5,000	2.08
18	SRS Facilities Private Limited	31,190	13.00
19	SRS Superb Marktrade Limited	29,568	12.32

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
20	Ms. Sonia Mallick	700	0.29
21	Mr. Vikas Sharma	9,054	3.77
22	Mrs. Usha Arora	495	0.21
23	Mrs. Asha Goyal,	600	0.25
24	Mr. Rakesh Kumar Aggarwal	17,000	7.08
25	Mrs. Seema Aggarwal,	4,200	1.75
26	Mr. Monu Goyal	600	0.25
27	Mr. Rattan Singh	2,050	0.85
28	Mrs. Rajni Chandila	7,722	3.22
29	Mr. Sachin Goyal	5,850	2.44
30	SRS Finance Ltd.	7,830	3.26
31	SRS Events & Media Ltd.	23,207	9.67
32	SRS Realtech Pvt. Ltd.	100	0.04
33	SRS Components (India) Ltd. (Formerly known as SRS Educational Institutions Pvt. Ltd.)	23,000	9.58
34	BTL Investments & Securities Ltd.	565	0.24
	Total	240,001	100.00

14) SRS Developers Private Limited

SRS Developers Private Limited (“**SRS Developers**”) was incorporated *vide* Certificate of Incorporation dated February 20, 2007. The Corporate Identity Number of SRS Developers is U45200DL2007PTC159437.

The main objects of SRS Developers include the business of purchase, acquire, take on lease any land / building and to develop etc. and other real estate activities.

Detail of the Board of Directors of SRS Developers as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Rajesh Singla
2. Mr. Nanak Chand

Details of shareholding pattern of SRS Developers as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Rajesh Singla	26,960	6.42
2	Mr. Raju Gupta	13,708	3.26
3	Mr. Dinesh Kumar Khatri	30,950	7.37
4	Mr. Rajesh Kumar Mangla	2,780	0.66
5	Mr. Nanak Chand Tayal	5,000	1.19
6	Ms. Kanta Bansal	3,112	0.74
7	Ms. Sanjana Bansal	550	0.13
8	SRS International Limited	36,200	8.62
9	SRS Professional Services Limited	48,769	11.61
10	SRS News Limited	41,856	9.97
11	SRS Facilities Private Limited	48,512	11.55
12	SRS Components (India) Ltd. (Formerly known as SRS Educational Institutions Private Limited)	38,123	9.08
13	Mr. Sunny Goyal	8,859	2.11
14	Mr. Tej Singh	3,868	0.92
15	Mr. Vinay Goyal	14,990	3.57

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
16	Mr. Balraj,	5,190	1.24
17	Mr. Ashok Kumar Jindal	16,500	3.93
18	SRS Buildcon Private Limited	19,422	4.63
19	Mr. Sunil Kumar Karhana	106	0.03
20	Mr. Suresh Bansal	1,380	0.33
21	Mr. Nanak Chand Bansal	2,000	0.48
22	Mr. Lalit Kumar Bansal	1,630	0.39
23	Mr. Parmod Kumar Goyal	1,380	0.33
24	Mr. Parmod Kumar	11,500	2.74
25	Mr. Anil Goel	2,600	0.62
26	Mr. Girish Agarwal	9,050	2.16
27	BTL Investments & Securities Ltd.	24,936	5.94
	Total	419,931	100.00

15) SRS Communications Private Limited

SRS Communications Private Limited (“SRSCPL”) was incorporated vide Certificate of Incorporation dated June 1, 2005. The Corporate Identity Number of SRSCPL is U74300DL2005PTC137030.

The main objects of SRSCPL include the business of multi-media advertising, publicity, marketing and deals in banners, glow signs, stickers of all types to be displayed on Boards, neon signs and kiosks advertising goods etc.

Detail of the Board of Directors of SRSCPL as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Bishan Bansal
2. Mr. Girraj Singh Jindal

Details of shareholding pattern of SRSCPL as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Parveen Singla	16,650	2.36
2	Mrs. Kanti Devi Jindal	61,930	8.77
3	Mr. Sushil Singla	12,561	1.78
4	Mrs. Indrawati Bansal	28,275	4.00
5	Mr. Nanak Chand Bansal	7,000	0.99
6	Mr. Surinder Mangla	10,750	1.52
7	SRS Developers Private Limited	39,864	5.64
8	SRS News Limited	40,115	5.68
9	SRS Infrastructure Limited	32,500	4.60
10	SRS Components (India) Ltd. (Formerly known as SRS Educational Institutions Private Limited)	36,525	5.17
11	SRS Seven Dayz Restaurants Limited	37,715	5.34
12	Ms. Ram Murti	2,150	0.30
13	Ms. Neelam Sharma	8,541	1.21
14	Ms. Uma Garg	250	0.04
15	Mr. Shiv Kumar Garg	43,645	6.18
16	Mrs. Jawala Garg	41,140	5.82
17	SRS Commercial Company Limited	70,225	9.94
18	SRS Heights Private Limited	42,317	5.99
19	SRS Realtech Private Limited	26,900	3.81
20	Mr. Mohan Lal Garg	45,152	6.40

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
21	Mr. Parmod Grover	14,000	1.98
22	Mr. Amit Garg	150	0.02
23	Mr. Mandeep Ahluwalia	154	0.02
24	Mr. Ramjiyawan Chaurasia	1,400	0.20
25	Mrs. Sona Ahluwalia	230	0.03
26	Mrs. Sheetal Garg	100	0.01
27	Mr. Rakesh Chaurasia	822	0.12
28	SRS Finance Ltd.	62,751	8.88
29	SRS International Ltd.	22,544	3.20
	Total	706,356	100

16) SRS International Limited

SRS International Limited (“SRS Int”) was incorporated *vide* Certificate of Incorporation dated March 7, 2007. It was issued the Certificate for Commencement of business on March 26, 2007. The Corporate Identity Number of SRS Intl is U74140DL2007PLC160255.

The main objects of SRS Int include the business of buying, selling, exporting, importing, distributing and acting as agents in India and abroad for various kinds of goods.

The Board of Directors of SRS Int as on date of filing of this Red Herring Prospectus are: –

1. Mr. Raju Bansal
2. Mr. Ashok Kumar Jindal
3. Mr. Rajesh Singla

Shareholding details of SRS Int as on date of filing of this Red Herring Prospectus are as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Pramod Mangla	4,000	0.30
2	Ms. Rekha Mangla	8,000	0.60
3	Ms. Meenu Mangla	8,000	0.60
4	SRS News Limited	59,859	4.51
5	SRS Communications Pvt. Ltd.	56,176	4.23
6	Ms. Sunita Mangla	5,944	0.45
7	Ms. Usha Mangla	39,009	2.94
8	Ms. Lakshmi Gupta	50,000	3.76
9	Ms. Toshi Devi Bansal	4,625	0.35
10	Mr. Rajesh Mangla	10,000	0.75
11	Mr. Raju Bansal	10,000	0.75
12	Mr. Ashok Jindal	10,000	0.75
13	SRS Commercial Company Limited	47,347	3.56
14	SRS Heights Private Limited	66,750	5.03
15	Mr. Suresh Bansal	750	0.06
16	SRS Infrastructure Limited	42,654	3.21
17	SRS Professional Services Limited	19,215	1.45
18	SRS Promoters Private Limited	73,999	5.57
19	SRS Components (India) Ltd. (Formerly known as SRS Educational Institutions Private Limited)	115,958	8.73
20	Mr. Dheeraj Gupta	50,648	3.81
21	Mr. Raju Gupta	19,642	1.48
22	Mr. Murari Lal Jindal	14,281	1.08
23	Mr. Dinesh Khatri	18,972	1.43
24	Mr. Naresh Kumar Goyal	53,600	4.04

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
25	Mrs. Shashi Mehta	21,384	1.61
26	Mr. Kailash Mohan Mehta	24,400	1.84
27	Mr. Anurag Aggarwal	4,414	0.33
28	Mr. Rajiv Chandila	50,000	3.76
29	Mr. Sudhir	5,575	0.42
30	SRS Infrabuild Private Limited	80,964	6.10
31	Mr. Brijesh Kumar	30,065	2.26
32	Mr. Nand Kishore Goyal	16,400	1.23
33	Mr. Kapil Aggarwal	4,800	0.36
34	Mr. Lalit Bansal	5,268	0.40
35	Mr. Ravinder Kumar Garg	3,522	0.27
36	Mr. Shailender Kumar Garg	16,740	1.26
37	Mr. Parveen Tayal	35,110	2.64
38	Mr. Karamveer Singh	13,780	1.04
39	Mr. Anil Kumar Mittal	5,880	0.44
40	SRS Finance Ltd.	101,994	7.68
41	BTL Investments & Securities Ltd.	3,250	0.24
42	SRS Developers Pvt. Ltd.	88,244	6.64
43	SRS Facilities Pvt. Ltd.	27,115	2.04
	Total	1,328,334	100.00

17) SRS Promoters Private Limited

SRS Promoters Private Limited ("SRSPPL") was incorporated *vide* Certificate of Incorporation dated February 26, 2007. The Corporate Identity Number of SRSPPL is U45200DL2007PTC159722.

The main objects of SRSPPL include the business of purchase, acquire, take on lease any land / building and to develop, dispose and other real estate activities.

Detail of the Board of Directors of SRSPPL as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Bishan Bansal
2. Mr. Nanak Chand

Details of shareholding pattern of SRSPPL as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Bishan Bansal	500	0.20
2	Mr. Nanak Chand Tayal	1,250	0.50
3	Mr. Lalit Bansal	1,000	0.40
4	Mr. Raju Bansal	800	0.32
5	Ms. Toshi Devi Bansal	800	0.32
6	Ms. Mamta Singla	1,000	0.40
7	Mr. Sushil Singla	900	0.36
8	Ms. Rekha Khatri	900	0.36
9	Ms. Kanta Bansal	800	0.32
10	Mrs. Vimlesh Tayal	800	0.32
11	Mr. Nanak Chand Bansal	1,000	0.40
12	Ms. Sunita Mangla	1,250	0.50
13	SRS News Limited	17,590	7.04
14	SRS Developers Private Limited	28,460	11.38
15	Ms. Radhika Garg	7,700	3.08
16	SRS Commercial Company Limited	1,400	0.56
17	SRS Infrastructure Limited	19,868	7.95
18	SRS Professional Services Limited	23,800	9.52

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
19	SRS Superb Marktrade Limited	73,892	29.56
20	Mr. Yogesh Kumar	8,460	3.38
21	Mr. Manoj Goyal	13,790	5.52
22	Mr. Bharat Bhushan	1,060	0.42
23	Ms. Sapna Mittal	14,247	5.70
24	Mr. Deepak Mangla	10,090	4.04
25	Mr. Suresh Arora	1,010	0.40
26	Mr. Ajay Mangla	5,518	2.21
27	Ms. Chhaya Dhawan	9,450	3.78
28	Mr. Vikas Sharma	2,665	1.07
	Total	250,000	100.00

18) SRS Components (India) Limited

SRS Components (India) Limited (“SRS Comp”) was incorporated *vide* Certificate of Incorporation dated March 15, 2007 as SRS Educational Institutions Private Limited. Subsequently, its name was changed to SRS Components (India) Private Limited, *vide* fresh certificate of incorporation dated April 30, 2011. Further, SRS Comp was converted to a public company *vide* fresh certificate of incorporation dated May 12, 2011 and changed its name to SRS Components (India) Limited, by deleting the word Private from its name. The Corporate Identity Number of SRS Comp is U29248DL2007PLC160602.

The main objects of SRS Comp include to manufacture, process, fabricate, design, import, export, trade or otherwise deal in automobile parts, ancillaries, components, all kinds of metal products, ferrous and non-ferrous, metal castings and forgings, hardware items, metal and alloys, iron and steel tubes, sheet metal products, wires, machinery, instruments, stainless steel coil etc.

Detail of the Board of Directors of SRS Comp as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Ashok Kumar Jindal
2. Mr. Vinod Jindal
3. Mr. Bishan Bansal

Details of shareholding pattern of SRS Comp as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Nanak Chand Tayal	1,500	0.61
2	Mr. Ashok Kumar Jindal	2,775	1.13
3	Mr. Rajesh Mangla	1,500	0.61
4	Ms. Sunita Mangla	2,000	0.81
5	Ms. Sanjana Bansal	2,000	0.81
6	Ms. Lakshmi Gupta	2,000	0.81
7	Mr. Dinesh Kumar Khatri	2,500	1.02
8	Ms. Kanta Bansal	1,000	0.41
9	SRS Seven Dayz Restaurants Limited	44,745	18.21
10	SRS Commercial Company Limited	19,659	8.00
11	SRS Heights Private Limited	16,085	6.55
12	SRS Superb Marktrade Limited	31,076	12.65
13	Ms. Usha Arora	15,049	6.12
14	Ms. Asha Goyal	16,000	6.51
15	SRS Computech Limited	14,100	5.74
16	Mr. Rakesh Kumar Aggarwal	1,927	0.78
17	Ms. Seema Aggarwal	2,475	1.01
18	Mr. Monu Goyal	1,930	0.79
19	Mr. Rattan Singh	252	0.10

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
20	Mr. Sachin Goyal	8,709	3.54
21	Mr. Sunny Goyal	4,050	1.65
22	Mr. Tej Singh	16,000	6.51
23	Mr. Vinay Goyal	15,000	6.11
24	SRS Infrastructure Ltd.	21,330	8.68
25	BTL Investments & Securities Ltd.	2,050	0.83
	Total	245,712	100.00

19) SRS Realtech Private Limited

SRS Realtech Private Limited (“SRS Realtech”) was incorporated *vide* Certificate of Incorporation dated February 20, 2007. The Corporate Identity Number of SRS Realtech is U70102DL2007PTC159489.

The main objects of SRS Realtech include the business of purchase, acquire, take on lease any land / building and to develop and dispose the same and to do other real estate activities.

Detail of the Board of Directors of SRS Realtech as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Bhagwan Dass
2. Mr. Nanak Chand Bansal

Details of shareholding pattern of SRS Realtech as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Deepak Mangla	5,180	1.21
2	Mr. Lalit Bansal	23,904	5.58
3	Ms. Mamta Singla	1,380	0.32
4	SRS News Limited	34,522	8.06
5	SRS Developers Private Limited	53,765	12.56
6	SRS Professional Services Limited	24,083	5.62
7	SRS Components (India) Limited (formerly known as SRS Educational Institutions Private Limited)	31,426	7.34
8	SRS Commercial Company Limited	41,072	9.59
9	SRS International Limited	24,338	5.68
10	SRS Heights Private Limited	16,673	3.89
11	SRS Realbuild Private Limited	28,610	6.68
12	Mr. Balraj	24,300	5.68
13	Mr. Ashok Kumar Jindal	1,946	0.46
14	Mr. Sunil Kumar Karhana	34,000	7.94
15	Mr. Rajesh Singla	8,774	2.05
16	Mr. Suresh Bansal	4,810	1.12
17	Mr. Nanak Chand	400	0.09
18	SRS Events & Media Limited	300	0.07
19	SRS Seven Days Restaurants Limited	31,250	7.30
20	Mr. Pramod Kumar Goyal	14,060	3.28
21	Mr. Nanak Chand Tayal	697	0.16
22	Mr. Pramod Kumar	1,748	0.41
23	Ms. Neelam Sharma	180	0.04
24	Mr. Shiv Kumar Garg	20,775	4.85
	Total	428,193	100.00

20) SRS Events and Media Limited

SRS Events and Media Limited (“SRS Events”) was incorporated *vide* Certificate of Incorporation dated October 10, 2005. It was issued the certificate for Commencement of Business on November 18, 2005. The Corporate Identity Number of SRS Events is U74300DL2005PLC141654.

The main objects of SRS Events include the business of advertising, publicity, marketing, public relations and also act as propaganda agents and consultants etc.

Detail of the Board of Directors of SRS Events as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Ashok Kumar Jindal
2. Mr. Bishan Bansal
3. Mr. Bhagwan Dass

Details of shareholding pattern of SRS Events as on date of filing of this Red Herring Prospectus are as under—

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Surinder Mangla	2,800	1.26
2.	Mr. Bhagwat Dayal	5,000	2.25
3.	Ms. Kanta Bansal	2,200	0.99
4.	Mr. Rajesh Mangla	2,200	0.99
5.	Mr. Ashok Kumar Jindal	4,000	1.79
6.	Mr. Murari Lal Jindal	4,400	1.98
7.	Mr. Bishan Bansal	2,200	0.99
8.	Mr. Dinesh Goel	2,000	0.89
9.	Mr. Sandeep Singla	5,200	2.34
10.	Mr. Lalit Bansal	5,000	2.25
11.	Ms. Sanjana Bansal	2,800	1.26
12.	Mr. Sanjay Mangla	2,200	0.99
13.	Ms. Lakshmi Gupta	7,500	3.37
14.	Ms. Kanti Devi	2,500	1.12
15.	SRS Seven Dayz Restaurants Limited	99,749	44.80
16.	Mr. Vikas Sharma	9,288	4.17
17.	SRS Developers Private Limited	11,492	5.16
18.	SRS Heights Private Limited	21,800	9.79
19.	Ms. Neelam Sharma	592	0.27
20.	Mr. Ajay Mangla	181	0.08
21.	Ms. Chhaya Dhawan	534	0.24
22.	Mr. Gaurav Kumar	7,874	3.54
23.	Ms. Rajwati Goyal	17,852	8.02
24.	SRS Computech Limited	626	0.28
25.	Ms. Usha Arora	2,685	1.20
	Total	222,673	100.00

21) SRS Facilities Private Limited

SRS Facilities Private Limited (“SRS Facilities”) was incorporated *vide* Certificate of Incorporation dated December 3, 2007. The Corporate Identity Number of SRS Facilities is U62200DL2007PTC170992.

The main objects of SRS Facilities include the business of providing all types of services like accountancy, security, housekeeping and services of depositing bills etc.

Detail of the Board of Directors of SRS Facilities as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Vinod Jindal
2. Mr. Murari Lal

Details of shareholding pattern of SRS Facilities as on date of filing of this Red Herring Prospectus is as under—

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Ashok Kumar Jindal	1,000	0.33
2	Mr. Rajesh Mangla	600	0.20
3	Mr. Praveen Singla	1,100	0.37
4	Mr. Sanjay Singla	500	0.17
5	Mr. Pramod Mangla	600	0.20
6	Mr. Dinesh Goel	800	0.27
7	Mrs. Mamta Singla	500	0.17
8	Mrs. Sanjana Bansal	600	0.20
9	Mr. Lalit Bansal	500	0.17
10	Ms. Sapna Tayal	600	0.20
11	Mr. Dinesh Kumar Khatri	1,500	0.50
12	Mr. Trilok Chand Singla	600	0.20
13	Mr. Sanjay Mangla	500	0.17
14	Mr. Nanak Chand Tayal	500	0.17
15	Mrs. Rekha Khatri	500	0.17
16	Mr. Deepak Mangla	600	0.20
17	Mrs. Uma Garg	15,000	5.00
18	Mrs. Jawala Garg	100	0.03
19	SRS Communications Private Limited	54,337	18.11
20	SRS Superb Marktrade Limited	41,109	13.70
21	Mr. Mohan Lal Garg	850	0.28
22	Mr. Parmod Grover	10,080	3.36
23	Mr. Dheeraj Gupta	580	0.19
24	Mr. Raju Gupta	590	0.20
25	Mr. Murari Lal Jindal	94	0.03
26	Mr. Naresh Kumar Goyal	5,946	1.98
27	SRS Finance Ltd.	80,263	26.75
28	BTL Investments & Securities Ltd.	6,105	2.03
29	SRS Infrastructure Ltd.	33,920	11.31
30	SRS IT Solutions Pvt. Ltd.	40,025	13.34
	Total	299,999	100.00

22) SRS IT Solutions Private Limited

SRS IT Solutions Private Limited (“SRS IT Solutions”) was incorporated *vide* Certificate of Incorporation dated March 4, 2005. The Corporate Identity Number of SRS IT Solutions is U72000DL2005PTC133608.

The main objects of SRS IT Solutions include the business of designing, developing, buying and selling, distributing, leasing, installing, repairing, altering, importing, exporting or otherwise dealing in all kinds of software, offshore software development projects and consultancy, development of computer languages and other allied computer services and creating all types of infrastructural facilities.

Detail of the Board of Directors of SRS IT Solutions as on date of filing of this Red Herring Prospectus is as under:

1. Mr. Bishan Bansal
2. Mr. Rajesh Singla
3. Mr. Rahul Gupta

Details of shareholding pattern of SRS IT Solutions as on date of filing of this Red Herring Prospectus are as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Raju Bansal	16,050	1.85
2	Ms. Mamta Mangla	22,040	2.54
3	Mr. Pramod Mangla	25,331	2.92
4	Mr. Deepak Mangla	15,114	1.74
5	Ms. Sanjana Bansal	12,014	1.39
6	Mr. Sanjay Mangla	14,461	1.67
7	Mrs. Toshi Bansal	200	0.02
8	Mr. Ajay Madan	10	0.00
9	Bishan Lal (HUF)	10	0.00
10	Mr. Surender Kumar	10	0.00
11	Mr. Bhagwat Dayal	7,345	0.85
12	Ms. Chetna Kukreja	20	0.00
13	Ms. Nirmala Aggarwal	20	0.00
14	Mr. Rajesh Kukreja	20	0.00
15	Mr. R.C. Garg	10	0.00
16	SRS Realbuild Private Limited	68,440	7.90
17	SRS Components (India) Limited (Formerly known as SRS Educational Institutions Private Limited)	38,076	4.40
18	SRS Facilities Private Limited	41,404	4.78
19	SRS Promoters Private Limited	40,310	4.65
20	SRS Developers Private Limited	49,489	5.71
21	SRS Heights Private Limited	53,500	6.17
22	Mr. Suresh Arora	44,425	5.13
23	Mr. Ajay Mangla	27,600	3.18
24	Ms. Chhaya Dhawan	47,756	5.51
25	Mr. Vikas Sharma	45,010	5.20
26	Mr. Rakesh Kumar Aggarwal	3,660	0.42
27	Mr. Rattan Singh	40,810	4.71
28	SRS Communications Private Limited	31,000	3.58
29	SRS Realtech Private Limited	3,100	0.36
30	Mr. Deepak Garg	400	0.05
31	Mr. Gopal Kumar Bansal	400	0.05
32	Mr. Manish Gupta	1,800	0.21
33	Mr. S.L. Aggarwal	1,220	0.14
34	Ms. Sukesh Gupta	1,200	0.14
35	Ms. Vandana Gupta	800	0.09
36	Mr. Tej Singh	42,406	4.89
37	Mr. Balraj	37,670	4.35
38	Mr. Ashok Kumar Jindal	1,111	0.13
39	Mr. Sunil Kumar Karhana	882	0.10
40	SRS Finance Ltd.	81,937	9.45
41	BTL Investments & Securities Ltd.	5,060	0.58
42	SRS Commercial Co. Ltd.	12,190	1.41
43	SRS Computech Ltd.	3,700	0.43
44	SRS News Ltd.	12,100	1.39
45	SRS Portfolio Ltd.	2,380	0.27
46	SRS Professional Services Ltd.	14,195	1.64
	Total	866,686	100.00

23) SRS Infrabuild Private Limited

SRS Infrabuild Private Limited (“SRS Infrabuild”) was incorporated vide Certificate of Incorporation dated February 22, 2007. The Corporate Identity Number of SRS Infrabuild is U70102DL2007PTC159603.

The main objects of SRS Infrabuild include the business of purchase, acquire, take on lease any land / building and to develop etc. and other real estate activities.

Detail of the Board of Directors of SRS Infrabuild as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Nanak Chand
2. Mr. Murari Lal

Details of shareholding pattern of SRS Infrabuild as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Sanjay Mangla	5,433	1.55
2	Mr. Nanak Chand Tayal	5,000	1.43
3	Mrs. Toshi Bansal	525	0.15
4	Mrs. Saroj Goel	17,500	5.00
5	Mr. Dinesh Kumar Khatri	11,780	3.37
6	Mrs. Rekha Khatri	22,000	6.29
7	Mr. Suresh Bansal	3,310	0.95
8	Mrs. Sanjana Bansal	4,675	1.34
9	Mr. Deepak Mangla	5,992	1.71
10	SRS Facilities Private Limited	20,465	5.85
11	SRS Seven Dayz Restaurants Limited	61,357	17.53
12	SRS Infrastructure Limited	20,826	5.95
13	SRS IT Solutions Private Limited	33,030	9.44
14	Mr. Kailash Mohan Mehta	9,850	2.81
15	Mr. Brijesh Kumar	10,200	2.91
16	Mr. Gaurav	100	0.03
17	SRS Realbuild Private Limited	12,105	3.46
18	Mr. Saurav	25,000	7.14
19	Mr. Chunni Lal	24,000	6.86
20	BTL Investments & Securities Ltd.	200	0.06
21	SRS Heights Pvt. Ltd.	40,791	11.66
22	SRS Promoters Pvt. Ltd.	15,800	4.51
	Total	349,939	100.00

24) SRS Mines & Minerals Ltd.

SRS Mines & Minerals Ltd. (“SRSMML”) was incorporated as SRS Admark Limited vide Certificate of Incorporation dated November 18, 2005. Subsequently its name was changed to its present name vide fresh Certificate of Incorporation dated March 31, 2010. It was issued Certificate for Commencement of Business on December 15, 2005. The Corporate Identity Number of SRSMML is U14211DL2005PLC142701.

The main objects of SRSMML include the business of purchasing, taking on lease, sub leasing any lands, premises, mines, mining ground and also to carry on the business of mining, smelting, crashing & refining.

Detail of the Board of Directors of SRSMML as on date of filing of this Red Herring Prospectus is as under–

1. Mr. Bishan Bansal
2. Mr. Raju Bansal

3. Mr. Rajesh Mangla

Details of shareholding pattern of SRSML as on date of filing of this Red Herring Prospectus are as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Rajesh Mangla	15,000	4.58
2.	Mr. Girraj Singh Jindal	7,000	2.14
3.	Mr. Ashok Jindal	24,040	7.34
4.	SRS Communications Pvt. Ltd.	31,200	9.52
5.	SRS Realtech Pvt. Ltd.	24,559	7.49
6.	SRS Infrabuild Pvt. Ltd.	15,275	4.66
7.	Mr. Parveen Kumar	16,160	4.93
8.	Mr. Sushil Kumar	15,650	4.78
9.	SRS IT Solutions Private Limited	1,190	0.36
10.	SRS Finance Limited	71,666	21.87
11.	SRS Developers Pvt. Ltd.	24,450	7.46
12.	SRS Promoters Pvt. Ltd.	5,000	1.53
13.	SRS Commercial Company Ltd.	35,310	10.77
14.	SRS Tours & Travels Pvt. Ltd.	14,720	4.49
15.	SRS Portfolio Ltd.	26,500	8.08
	Total	327,720	100.00

25) SRS Tours and Travels Private Limited

SRS Tours and Travels Private Limited (“SRS Tours”) was incorporated *vide* Certificate of Incorporation dated March 15, 2007. The Corporate Identity Number of SRS Tours is U63040DL2007PTC160515.

The main objects of SRS Tours include the business of acting as tourist and travel agent, transport agents, to provide for provision of conveniences of all types, by way of documentation, issuance of tickets, reserved places, hotels and lodging accommodations, guides, baggage transport or otherwise, etc.

Detail of the Board of Directors of SRS Tours as on date of filing of this Red Herring Prospectus is as under–

1. Mr. Ashok Kumar Jindal
2. Mr. Bhagwan Dass

Details of shareholding pattern of SRS Tours as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Nanak Chand Tayal	500	0.53
2	Ms. Sunita Mangla	1100	1.16
3	Mr. Deepak Mangla	650	0.69
4	Mr. Suresh Bansal	450	0.47
5	Mr. Dinesh Kumar Khatri	1100	1.16
6	Ms. Rekha Khatri	1200	1.27
7	Mrs. Suman Bansal	600	0.63
8	Ms. Sanjana Bansal	500	0.53
9	Mrs. Sudha Gupta	400	0.42
10	Mr. Nanak Chand Bansal	1100	1.16
11	Mr. Sanjay Mangla	1100	1.16
12	Mr. Sanjay Singla	800	0.84
13	Mr. Ashok Jindal	500	0.53
14	SRS Realbuild Private Limited	18080	19.08

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
15	SRS Superb Marktrade Limited	27,042	28.54
16	Mr. Nand Kishore Goyal	3430	3.62
17	Ms. Sapna Tayal	4000	4.22
18	SRS Facilities Pvt. Ltd.	14,135	14.92
19	SRS International Ltd.	2,913	3.07
20	SRS News Ltd.	14,600	15.41
21	BTL Investments & Securities Limited	550	0.58
	Total	94,750	100.00

26) SRS Movies Private Limited

SRS Movies Private Limited (“**SRSMP**”) was incorporated *vide* Certificate of Incorporation dated June 1, 2005. The Corporate Identity Number of SRSMP is U92120DL2005PTC137033.

The main objects of SRSMP include the business of production of films, television programmes, news and allied works etc.

Detail of the Board of Directors of SRSMP as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Ashok Kumar Jindal
2. Mr. Murari Lal Jindal

Details of shareholding pattern of SRSMP as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Rajesh Mangla	5,000	0.78
2.	SRS IT Solutions Private Limited	127,356	19.87
3.	SRS International Limited	74,650	11.64
4.	SRS Superb Marktrade Limited	20,980	3.27
5.	Mr. Murari Lal Jindal	5,000	0.78
6.	SRS Components (India) Limited (Formerly known as SRS Educational Institutions Private Limited)	20,000	3.12
7.	SRS Tours & Travels Private Limited	25,350	3.95
8.	SRS Computech Limited	43,860	6.84
9.	Mr. Ashok Jindal	6,782	1.06
10.	Mr. Raju Bansal	18,500	2.89
11.	Mr. Suresh Bansal	6,671	1.04
12.	Ms. Kanta Bansal	61,259	9.56
13.	SRS Events & Media Limited	37,937	5.93
14.	Mrs. Toshi Bansal	2,024	0.32
15.	Mr. Sanjay Singla	5,140	0.80
16.	Mr. Sushil Singla	4,650	0.73
17.	SRS Mines & Minerals Limited	20,725	3.23
18.	SRS Communications Private Limited	21,620	3.37
19.	SRS Realbuild Private Limited	17,464	2.72
20.	SRS Realtech Pvt. Ltd.	48,236	7.52
21.	SRS Portfolio Ltd.	21,500	3.35
22.	BTL Investments & Securities Ltd.	22,899	3.57
23.	SRS Buildcon Pvt. Ltd.	23,449	3.66
	Total	641,052	100.00

27) SRS Buildcon Private Limited

SRS Buildcon Private Limited (“SRSBPL”) was incorporated *vide* Certificate of Incorporation dated March 4, 2005. The Corporate Identity Number of SRSBPL is U45201DL2005PTC133607.

The main objects of SRSBPL include the business of purchase, acquire, take on lease any land / building and to develop etc. and other real estate activities.

The Board of Directors of SRSBPL as on date of filing of this Red Herring Prospectus are: -

1. Mr. Raju Bansal
2. Mr. Rajesh Singla
3. Mr. Suresh Bansal

Shareholding Pattern of SRSBPL as on date of filing of this Red Herring Prospectus is as under:

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Ms. Indrawati Bansal	5,660	0.53
2.	Mr. Suresh Bansal	46,940	4.36
3.	Mr. Murari Lal Jindal	49,800	4.64
4.	Mr. Nanak Chand Tayal	48,192	4.48
5.	Mr. Rajesh Singla	49,890	4.64
6.	Mr. Ashok Jindal	35,920	3.34
7.	Mr. Sushil Singla	92,760	8.63
8.	Ms. Kanta Bansal	39,894	3.71
9.	Ms. Suman Bansal	17,640	1.64
10.	Ms. Toshi Devi Bansal	56,190	5.23
11.	Mr. Sanjay Singla	34,720	3.22
12.	Ms. Sanjana Bansal	28,605	2.66
13.	Mr. P.L. Goyal	1	0.00
14.	Ms. Kamlesh Goyal	5	0.00
15.	Mr. Satish Chand	5	0.00
16.	SRS Superb Marktrade Limited	15,714	1.46
17.	SRS Communications Private Limited	28,516	2.65
18.	SRS IT Solutions Private Limited	69,498	6.46
19.	SRS Commercial Company Limited	43,393	4.04
20.	SRS Events & Media Limited	103,709	9.65
21.	SRS International Limited	27,912	2.60
22.	SRS Realtech Private Limited	31,760	2.95
23.	SRS Tours & Travels Private Limited	33,166	3.08
24.	SRS Computech Limited	58,963	5.48
25.	SRS Realbuild Private Limited	37,854	3.52
26.	SRS Facilities Private Limited	24,345	2.26
27.	SRS Seven Dayz Restaurants Ltd.	280	0.03
28.	SRS Developers Pvt. Ltd.	5,063	0.47
29.	SRS Components (India) Limited (Formerly known as SRS Educational Institutions Pvt. Ltd.)	7,600	0.71
30.	SRS Infracon Ltd.	7,100	0.66
31.	SRS Portfolio Ltd.	73,809	6.86
32.	BTL Investments & Securities Ltd.	436	0.04
	Total	1,075,340	100.00

28) SRS Heights Private Limited

SRS Heights Private Limited (“SRS Heights”) was originally incorporated *vide* Certificate of Incorporation dated November 22, 2006 under the name ‘SRS Jyotisuper Infrastructure Private Limited’. The name of

SRS Heights was subsequently changed to its present name *vide* Certificate of Incorporation dated January 31, 2008. The Corporate Identity Number of SRS Heights is U45200DL2006PTC155783.

The main objects of SRS Heights include the business of purchasing, acquiring, taking on lease any land, buildings and structures and to develop, dispose off or maintain the same, build townships, markets, commercial complexes, to act as commission agents and dealers in farm, land, building whether commercial or residential.

Detail of the Board of Directors of SRS Heights as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Nanak Chand Tayal
2. Mr. Rajesh Singla

Details of shareholding pattern of SRS Heights as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Rajesh Mangla	5,600	2.83
2.	Mr. Suresh Bansal	5,882	2.98
3.	Ms. Suman Bansal	7,400	3.75
4.	Ms. Mamta Singla	2,416	1.22
5.	Mr. Sushil Singla	1,200	0.61
6.	Ms. Sanjana Bansal	600	0.30
7.	Mr. Praveen Singla	1,100	0.56
8.	Mr. Sanjay Singla	5,600	2.83
9.	Ms. Sakshi Singla	750	0.38
10.	Mr. Rajesh Singla	5,500	2.78
11.	Mr. Nanak Chand Tayal	3,000	1.52
12.	Mr. Amir Chand	10	0.01
13.	Mr. Krishna Kumar Khanna	20	0.01
14.	Mr. Dr. S.K. Garg	20	0.01
15.	Mr. Bharat Bhushan	200	0.10
16.	Ms. Darshan Chhabra	400	0.20
17.	Mr. Dinesh Kumar Nagal	2,000	1.01
18.	Mr. Parmod Gupta	600	0.30
19.	Mr. Rattan Kumar Garg	6,600	3.34
20.	Mr. Himanshu Jain	1,000	0.51
21.	Mr. Rajeev Chandila	1,000	0.51
22.	Mr. Sanjay Mittal	3,500	1.77
23.	Ms. Savitri Devi	1,000	0.51
24.	Ms. Sharda Devi	500	0.25
25.	Mr. Somnath Chhabra	400	0.20
26.	Ms. Sudha Gupta	400	0.20
27.	Mr. Sumit Garg	400	0.20
28.	Mr. Sunil Kumar	3,000	1.52
29.	Mr. Vinod Garg	2,750	1.40
30.	Mr. Kailash Chand Singla	2,400	1.21
31.	Ms. Vinita Singla	248	0.13
32.	SRS Facilities Private Limited	46,218	23.40
33.	SRS Promoters Pvt. Ltd.	16,214	8.21
34.	SRS Professional Services Ltd.	29,069	14.72
35.	SRS Developers Pvt. Ltd.	19,700	9.97
36.	SRS Superb Marktrade Ltd.	20,845	10.55
	Total	197,542	100.00

29) SRS Entertainment Limited

SRS Entertainment Limited (“SRS Entertainment”) was incorporated *vide* Certificate of Incorporation dated November 18, 2009. It was issued the certificate for commencement of business on December 10, 2009. The Corporate Identity Number of SRS Entertainment is U52100DL2009PLC196143.

The main objects of SRS Entertainment include the business of all kinds of entertainment, running and managing the multiplex, Cinema halls, open / digital theatres, stage programmes, restaurants, bar, cafe, discotheques, club, gymnasium, swimming pool, amusement parks, children games and sports center, video game parlor, casino, hotels, holiday resorts, beauty parlor & saloon, recreational & sports activities, banquet halls, marriage home, departmental store, auditorium and all other activities required for running the business of multiplex.

Detail of the Board of Directors of SRS Entertainment as on date of filing of this Red Herring Prospectus is as under –

1. Dr. Anil Jindal
2. Mr. Sunil Jindal
3. Mr. Vinod Jindal
4. Mr. Jyoti Prakash Gadia

Details of shareholding pattern of SRS Entertainment as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Dr. Anil Jindal	8,000	16.00
2.	Ms. Shashi Jindal	7,000	14.00
3.	Mr. Vinod Jindal	7,000	14.00
4.	Ms. Ritu Jindal	7,000	14.00
5.	Mr. Sunil Jindal	7,000	14.00
6.	Ms. Shalini Jindal	7,000	14.00
7.	Mr. Rajesh Mangla	7,000	14.00
	Total	50,000	100.00

30) SRS Value Bazaar Limited

SRS Value Bazaar Limited (“SRS Value Bazaar”) was incorporated *vide* Certificate of Incorporation dated November 19, 2009. It was issued the Certificate for Commencement of Business on December 10, 2009. The Corporate Identity Number of SRS Value Bazaar is U52100DL2009PLC196194.

The main objects of SRS Value Bazaar include the business of establishing, running of departmental stores, value Bazaars, retail and wholesale trading units.

Detail of the Board of Directors of SRS Value Bazaar as on date of filing of this Red Herring Prospectus is as under –

1. Dr. Anil Jindal
2. Mr. Sunil Jindal
3. Mr. Vinod Jindal

Details of shareholding pattern of SRS Value Bazaar as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Dr. Anil Jindal	8,000	16.00
2.	Mr. Sunil Jindal	7,000	14.00
3.	Mr. Vinod Jindal	7,000	14.00

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
4.	Ms. Shashi Jindal	7,000	14.00
5.	Ms. Shalini Jindal	7,000	14.00
6.	Ms. Ritu Jindal	7,000	14.00
7.	Mr. Raju Bansal	7,000	14.00
	Total	50,000	100.00

31) SRS Retail Limited

SRS Retail Limited (“SRS Retail”) was incorporated *vide* Certificate of Incorporation dated November 18, 2009. It was issued the certificate for commencement of business on December 10, 2009. The Corporate Identity Number of SRS Retail is U52100DL2009PLC196141.

The main objects of SRS Retail include the business of opening, managing, operating, franchising and running departmental stores and to carry on the business as whole-sellers, retailers, general order suppliers, contractors, importers, exporters, stockiest, buyers, sellers, manufacturers, agents, brokers, commission & consignment agents and dealers of various types of items.

Detail of the Board of Directors of SRS Retail as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Sunil Jindal
2. Mr. Raju Bansal
3. Mr. Sushil Kumar

Details of shareholding pattern of SRS Retail as on date of filing of this Red Herring Prospectus as under:

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Sunil Jindal	8,000	16.00
2.	Mr. Raju Bansal	7,000	14.00
3.	Mr. Sushil Kumar	7,000	14.00
4.	Ms. Shalini Jindal	7,000	14.00
5.	Ms. Sanjana Bansal	7,000	14.00
6.	Ms. Seema Singla	7,000	14.00
7.	Mr. Rajesh Singla	7,000	14.00
	Total	50,000	100.00

32) SRS Computech Limited

SRS Computech Limited (“SRS Comp”) was originally incorporated *vide* Certificate of Incorporation dated March 4, 2005 under the name ‘SRS Computech Private Limited’. On conversion to Public Limited Company, the name of SRS Comp was changed into ‘SRS Computech Limited’ *vide* Certificate of Incorporation dated December 16, 2008. The Corporate Identity Number of SRS Comp is U72200DL2005PLC133606.

The main objects of SRS Comp include the business of maintenance, repair and reconditioning of all types of software and hardware computers data processing, equipments, and to deal in all types of computers, mini computers, computer peripherals, calculators and data processing machines and internet services etc.

Detail of the Board of Directors of SRS Comp as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Bishan Bansal
2. Mr. Girraj Singh Jindal
3. Mr. Vinod Jindal

Details of shareholding pattern of SRS Comp as on date of filing of this Red Herring Prospectus is as under—

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Bishan Bansal	5,000	0.65
2	Mr. Dinesh Kumar Khatri	60,996	7.91
3	Mrs. Suman Bansal	25,000	3.24
4	Mrs. Seema Singla	9,675	1.25
5	Ms. Sapna Tayal	32,000	4.15
6	Ms. Sanjana Bansal	31,159	4.04
7	Ms. Sudha Gupta	4,494	0.58
8	Mr. Pramod Mangla	23,520	3.05
9	SRS Developers Private Limited	33,350	4.33
10	SRS Facilities Private Limited	22,801	2.96
11	SRS Promoters Private Limited	31,880	4.14
12	SRS Realbuild Private Limited	61,160	7.93
13	Mr. Suresh Bansal	14,270	1.85
14	SRS Seven Dayz Restaurants Limited	11,600	1.50
15	Mr. Kapil Aggarwal	28,488	3.70
16	Mr. Lalit Bansal	4,610	0.60
17	Mr. Ravinder Kumar Garg	21,650	2.81
18	Mr. Shalender Kumar Garg	12,976	1.68
19	Mr. Praveen Tayal	14,380	1.87
20	Mr. Karamveer Singh	64,376	8.35
21	SRS Heights Private Limited	59,972	7.78
22	SRS News Limited	26,679	3.46
23	Mr. Anil Kumar Mittal	45,600	5.91
24	Mr. Rajiv Chandila	15,700	2.04
25	SRS Realtech Private Limited	16,875	2.19
26	Mr. Girraj Singh	800	0.10
27	Ms. Tanvi Dogra	200	0.03
28	Mr. Yogesh Kumar	3,158	0.41
29	SRS Mines & Minerals Limited	19,507	2.53
30	Mr. Deepak Mangla	11,839	1.54
31	SRS Finance Ltd.	57,238	7.42
	Total	770,953	100.00

33) SRS News Limited

SRS News Limited (“SRS News”) was incorporated *vide* Certificate of Incorporation dated March 18, 2008. It was issued the Certificate for Commencement of Business on March 29, 2008. The Corporate Identity Number of SRS News is U92200DL2008PLC175516.

The main objects of SRS News include the business of production, distribution, exhibition, designing and direction of films, T.V. programmes, shows, teleplays, news, current affairs, sound studio, shooting studio, Magazines, Articles, Newspaper and allied works by all means of mass communication.

Detail of the Board of Directors of SRS News as on date of filing of this Red Herring Prospectus is as under—

1. Mr. Ashok Kumar Jindal
2. Mr. Murari Lal
3. Mr. Vinod Jindal

Details of shareholding pattern of SRS News as on date of filing of this Red Herring Prospectus is as under-

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1	Mr. Rajesh Mangla	2,500	1.30
2	Mr. Bishan Bansal	2,000	1.04
3	Mr. Raju Gupta	2,000	1.04
4	Mr. Raju Bansal	2,000	1.04
5	Ms. Sunita Mangla	4,500	2.35
6	Mr. Deepak Mangla	5,000	2.61
7	Mr. Lalit Bansal	4,500	2.35
8	Mr. Suresh Bansal	2,000	1.04
9	Ms. Kanta Bansal	4,500	2.35
10	Mr. Nanak Chand Tayal	4,500	2.35
11	Mr. Nanak Chand Bansal	2,500	1.30
12	Ms. Sanjana Bansal	4,500	2.35
13	Ms. Mamta Singla	2,500	1.30
14	Mr. Sushil Singla	2,500	1.30
15	Mr. Rajesh Singla	2,500	1.30
16	Ms. Rekha Khatri	2,000	1.04
17	Mr. Bobby Goyal	6,540	3.41
18	Mr. Rajiv Chandila	14,010	7.31
19	Mr. Anurag Aggarwal	14,000	7.31
20	SRS Commercial Company Limited	18,624	9.72
21	SRS Facilities Private Limited	16,136	8.42
22	SRS Heights Private Limited	21,455	11.21
23	SRS Infrastructure Limited	15,760	8.22
24	Mr. Brijesh Kumar	14,600	7.62
25	Mr. Gaurav	1,280	0.67
26	Mr. Saurav	3,600	1.88
27	Mr. Sudhir	300	0.16
28	Mr. Gajender	1,340	0.70
29	SRS Finance Ltd.	14,000	7.31
	Total	191,645	100.00

34) SRS Meditech Limited

SRS Meditech Limited ("SRS ML") was originally incorporated vide Certificate of Incorporation dated June 28, 2010 under. The Corporate Identity Number of SRS I-tech is U33110HR2010PLC040788.

The main objects of SRSML include the business of traders, importers, exporters, research and development and to act as principal agent in ampoules vials injections needles etc.

Detail of the Board of Directors of SRSML as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Praveen Kumar Kapoor
2. Mr. Rakesh Walia
3. Mr. Syed Mazahir Askari

Details of shareholding pattern of SRSML as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Horizon Rubber Products Limited	36,418	33.58
2.	Mr. Praveen Kumar Kapoor	7,143	6.59
3.	Jitender Kumar	7,143	6.59
4	Dr. Anil Jindal	7,143	6.59

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
5	Mr. Rakesh Walia	21,713	20.03
6	Mr. Syed Mazahir Askari	21,713	20.03
7	Mr. Syed Zain Askari Zaidi	7,142	6.59
	Total	108,415	100.00

35) SRS Infracon Limited

SRS Infracon Limited (“SRSIL”) was incorporated *vide* Certificate of Incorporation dated October 10, 2005. The Corporate Identity Number of SRSIL is U45201DL2005PLC141648. It was issued Certificate of Commencement of Business on November 18, 2005.

The Main Objects of SRSIL are purchasing, acquiring, taking on lease any land, buildings and structures and to develop, dispose off or maintain the same, build townships, markets, commercial complexes, to act as commission agents and dealers in farm, land, building whether commercial or residential.

The Board of Directors of SRSIL as on date of filing of this Red Herring Prospectus are: -

1. Mr. Vinod Jindal
2. Mr. Murari Lal
3. Mr. Bhagwan Dass

Shareholding Pattern of SRSIL as on date of filing of this Red Herring Prospectus is as under –

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Murari Lal	21,450	2.80
2.	Mr. Rajesh Mangla	21,500	2.81
3.	Mr. Raju Gupta	47,465	6.20
4.	Mr. Sanjay Singla	30,250	3.95
5.	Mr. Sushil Kumar	23,075	3.01
6.	Mr. Dinesh Kumar Khatri	13,880	1.81
7.	Ms. Laxmi Gupta	65,457	8.55
8.	Ms. Rekha Khatri	6,665	0.87
9.	Ms. Sunita Mangla	21,404	2.80
10.	SRS Computech Ltd.	95,447	12.47
11.	SRS Professional Services Limited	1,650	0.22
12.	SRS Events & Media Limited	44,301	5.79
13.	SRS Facilities Private Limited	60,145	7.86
14.	SRS Realtech Private Limited	39,999	5.22
15.	SRS Developers Private Limited	43,215	5.64
16.	SRS Promoters Private Limited	19,450	2.54
17.	SRS Realbuild Private Limited	12,155	1.59
18.	SRS IT Solutions Private Limited	6,726	0.87
19.	SRS Seven-Dayz Restaurants Limited	46,752	6.11
20.	SRS Superb Marktrade Limited	3,450	0.45
21.	SRS Mines & Minerals Limited	65,600	8.57
22.	SRS Communications Private Limited	16,400	2.14
23.	SRS International Ltd.	8,464	1.11
24.	SRS Portfolio Ltd.	37,320	4.87
25.	BTL Investments & Securities Ltd.	13,440	1.75
	Total	765,660	100.00

36) SRS Commercial Company Limited

SRS Commercial Company Limited (“SRSCCL”) was originally incorporated *vide* Certificate of Incorporation dated March 15, 2007 under the name ‘SRS Commercial Company Private Limited’. On conversion to Public Limited Company, the name of SRSCCL was changed into ‘SRS Commercial Company Limited’ *vide* fresh Certificate of Incorporation dated September 3, 2007. The Corporate Identity Number of SRSCCL is U18101DL2007PLC160516.

The main objects of SRSCCL include the business of buyers, sellers, importers, exporters, brokers, commission agents, consultants and distributors of all types of products

Detail of the Board of Directors of SRSCCL as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Ashok Kumar Jindal
2. Mr. Nanak Chand
3. Mr. Murari Lal

Details of shareholding pattern of SRSCCL as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Ms. Rekha Khatri	2,000	0.68
2.	Mr. Ashok Kumar Jindal	3,750	1.27
3.	Mr. Murari Lal	385	0.13
4.	SRS Professional Services Limited	20,342	6.88
5.	SRS Tours & Travels Private Limited	29,945	10.12
6.	SRS Superb Marktrade Limited	41,981	14.19
7.	Mr. Nand Kishore Goyal	10,884	3.68
8.	Ms. Sapna Tayal	13,050	4.41
9.	SRS Mines & Minerals Limited	31,540	10.66
10.	SRS Events & Media Limited	40,974	13.85
11.	SRS Facilities Private Limited	31,000	10.48
12.	Ms. Gayatri Garg	16,000	5.41
13.	Mr. Gautam Singhal	5,256	1.78
14.	Ms. Radhika Garg	1,467	0.50
15.	Mr. Yogesh Kumar	9,282	3.14
16.	SRS Infracon Limited	13,661	4.62
17.	SRS Finance Limited	8688	2.94
18.	SRS Heights Pvt. Ltd.	15,305	5.17
19.	SRS Realtech Pvt. Ltd.	300	0.10
	Total	295,810	100.00

SRSCCL has not been declared a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 and is not under winding up.

37) SRS Seven - Dayz Restaurants Limited

SRS Seven – Dayz Restaurants Limited (“SRS Restaurant”) was originally incorporated as “Seven-Dayz Restaurants Private Limited’ *vide* Certificate of Incorporation dated August 20, 2004. The name of SRS Restaurant was then changed to ‘SRS Seven-Dayz Restaurants Private Limited’ *vide* Certificate of Incorporation dated January 17, 2007. On conversion to Public Limited Company, the name of SRS Restaurant was subsequently changed to its present name *vide* Certificate of Incorporation dated February 9, 2007. The Corporate Identity Number of SRS Restaurant is U55201DL2004PLC128509.

The main objects of SRS Restaurant include the business of restaurants, cafes, food plazas, fast food joints, refreshment rooms, bakeries and confectionery outlet, etc in India & abroad.

Detail of the Board of Directors of SRS Restaurant as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Sunil Jindal
2. Mr. Raju Bansal
3. Mr. Dinesh Kumar Khatri

Details of shareholding pattern of SRS Restaurant as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Mr. Raju Bansal	2,488	0.36
2.	Mr. Suresh Bansal	7,000	1.00
3.	Ms. Sanjana Bansal	8,318	1.19
4.	SRS Promoters Private Limited	39,350	5.62
5.	SRS Realbuild Private Limited	58,320	8.33
6.	SRS Commercial Company Limited	93,525	13.35
7.	SRS International Limited	41,850	5.97
8.	SRS News Limited	80,083	11.43
9.	SRS Professional Services Limited	40,780	5.82
10.	Mr. Rakesh Kumar Aggarwal	22,166	3.16
11.	Ms. Seema Aggarwal	23,800	3.40
12.	Mr. Monu Goyal	29,790	4.25
13.	Mr. Rattan Singh	15,612	2.23
14.	Ms. Rajni Chandila	23,487	3.35
15.	Mr. Sachin Goyal	4,104	0.59
16.	Mr. Vinay Goyal	41,050	5.86
17.	Mr. Balraj	8,225	1.17
18.	Mr. Sunil Kumar Karhana	10,000	1.43
19.	SRS Portfolio Limited	41,670	5.95
20.	Mr. Ashok Kumar Jindal	14,000	2.00
21.	Mr. Parmod Kumar	15,300	2.18
22.	Mrs. Ram Murti	1,710	0.24
23.	Mr. Girish Agarwal	158	0.02
24.	Mr. Sudhir	4,068	0.58
25.	SRS Superb Marktrade Limited	38,098	5.44
26.	BTL Investments & Securities Ltd.	35,575	5.08
	Total	700,527	100.00

38) SRS Infrastructure Limited

SRS Infrastructure Limited (“SRS Infrastructure”) was incorporated *vide* Certificate of Incorporation dated March 2, 2007. It was issued the Certificate for Commencement of Business on March 24, 2007. The Corporate Identity Number of SRS Infrastructure is U70102DL2007PLC160033.

The main objects of SRS Infrastructure includes the business of real estate promoters and developers etc.

Detail of the Board of Directors of SRS Infrastructure as on date of filing of this Red Herring Prospectus is as under –

1. Mr. Bishan Bansal
2. Mr. Nanak Chand
3. Mr. Sushil Kumar

Details of shareholding pattern of SRS Infrastructure as on date of filing of this Red Herring Prospectus is as under–

Sr. No.	Particulars	No. of Equity Shares @ Rs.10/- each	Shareholding (%)
1.	Ms. Seema Singla	8,000	5.57
2.	Mr. Dinesh Goel	8,000	5.57
3.	Ms. Lakshmi Gupta	8,000	5.57
4.	Ms. Sunita Mangla	6,000	4.18
5.	Mr. Bishan Bansal	4,000	2.79
6.	Mr. Nanak Chand Tayal	8,000	5.57
7.	Mr. Rajesh Singla	8,000	5.57
8.	Mr. Bobby Goyal	10,200	7.11
9.	Mr. Rajiv Chandila	62	0.05
10.	Mr. Anurag Agarwal	6,010	4.19
11.	Mr. Brijesh Kumar	1,274	0.89
12.	Mr. Gaurav	2,600	1.81
13.	Mr. Saurav	10,600	7.39
14.	SRS Finance Limited.	10,000	6.97
15.	BTL Investments & Securities Ltd.	635	0.44
16.	SRS Developers Pvt. Ltd.	38,054	26.51
17.	SRS Events & Media Ltd.	14,100	9.82
	Total	143,535	100.00

Other Information

Disassociation by the Promoter in the last three years

There has been no disassociation by the Promoter in the last three years, except as stated hereinunder:

Name of Promoter	Name of Entity	Date of Dis-association	Reason for Dis-association
Mr. Sunil Jindal	SRS Cinemas Limited	December 12, 2009	Sale of shareholding
Mr. Sunil Jindal	SRS Iron & Alloys Limited	March 16, 2009	Resignation from the Board
Dr. Anil Jindal	SRS Iron & Alloys Limited	March 16, 2009	Resignation from the Board
Dr. Anil Jindal	SRS Power Projects Private Limited	March 9, 2009	Resignation from the Board
Mr. Bishan Bansal	SRS Iron & Alloys Limited	March 16, 2009	Resignation from the Board

Dr. Anil Jindal, Mr. Sunil Jindal, Mr. Raju Bansal and Mr. Bishan Bansal were not involved in any of the litigation / disputed matters during their association with the aforesaid Companies as Promoters / Directors.

Litigation

For the detail of litigations pending against the Promoters and Promoter Group, please refer Chapter “**Outstanding Litigations and Material Developments**” on page 320 of this Red Herring Prospectus.

Related Party Transactions

For further details on related party transactions, see the Annexure V of the “Financial information” at page 198 of this Red Herring Prospectus.

DIVIDEND POLICY

Dividends other than interim dividends will be declared at the Annual General Meeting of shareholders based on the recommendations of the Board of Directors. The Board may, at its discretion, recommend dividends to be paid to the Company's shareholders. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividends include, without limitation, company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions. The Board may also from time to time pay interim dividends. All dividend payments are made in cash to the shareholders of the Company.

The Company was incorporated on August 29, 2000, but began commercial operations on October 22, 2004. Due to this, the Company has not declared dividend in the past. However, this is not an indicative of future Company policy for dividend declaration. Any future declaration of dividends is subject to availability of profits and other financial and economic considerations.

FINANCIAL INFORMATION

Auditors' Report on Restated Consolidated Financial Information

To,

The Board of Directors
SRS Limited,
 SRS Multiplex, City Centre,
 Sector-12,
Faridabad – 121007.

Dear Sirs,

1. We have examined the attached Consolidated Restated financial information of **SRS Limited** ('the Company') and its subsidiary SRS Jewells Limited as approved by the Board of Directors of the Company, prepared in terms of requirements of paragraph B of Part II of Schedule II to the Companies Act, 1956, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date and in terms of our engagement agreed upon with you in accordance with our engagement letter dated May 5, 2011 in connection with the proposed issue of equity shares of the company.
2. These financial information have been extracted by the management from the financial statements for the year ended 31 March 2011. We did not audit the financial statements of SRS Jewells Limited, Subsidiary, whose financial statements reflect total assets of Rs. 51.52 Lacs as at 31st March 2011 and the total revenues of Rs. 70.68 Lacs and the net cash inflows amounting to Rs. 9.81 Lacs for the year ended on that date. These financial statements have been audited by another firm M/s Naresh Jai and Associates, Chartered Accountants whose report has been furnished to us and our opinion in so far as it relates to the amounts included in these Consolidated Restated Summary Statement of assets and liabilities, Consolidated Restated summary statement of Profit and Loss Account and Consolidated Restated Statement of Cash Flow are based solely on the report of the other auditor.
3. In accordance with the requirements of Paragraph B of Part II of Schedule II to the Companies Act, 1956, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Guidance Note issued in this regard by the Institute of Chartered Accountants of India, as amended from time to time, and in terms of our engagement agreed with you, we report that:
 - i) The Consolidated summary statement of assets and liabilities of the Company and its subsidiary, as restated, for the financial year as at 31 March 2010 and 31 March 2011 as set out in Annexure I to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.
 - ii) The Consolidated summary statement of profits and losses of the Company and its subsidiary, as restated, for the financial year as at 31 March 2010 and 31 March, 2011 as set out in Annexure II to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.
 - iii) The Consolidated statement of cash flows of the Company and its subsidiary, as restated, for the financial year as at 31 March 2010 and 31 March 2011 as set out in Annexure III to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.
 - iv) Based on above and also as per the reliance placed on the report submitted by other auditor Naresh Jai and Associates, Chartered Accountants for subsidiary for the respective year, we confirm that the restated financial information, prepared by the management and approved by the Board of

Directors relating to Company and its subsidiary, have been made after incorporating the following:

- a. the impact of correction / changes in accounting policies have been adjusted with retrospective effect in the respective financial years to which they relate, to reflect the same accounting treatment as per changed / corrected accounting policy for all the reporting periods;
 - b. material amounts relating to previous years have been adjusted in the restated financial information in the respective financial years to which they relate;
 - c. there are no extraordinary items which need to be disclosed separately in the restated financial information;
 - d. there are no qualifications/emphasis in the auditors' report which require any corrective adjustments in the restated financial statements as disclosed in Note- F of Annexure IV.
4. We have also examined the following consolidated other financial information set out in annexure prepared by the management and approved by the board of directors relating to the company and its subsidiary for the year ended 31 March 2010 and 31 March 2011:
- i) Statement of Related Parties Transactions as appearing in Annexure V to this report;
 - ii) Accounting Ratios as appearing in Annexure VI to this report;
 - iii) Capitalization Statement as appearing in Annexure VII to this report;
 - iv) Statement of Secured Loans as appearing in Annexure VIII to this report;
 - v) Statement of Unsecured Loans as appearing in Annexure IX to this report;
 - vi) Statement of Sundry Debtors as appearing in Annexure X to this report;
 - vii) Details of Other Current Assets as appearing in Annexure XI to this report
 - viii) Details of Loans and Advances as appearing in Annexure XII to this report;
 - ix) Details of Other Income as appearing in Annexure XIII to this report;
 - x) Statement showing rates and amount of Dividend as appearing in Annexure XIV to this report.

In our opinion, the above financial information of the Company and its subsidiary read with Significant Accounting Policies and Notes appearing in Annexure IV to this report after making adjustments and regrouping as considered appropriate and as set out in Annexure IV to this report have been prepared in accordance with Paragraph B, Part II of Schedule II to the Companies Act, 1956, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and the Guidance Notes issued in this regard by the Institute of Chartered Accountants, as amended from time to time, and in terms of our engagement as agreed with you.

5. This report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report by us nor should this be construed as a new opinion on any of the financial statements referred to herein.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our written consent.

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

Naveen Aggarwal
Partner
Membership No. 094380

Place: New Delhi
Date: 25th May 2011

Annexure-I

CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. in mn.)

Particulars		For the year ended March 31,	
		2011	2010
A	FIXED ASSETS		
	Gross Block (at cost)	2,614.05	2,068.99
	Less: Depreciation	312.70	198.87
	Net Block	2,301.35	1,870.12
	Less: Revaluation Reserve	-	-
	Net Block after adjustment for Revaluation Reserve	2,301.35	1,870.12
	Capital Work in Progress	18.89	279.51
	Total (A)	2,320.24	2,149.63
B	INVESTMENTS (B)	-	-
C	CURRENT ASSETS, LOANS AND ADVANCES		
	Inventories	1,023.55	1,234.03
	Sundry Debtors	2,709.46	999.78
	Cash and Bank Balances	305.43	184.57
	Other Current Assets	3.56	1.28
	Loans and Advances	239.41	257.73
	Total (C)	4,281.41	2,677.39
D	LIABILITIES AND PROVISIONS		
	Secured Loans	2,735.22	1,610.46
	Unsecured Loans	2.50	12.40
	Deferred Tax Liability	137.60	114.10
	Current Liabilities	498.48	277.09
	Provisions	96.08	45.61
	Total (D)	3,469.88	2,059.66
E	NET WORTH (A+B+C-D)	3,131.77	2,767.36
F	REPRESENTED BY:		
	Share Capital	1,042.91	1,042.91
	Reserves	2,101.48	1,726.36
	Less: Revaluation Reserves	-	-
	Reserves (net of revaluation reserves)	2,101.48	1,726.36
	Total (F)	3,144.39	2,769.27
G	Miscellaneous Expenditure (to the extent not written off/adjusted)	12.62	1.91
H	NET WORTH (F-G)	3,131.77	2,767.36

Note: The above statement should be read with the Notes to the Consolidated Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as restated appearing in Annexure IV.

Annexure-II

CONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(Rs. in mn.)

Particulars	For the year ended March 31,	
	2011	2010
<u>INCOME</u>		
SALES		
-of Products Manufactured	9,458.69	7,418.15
-of Products Traded	10,598.69	5,433.03
-Direct Incomes	352.35	226.47
Other Income	18.42	3.63
Increase / (Decrease) in Inventories	348.92	217.40
Total	20,777.07	13,298.68
<u>EXPENDITURE</u>		
Raw materials consumed	8,471.55	6,422.05
Purchases of Goods for resale	10,541.94	5,566.96
Staff cost	181.13	128.90
Other manufacturing /operational expenses	215.20	139.30
Administrative expenses	378.56	329.64
Selling and distribution expenses	53.64	37.44
Depreciation	120.19	82.11
Finance Cost	245.28	167.13
Total	20,207.49	12,873.53
Net Profit before Tax and extraordinary items	569.58	425.15
Less: Taxations	194.46	163.58
Net Profit before extraordinary Items	375.12	261.57
Extraordinary items (net of tax)	-	-
Net Profit after extraordinary Items	375.12	261.57
Less: Pre-acquisition profits of a Subsidiary *	-	-
Net Profit after Tax, as restated	375.12	261.57
APPROPRIATIONS:		
Add: Balance brought forward from last year	628.51	366.94
Less: Transfer to General Reserve	-	-
Less: Proposed Dividend & tax thereon	-	-
Balance carried forward, as restated	1,003.63	628.51

Note: The above statement should be read with the Notes to the Consolidated Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as restated appearing in Annexure IV.

* Considered nil, actual amount being only Rs. 449/-

Annexure-III

CONSOLIDATED STATEMENT OF CASH FLOWS, AS RESTATED

Particulars	(Rs. in mn.)	
	For the year ended March 31,	
	2011	2010
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax and Extraordinary Items, as restated	569.58	425.15
Adjustments for:		
Depreciation	120.19	82.11
Amount w/off (net)	0.94	18.18
Loss / (Profit) on Capital Assets	0.17	13.67
Fixed Assets & CWIP written off	2.58	16.96
Interest Expenses	245.28	167.13
Interest Income	(14.20)	(1.65)
Pre-acquisition profits before interest and Tax of the Subsidiary	-	(0.02)
Operating profits before working capital changes	924.54	721.53
Adjustments for:		
Inventories	210.48	(970.25)
Trade & Other Receivables	(1,702.50)	(708.38)
Trade Payable & Other Liabilities	218.47	94.19
Cash Generated from Operations	(349.01)	(862.91)
Direct Tax paid	(122.22)	(92.94)
Cash flow before Extraordinary Items	(471.23)	(955.85)
Extraordinary items	-	-
Net cash from Operating Activities (A)	(471.23)	(955.85)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of fixed assets (including CWIP & Capital Advance)	(363.92)	(158.23)
Refund back of Capital Advances for Projects	-	811.64
Proceeds from Sale of Fixed Assets & CWIP	80.58	266.37
Adjustment on acquisition of interest in Subsidiary	-	0.05
Capital Reserve on acquisition of interest in Subsidiary *	-	-
Interest received	11.92	0.51
Net cash used in investing Activities (B)	(271.42)	920.34
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from long term borrowings	13.84	150.89
Repayments of Long Term Borrowings	(266.29)	(499.48)
Net Proceeds from Short Term Borrowing	1,367.31	504.18
Proceeds from Issue of Shares	-	220.80
Share Issue Expenses	(10.71)	(1.91)
Interest Paid	(240.63)	(180.21)
Net cash used in Financing Activities (C)	863.52	194.27
Net Increase in cash and cash equivalents (A+B+C)	120.87	158.76
Cash and Cash equivalents at beginning of the year	184.56	25.81
Cash and Cash equivalents at end of the year	305.43	184.57
Net Increase/(Decrease) in cash & cash Equivalent	120.87	158.76

Note: The above statement should be read with the Notes to the Consolidated Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as restated appearing in Annexure IV.

* Considered nil, actual amount being only Rs. 631/-

Annexure-IV
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, PROFIT AND LOSSES AND CASH FLOWS, AS RESTATED
A. Principles of Consolidation as at March 31, 2011:

SRS Limited (the Company) had the subsidiary only for the Financial Year ended March 31, 2010 & 2011. These Consolidated Restated Financial Statements have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India (SEBI) in connection with proposed Initial Public Offering (IPO) of its equity shares.

These Consolidated Restated Financial Statements have been prepared by applying the necessary adjustments to the Consolidated Financial Statements of the Company. The Consolidated Financial Statements comprise the Financial Statements of SRS Limited (the Company) and its wholly owned Subsidiary, SRS Jewells Limited, the interest in which has been acquired on March 31, 2010 as per details given below:

Name of Subsidiary Company	Country of Incorporation	% of Shareholding & Voting Power
SRS Jewells Limited	India	100%

The financial statements of the Parent Company and its wholly owned Subsidiary have been consolidated on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all intra-group balances / transactions and resulting unrealized gain / loss in accordance with Accounting Standard (AS)-21 on "Consolidated Financial Statements" referred to in sub-section (3C) of the section 211 of the Companies Act, 1956.

The Consolidated Financial Statements are prepared using uniform accounting policies, in accordance with the generally accepted accounting principles and are drawn upto the same reporting date as that of the parent company i.e. March 31, 2011.

B. Significant Accounting Policies for Consolidated Financial Statements as at March 31, 2011:
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 (AS) referred to in sub-section (3C) of Section 211 of the said Act. 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 the Generally Accepted Accounting Principles (GAAP), which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

3. Revenue Recognition

- Revenue from sale is recognized when the significant risk and rewards in respect of ownership of the goods are transferred to customer.
- Revenue from theatre business is recognized on the basis of tickets sold for the period under accounting.
- Entertainment tax collection in respect of its multiplex put up in Uttar Pradesh (U.P.) has been recognised as revenue on the sale of tickets, considering the exemption from payment of entertainment tax upto a specified period in terms of the scheme of UP state government. Since

the collection is dependent on sale of tickets been uncertain and collection of aforesaid tax is normal trading transaction, it has not been recognised as grant in terms of Accounting Standard-12 "Accounting for Government Grants".

- d) Revenue from Lease Rent, Common Area Maintenance (CAM) Charges and Interest is recognized on a time proportion basis.
- e) Advertisement revenue is recognized as and when advertisement is displayed.
- f) Sale of land, plots and other properties is recognised in the financial year in which the transfer is made by agreement to sell / registration of sale deed or otherwise in favour of parties.
- g) Revenue from job work is recognised when the job is completed.

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 Work-in-Progress 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 (AS)-26 "Intangible Assets" 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 of the Companies Act, 1956, on pro rata basis.

Depreciation on fixed assets costing upto Rs.5,000/- is provided @100% over a period of one (1) year.

Intangible Assets are amortized over the useful life of the assets or ten (10) years, whichever is earlier.

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

6. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of Assets. 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 it was incurred.

7. Impairment of Assets

An asset is impaired if there is 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

Raw materials are valued at lower of Cost and Net Realizable Value.

Finished goods are valued at lower of Cost (raw material and appropriate proportion of overheads) and Net Realizable Value.

Goods held for Resale are valued at lower of cost and net realizable value.

Costs of inventories 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.

10. Foreign Exchange Transaction

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognized as income or as expenses for the year.
- c) Non-monetary items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized and is reflected separately in the Profit & Loss Account.

11. Taxations

Current Tax:

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

Minimum Alternate Tax (MAT) Credit:

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement under Loans & Advances. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

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

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.

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.

13. 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.

14. 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.

15. Earning Per Share

Earning Per Share (EPS) 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 is divided by the Weighted Average Number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares.

16. Miscellaneous Expenditure

Share issue expenses will be adjusted from Securities Premium Account at the time of issue of respective Shares.

17. 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. Impact of changes in the Accounting Policies, Material Adjustments and Prior Period Items:

Summary of results of restatements made in audited Consolidated Financial Statements of the Company for the respective years and their impact on the profits are as under:

Particulars	(Rs. in mn.)	
	For the year ended March 31,	
	2011	2010
Net profit/(loss) after tax as per Audited Consolidated Profit & Loss Account	372.56	259.41
Prior Period Items (Refer Note no. D(1) below)	-	3.39
Provision for Bad debts written back (Refer Note no. D(2) below)	-	(0.54)
Depreciation (Refer Note no. D(3) below)	-	2.80
Tax Impact of adjustments (Refer Note no. D(4) below)	-	(2.24)
Deferred Tax Impact on adjustments (Refer Note no. D(4) below)	(1.09)	0.32
Excess /(short) provision of income tax (Refer Note no. D(5) below)	3.65	(1.57)
Total adjustments (net of tax)	2.56	2.16
Net Profit as per Consolidated Restated Summary Statements	375.12	261.57

D. Notes on adjustments carried out:**Prior Period Items**

In the financial statements for the years ended March 31, 2010 certain items of income/expenses have been identified as prior period adjustments. For the purpose of Consolidated Summary of Financial Statements, as restated, such prior period adjustments have been appropriately adjusted in the Balance Brought Forward of Profit & Loss Account from last year.

Provision for Bad debts written back

Debts considered doubtful and written off in the year ended March 31, 2007 but recovered subsequently during the year ended March 31, 2010 have been adjusted in the year when such debt was originally provided for/written off. Accordingly, adjustments have been made to the Consolidated Summary Statement of Profit & Losses, as restated.

Depreciation Adjustments

The Company had earlier classified the cost of improvements to the leasehold buildings under the head 'Building' and depreciated it at the rate applicable to Building. However, during the year ended March 31, 2010 the same were classified as Leasehold Improvements and were depreciated over the lease term of the respective leases and accordingly, depreciation was revised during the financial year ended March 31, 2010. For the purpose of restatement, the adjustments to the depreciation charge has been adjusted for in the Balance Brought Forward of Profit & Loss Account from last year.

Tax/Deferred Tax impact of adjustments

In the preparation of the Consolidated Summary of Financial Statements, as restated, the Company has determined the current tax & deferred tax impact on all the adjustments considered.

Provision of Income Tax

Income taxes provided in earlier years in respect of which either additional demand has been subsequently paid to the authorities or tax arising on account of short / excess provisions in the books of account, on completion of assessments or otherwise, have been adjusted in the Consolidated Summary of Financial Statements, as restated in Balance Brought Forward of Profit & Loss Account from last year.

E. Reconciliation of Profit & Loss Account as on April 1, 2009:

(Rs. in mn.)	
Particulars	As at April 1, 2009
Balance of Profit and Loss Account, as audited	371.66
Adjustment for:	
-Prior Period Income / Expenses	(3.39)
-Provision for Bad debts written back	0.54
-Depreciation	(2.80)
	366.01
Less: Provision for Taxes:	
-Current tax	2.24
-Deferred tax	(0.32)
-Earlier year	(0.99)
Balance of Profit & Loss Account, as restated	366.94

F. Audit Qualifications / emphasis under Companies (Auditor's Report) Order, 2003 (CARO) of the Parent Company, which do not require any corrective adjustment in the Consolidated Summary of Financial Statements, as restated:**a) Year ended March 31, 2011 & 2010:**

The records showing full particulars including quantitative details and situation of fixed assets are in the process of updation. Major fixed assets have been physically verified by the management during the year. The frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancy as such has been noticed on such verification, however the same would be adjusted, if any, on the updation of records.

b) Year ended March 31, 2010 :

The Company has been *generally* regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it, *though there has been a slight delay in a few cases.*

c) Year ended March 31, 2011 :

The Company has been generally regular, in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it.

G. Contingent Liabilities:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Claims against Company not acknowledged as debt (excluding interest & penalty, if any) for Legal Cases	5.16	1.69

H. Other Notes on Accounts:

- Estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Capital Commitment	0.83	92.32

- 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.
- Consolidated Cash Flow for the period includes following amounts due to acquisition of interest in wholly owned Subsidiary on March 31, 2010:

- Rs.0.05 millions being the net difference on account of following Assets and Liabilities of SRS Jewells Limited:

Particulars	(Rs. in mn.)
Current Liabilities	0.04
Provision	0.02
	0.06
Less: Deferred Tax Assets	0.01
	0.05

- Rs.631 arise as Capital Reserve on acquisition of SRS Jewells Limited.
- During the Financial Year 2010-11, company has purchased commercial sites aggregating Rs. 179.51 million from HUDA in open auction scheme announced by HUDA for Commercial Site / School Site at Faridabad and Palwal for which Rs. 44.94 million has been paid during the year and amount of Rs. 134.61 million payable shown as "Deferred Credit Payment" under the head "Current Liabilities" which will be paid in half / yearly installments over specified period.

Company has got the allotment letters alongwith possession of the above sites, the legal title of which will be transferred in the name of the Company after making the payment of full consideration.

5. a) During the Financial Year 2009-10, the Company has Converted Zero Percent 750,000 fully convertible Debentures of Rs.100 each into 7,602,790 equity shares (became 760,279 shares after consolidation) of face value of Re.1 each @ Rs.9.8648 per share on preferential basis to HT Media Limited. The said debentures were issued in the Financial Year 2008-09 at Rs.75.00 Millions.

b). Further, the Company has also issued equity shares to various parties including the parties covered in the register maintained u/s 301 of the Companies Act, 1956 at such price determined in terms of the valuation obtained by the management from independent consultant. Details of issue of shares are as follows:

Particulars	As at March 31,	
	2011	2010
No. of Shares issued (Figures in Millions):		
a) Having face value of Rs.10 each (No.):		
-issued at premium of Rs.90	-	1.47
b) Having face value of Re.1 each (No.):		
-issued at premium of Rs.9.	-	14.25 *

*Became no. of share after consolidation N.A. 1.43

Note:

The Company has Consolidated its Equity Shares from Re.1 to Rs.10 per equity share vide shareholders' resolution dated October 15, 2009.

6. Sales includes Entertainment Tax for which the company is exempted for deposition in terms of the scheme of U.P. State Government, comprises of the Following:

Particulars	(Rs. in mn.) As at March 31,	
	2011	2010
Exempted Entertainment Tax	58.60	22.01

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

Particulars	(Rs. in mn.) As at March 31,	
	2011	2010
Principal amount unpaid	0.01	0.01
Interest due on above	-	-

b) No interest has been paid and payable as on March 31, 2011 & 2010.

c) The above information 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 and is given in "Current Liabilities".

8. Raw Material lying with third parties, comprises of the following:

Particulars	(Rs. in mn.) As at March 31,	
	2011	2010
Value of Raw Material	-	185.09

9. The amount of Exchange Difference (Net):

- a) The Foreign Exchange Expenses of Rs.NIL resulting from settlement and realignment of foreign exchange transaction has been adjusted in the Profit & Loss Account.

- b) Premium paid on Forward Contract and recognized as expense to Profit & Loss Account on time proportion basis are as under:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Premium paid on Forward Contract	-	6.55
Premium recognized as Expenses	3.07	3.48

- c) Forward contracts entered into for hedging purpose and outstanding are as under:

Forward Contracts for payment to be made against Loan	As at March 31,	
	2011	2010
Amount in US\$ (in millions)	-	4.50
Equivalent Indian Rupees (in millions)	-	203.13

10. Assets taken on operating lease:

- a) The Company has taken certain shops/offices/other Fixed Assets on non-cancellable operating lease and out of which, some items have been given on sub-lease. The amount charged / recognized to Profit & Loss Account are as under:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Minimum lease payments	209.31	162.48
Contingent rents as expenses	8.51	1.56
Sub-leased payment received (on accrual basis)	13.82	13.22

- b) Future commitments in respect of minimum lease payments payable in respect of aforesaid leases entered by the Company are as follows:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Not later than one year	214.31	180.46
Later than one year and not later than five year	722.04	666.16
Later than five year	320.68	375.60

- c) The total of future minimum sub-lease payments expected to be received under non-cancellable sub-leases at the Balance Sheet date are as under:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Future minimum sub-lease payments expected to be received	32.09	48.11

11. Assets given on operating lease:

- a) Future minimum lease payments receivable by the Company in respect of non-cancellable operating lease for shops / kiosks entered by the Company are as follows:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Not later than one year	32.85	33.47
Later than one year and not later than five year	101.41	128.93
Later than five year	6.72	10.00

- b) Total contingent rents recognized as income in the statement of profit and loss during the year are as under :

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Contingent rents as Income	3.85	3.07

12. In view of the Accounting Standard (AS)-22 “Accounting for Taxes on Income”, Deferred Tax Assets/Liabilities, as restated on account of the adjustment as referred in Note D-4 above comprise of the following major components at the year end:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Fixed Assets	139.47	116.54
Deferred Tax Liability (A)	139.47	116.54
Provision for Retirement Benefits	1.87	1.34
Disallowance of Expenses	-	1.10
Deferred Tax Assets (B)	1.87	2.44
NET DEFERRED TAX LIABILITY (A-B)	137.60	114.10

13. Employee Benefits

A) Defined Contribution Plans :

The Company has recognised as expense in Profit & Loss Account, comprises the following:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Contribution to Provident Fund and Other Fund	14.46	10.29

B) Defined Benefit Plans :

a) Gratuity

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 funded with Life Insurance Corporation of India (LIC).

The following tables summarize the components of net benefit expense recognized in the profit and loss account, the funded status and the amounts recognized in the balance sheet for the Gratuity plan (as per Actuarial Valuation at the end of every year).

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

Particulars	As at March 31,	
	2011	2010
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%
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.50%	5.00%
Expected Rate of Return on Plan Assets	9.15%	8.65%

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

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Present Value of Defined Benefit Obligation at the beginning of the year	4.24	2.52
Interest Cost	0.34	0.19
Past Service Cost	0.05	-
Current Service Cost	2.15	1.73
Benefits Paid	-	(0.02)
Actuarial (gain) / loss on obligation	(0.51)	(0.18)
Present Value of Defined Benefit Obligation at the end of the year	6.27	4.24

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

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Fair value of the plan assets at the beginning of the year	2.83	2.60
Expected return on Plan Assets	0.26	0.23
Contribution by employer	0.00	-
Benefits Paid	-	-
Actuarial (gain) / loss on Plan Assets	0.00	-
Fair value of the plan assets at the end of the year	3.09	2.83

Net Asset / (Liability) recognized in the Balance Sheet are as under:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Present Value of Defined Benefit Obligation at the end of the year	6.27	4.24
Fair Value of Plan Assets	3.09	2.83
Net Asset / (Liability) recognized in the Balance Sheet	(3.18)	1.41

Net Employees Benefit Expense as recognized in the Statement of Profit & Loss are as under:

Particulars	(Rs. in mn.)	
	As at March 31,	
	2011	2010
Current Service Cost	2.15	1.73
Past Service Cost	0.05	-
Interest Cost	0.34	0.19
Expected return on plan assets	(0.26)	(0.23)
Net actuarial (gain)/loss recognized in the year	(0.51)	(0.18)
Expenses recognized in the statement of Profit & Loss	1.77	1.51

b) Leave Encashment

The Company has also a defined benefit Leave Encashment plan, which is unfunded.

The following tables summarize the components of net benefit expense recognized in the profit and loss account and the amounts recognized in the balance sheet for the Leave Encashment plan (as per Actuarial Valuation at the end of every year):

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

Particulars	As at March 31,	
	2011	2010
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%

Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.50%	5.00%
Expected Rate of Return on Plan Assets	0.00%	0.00%

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

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Present Value of Defined Benefit Obligation at the beginning of the year	2.64	1.90
Interest Cost	0.21	0.14
Current Service Cost	1.02	1.32
Benefits Paid	(0.14)	(0.18)
Actuarial (gain) / loss on obligation	(1.13)	(0.54)
Present Value of Defined Benefit Obligation at the end of the year	2.60	2.64

Net Asset / (Liability) recognized in the Balance Sheet are as under:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Present Value of Defined Benefit Obligation at the end of the year	2.60	2.64
Fair Value of Plan Assets	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(2.60)	2.64

Net Employees Benefit Expense as recognized in the Statement of Profit & Loss are as under:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Current Service Cost	1.02	1.32
Past Service Cost	-	-
Interest Cost	0.21	0.14
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	(1.13)	(0.54)
Expenses recognized in the statement of Profit & Loss	0.10	0.92

14. Capital work in progress (CWIP):

- Includes Preoperative Expenses which are as under:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Travelling and Conveyance	0.45	0.32
Salary and Related Expenses	3.99	3.39
Security and House Keeping	0.03	0.19
Insurance	-	0.15
Legal and Professional	1.64	-
Electricity and Water Expenses	0.09	0.70
Lease Rent (including CAM)	-	0.06
Interest	7.95	25.94
Other Expenses	0.04	0.41
Total for the Year	14.19	31.16
Add: B/F from Previous Year	39.04	110.98
Grand Total	53.23	142.14
Less: Allocated to Fixed Assets	43.30	93.16
Less: sold / written off	9.93	9.94
Balance Carried Forward	-	39.04

15. Segment informations are given in accordance with Accounting Standard (AS)-17 "Segment Reporting". The Company is operating in the same geographical segment and therefore only reportable business segment is given as under on the basis of Consolidated Restated Financial Statements:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Revenue:		
Net Sales/Income (there is no inter-segment revenue):		
Cinemas	368.81	218.79
Food & Beverages	212.50	170.29
Cash & Carry	5,212.53	4,439.25
Jewellery	14,581.63	8,213.45
Commercial Space	-	-
Corporate (Unallocable)	34.26	35.87
Total	20,409.73	13,077.65
Result:		
Before interest, other income, depreciation, non-cash expenses and taxes, as restated:		
Cinemas	66.13	32.47
Food & Beverages	34.75	21.34
Cash & Carry	103.59	93.66
Jewellery	860.87	661.34
Commercial Space	-	-
Corporate (Unallocable)	(141.94)	(85.76)
Total	923.40	723.05
Add: Other Income:		
Cinemas	0.26	0.18
Food & Beverages	0.38	0.77
Cash & Carry	2.05	0.95
Jewellery	0.29	-
Commercial Space	-	-
Corporate (Unallocable)	15.45	1.73
Total	18.43	3.63
Less: Depreciation:		
Cinemas	49.60	24.16
Food & Beverages	23.37	19.83
Cash & Carry	17.45	17.12
Jewellery	0.86	0.43
Commercial Space	-	-
Corporate (Unallocable)	28.91	20.57
Total	120.19	82.11
Less: Non-cash Expenses:		
Cinemas	0.04	0.68
Food & Beverages	0.99	(0.72)
Cash & Carry	0.69	-
Jewellery	-	-
Commercial Space	-	-
Corporate (Unallocable)	5.05	52.33
Total	6.77	52.29
Profit / (Loss) before interest and taxes		
Cinemas	16.75	7.81
Food & Beverages	10.77	3.00
Cash & Carry	87.50	77.49
Jewellery	860.30	660.91
Commercial Space	-	-
Corporate (Unallocable)	(160.45)	(156.93)
Total	814.87	592.28
Less: Interest:		
Corporate (Unallocable)	245.28	167.13

Profit before taxes	569.59	425.15
Less: Taxes:		
Corporate (Unallocable)	194.47	163.58
Net Profit	375.12	261.57
Less: Pre-acquisition profits of the Subsidiary (Rs.449, hence ignored)	-	-
Net Profit after tax attributable to Equity shareholders	375.12	261.57

Other Informations, as restated

Particulars	As at March 31,	
	2011	2010
Segment Assets		
Cinemas	1,010.70	839.26
Food & Beverages	390.21	368.02
Cash & Carry	1,209.46	667.82
Jewellery	2,787.90	1,796.86
Commercial Space	-	-
Corporate (Unallocable)	1,203.38	1,155.06
Total	6,601.65	4,827.02
Segment Liabilities		
Cinemas	53.20	36.92
Food & Beverages	12.88	14.76
Cash & Carry	411.09	139.28
Jewellery	1,042.81	8.61
Commercial Space	-	-
Corporate (Unallocable)	1,949.90	1,860.09
Total	3,469.88	2,059.66

16. Directors Remuneration:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Directors' Remuneration	23.17	17.71
Directors' Sitting Fee	0.40	-
Employer' Share to PF etc.	0.05	0.43

Note:

- 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 no separate amount for the Directors is available. No leave encashment benefit is available to the Director(s).
- Computation of net profit in accordance with the relevant provisions of the Companies Act, 1956 had not been disclosed as no commission were paid / payable to the Director(s).

17. Auditors Remuneration (excluding service tax):

(Rs. in mn.)

Particulars	As at March 31,	
	2011 *	2010
Statutory Audit Fee	1.35	1.20
Tax Audit Fee	0.25	0.20
Out of Pocket Expenses	0.07	0.05
Total	1.67	1.45

* Excluding Rs. 6.14 Lacs (excluding service tax) paid to auditors for other services, presently been shown under 'Share Issue Expense' under the head "Miscellaneous Expenditure (to the extent not written off or adjusted)".

18. The name of the Company has been changed to SRS Limited from SRS Entertainment & Retail Limited on July 16, 2009. The name of the Subsidiary has also been changed to SRS Jewells Limited from SRS Bullions & Jewellers Limited on March 31, 2010.

Annexure-V

STATEMENT OF CONSOLIDATED RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard (AS)-18 "Related Party Disclosures", the Company's related parties and transactions are disclosed given below:

A. LIST OF RELATED PARTY

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

a. Investing Parties (Shareholders of the Company)

SRS Finance Ltd. (w.e.f. 25/03/10)

b. Enterprises owned or significantly influenced by KMP and/or their Relatives

SRS Finance Ltd. (w.e.f. 26/03/10)

SRS Global Securities Limited (Formerly SRS Housing Finance Ltd.)

BTL Industries Ltd.

BTL Portfolio Ltd. (formerly BTL Sales Ltd.)

SRS Real Infrastructure Ltd.

SRS Real Estate Ltd.

BTL Investments & Securities Ltd. (formerly North Delhi Credit & Investment Ltd.) (w.e.f.01/04/09)

SRS Buildcon Pvt. Ltd. (w.e.f. 01/02/10)

SRS Portfolio Ltd. (w.e.f. 01/04/09)

Vinod Gas Agencies (w.e.f. 01/04/09)

c. Key Management Personnel (KMP)

Dr. Anil Jindal

Mr. Sunil Jindal

Mr. Raju Bansal

Mr. Vinod Gupta

B. DETAILS OF RELATED PARTY TRANSACTIONS, AS RESTATED

(Rs. in mn.)

S. No.	Name of the Party	Nature of Transaction	For the year ended March 31,	
			2011	2010
1	SRS Finance Ltd.	Share Application Money (Refunded)	-	31.14
		Issue of Equity Shares	-	62.34
		Sale of Fixed Assets	5.25	-
		Electricity Charges (Income)	-	0.62
		Purchases of Fixed Assets (including CWIP)	4.43	-
		Sale of Goods	0.11	1.04
		Purchases of Goods	0.55	-
		Lease Rent Paid	0.36	0.97
		Reimbursement of Expenses	0.16	1.28
		Advance Received and Paid (Net)	0.68	-
		Transfer of Party Account	0.38	0.10
		Closing Balances:		
		Sundry Debtor	-	0.69
		Sundry Creditor	-	0.36
		Security Deposit Receivable	-	0.49
2	SRS Global Securities Limited (Formerly SRS)	Issue of Equity Shares	-	4.80

S. No.	Name of the Party	Nature of Transaction	For the year ended March 31,	
			2011	2010
	Housing Finance Ltd.)			
3	BTL Industries Ltd.	Issue of Equity Shares	-	8.90
		Loans & Advances Given	-	1.30
		Share Application Money	-	0.20
4	BTL Portfolio Ltd.	Issue of Equity Shares	-	1.20
5	SRS Real Infrastructure Ltd.	Reimbursement of Exp (net)	0.66	1.40
		Lease Rent Paid	6.00	3.00
		Sale of Goods	1.14	-
		Purchase of Space	18.88	-
		Security Deposit Receivable	-	69.00
		Closing Balances:		
		Sundry Creditor	-	0.20
		Security Deposit Receivable	69.00	69.00
6	SRS Real Estate Ltd.	Office Rent and Other Income Received	4.20	4.20
		Reimbursement of Expenses	1.67	3.35
		Sale of Goods	0.03	0.11
		Display Charges received (excluding Service Tax)	27.58	27.58
		Closing Balances:		
		Sundry Debtor	27.85	27.60
7	BTL Investments & Securities Ltd.	Issue of Equity Shares	-	0.57
8	SRS Buildcon Pvt. Ltd.	Issue of Equity Shares	-	2.51
		Loans & Advances Given	-	2.51
9	SRS Portfolio Ltd.	Issue of Equity Shares	-	18.55
10	Vinod Gas Agencies	Purchases of Goods	0.69	3.34
11	Dr. Anil Jindal	Payment to Director	17.93	14.94
12	Mr. Sunil Jindal	Payment to Director	2.16	1.32
13	Mr. Raju Bansal	Payment to Director	1.79	0.72
14	Mr. Vinod Gupta	Payment to Director	1.79	1.16

Annexure-VI

CONSOLIDATED ACCOUNTING RATIOS

S. No.	Particulars	For the year ended March 31,	
		2011	2010
	Net profit after tax attributable to Equity Shareholders (Rs. in millions) (as per Consolidated Summary Statement of Profit & Loss A/c, as restated)	375.12	261.57
1	Earnings Per Share (EPS) (Face Value of Rs.10): (in Rs.) a) Basic b) Diluted	3.597 3.597	2.553 2.553
2	Net Asset value per equity share (in Rs.)	30.03	26.54
3	Return on Net Worth (%)	11.98	9.45

Formulas:

- i) Earnings Per Share (Rs.) = $\frac{\text{Net Profit after Tax}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
- ii) Net Asset Value Per Share (Rs.) = $\frac{\text{Net worth}}{\text{Number of Equity Shares outstanding at the end of the year}}$

- iii) Return on Net Worth (%) = $\frac{\text{Net Profit after Tax}}{\text{Net worth}}$
- iv) Net Worth (Rs.) = Equity Share Capital + Reserves & Surplus
(excluding Revaluation Reserve)
less Miscellaneous Expenditure

Note:

- a) The EPS calculations are in accordance with Accounting Standard (AS)-20 "Earnings Per Share".
- b) The Company has taken Secured Term Loans from Banks and Others. However, there is no conversion clause in any of the Loan Agreements.
- c) Calculation of weighted average number of Equity Shares outstanding during the year(s) are as under:

Sr. No.	PARTICULARS	For the year ended March 31,	
		2011	2010
1	Nominal value of Equity Shares (Rs. per share)	10 *	10 *
2	Total number of equity shares outstanding at the beginning of the year- fully paid up (in millions)	104.29	100.63
3	Number of Equity Shares issued on (in millions) :		
	July 31, 2009	-	1.43
	September 15, 2009	-	0.76
	December 11, 2009	-	1.47
	Total (in millions)	-	3.66
4	Total number of equity shares outstanding at the end of the year (fully paid up) (in millions)	104.29	104.29
5	Adjustment in respect of Bonus shares issued (in millions)	-	-
6	Weighted Average Number of Equity Shares outstanding during the year considered for Basic EPS (in millions)	104.29	102.44
7	Weighted Average Number of Equity Shares outstanding during the year considered for Diluted EPS (in millions)	104.29	102.44

* The Company has Consolidated its Equity Shares from Re.1 to Rs.10 per equity share vide shareholders' resolution dated October 15, 2009. Accordingly, numbers of Shares and Face Value of Re.1 restated to Rs.10 for those share issued at Face Value of Re.1 during the said period.

Annexure-VII**CONSOLIDATED CAPITALIZATION STATEMENT****(Rs. in mn.)**

Particulars	As at March 31, 2011	
	Pre Issue	Post Issue *
Total Debts:		
Long Term Debt	355.80	
Short Term Debt	2,381.92	
Total Debts	2,737.72	
Shareholders Funds:		
Share Capital	1,042.91	
Reserves & surplus	2,101.48	
Less: Misc. expenditure	12.62	
Total Shareholders Funds	3,131.77	
Long Term Debt / Total Shareholders' Funds	0.11	
Total debts / Total Shareholders' Funds	0.87	

* The post-issue capitalization can not be determined till the completion of book building process.

Notes:

- a) Long term debt is debt with tenure of more than one year.
 b) The above has been computed on the basis of Consolidated Summary of Financial Statements, as restated.

Annexure-VIII**STATEMENT OF STANDALONE SECURED LOANS, AS RESTATED****(Rs. in mn.)**

S. No.	Particulars	As at March 31,	
		2011	2010
1	Term Loan-Rupee		
	-From Bank	1,409.75	786.06
	-From Others	0.59	106.75
	-Foreign Currency	-	-
2	Overdraft from Bank		
	-From Bank Overdraft Facility	-	-
	-Interest Accrued & due on Overdraft	-	-
3	Working Capital from Bank		
	-Cash Credit	1,324.88	514.52
	-Foreign Currency	-	203.13
Total		2,735.22	1,610.46

Terms and Conditions of Secured Loans outstanding as on March 31, 2011:

Lender	Loan Documentation	Loan Sanctioned (Rs. in Millions)	Loan Outstanding (Rs. in Millions)	Interest Rate PA	Repayment Schedule	Details of Re-schedulement/ Prepayment/ Penalty/ Default, if any										
State Bank of India-Term Loan-II	Sanction Letter dated March 22, 2007 as latest amended by sanction letter dated March 21, 2011	400.00	156.85	13% p.a.	60 monthly installments commencing from April, 2008 as under: <table><tr><th>No.</th><th>Amt (in mn.)</th></tr><tr><td>12</td><td>Rs.02.40</td></tr><tr><td>12</td><td>Rs.06.20</td></tr><tr><td>35</td><td>Rs.08.00</td></tr><tr><td>01</td><td>Rs.16.80</td></tr></table>	No.	Amt (in mn.)	12	Rs.02.40	12	Rs.06.20	35	Rs.08.00	01	Rs.16.80	Penal Interest: Default in payment of interest/installment will attract penal interest @2% p.a. & adverse deviation from ratio levels stipulated by Bank by more than 20% will attract penal interest for 1%. p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.
No.	Amt (in mn.)															
12	Rs.02.40															
12	Rs.06.20															
35	Rs.08.00															
01	Rs.16.80															
State Bank of Bikaner & Jaipur-Term Loan	Sanction Letter dated June 05, 2007 as latest amended by letter dated June 10, 2009	78.00	23.84	13.50% p.a.	60 monthly installments commencing from April, 2008 as under: <table><tr><th>No.</th><th>Amt (in mn.)</th></tr><tr><td>12</td><td>Rs.0.50</td></tr><tr><td>12</td><td>Rs.1.20</td></tr><tr><td>36</td><td>Rs.1.60</td></tr></table>	No.	Amt (in mn.)	12	Rs.0.50	12	Rs.1.20	36	Rs.1.60	Penal Interest: Non payment of interest/installment will attract penal interest @1% p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.		
No.	Amt (in mn.)															
12	Rs.0.50															
12	Rs.1.20															
36	Rs.1.60															
State Bank	Sanction Letter	250.00	93.76	13.75%	60 monthlv	Penal Interest: Non										

of Patiala-Term Loan	dated July 27, 2010			p.a.	installments commencing from April, 2008 as under: No Amt (in mn.) 12 Rs.1.20 12 Rs.3.10 35 Rs.5.50 01 Rs.5.90	payment of interest/installment will attract penal interest @1% p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.
State Bank of Travancore -Term Loan	Sanction Letter dated August 16, 2007 as latest amended by letter dated July,13 2010	100.00	29.01	13.50% p.a.	60 monthly installments commencing from April, 2008 as under: No. Amt (in mn.) 12 Rs.0.60 12 Rs.1.57 35 Rs.2.05 01 Rs.2.21	Penal Interest: Non payment of interest/installment will attract penal interest @2% p.a.
Bank of India - Corporate Loan II	Sanction Letter dated December 03, 2009 as latest amended by letter dated July 27, 2010	150.00	120.00	13% p.a.	11 Quarterly Ballooned installments commencing from April, 2010 as under: No. Amt (in mn.) 04 Rs.07.50 04 Rs.15.00 03 Rs.20.00	Penal Interest: for non submission of audited financial statements & CMA within stipulated period will attract penal interest @ 1% p.a. & penal interest @2% p.a. will be levied on the overdue amounts due to irregularities & any default in complying with terms of sanction will attract penal interest @ 1% p.a. after expiry of stipulated time of complying with conditions. Non payment of interest / installment will attract penal interest @2% p.a. Commitment Charges: Min commitment charges 1.02% p.a. on unutilized portion & overall annual unutilised below 60% will attract commitment charges of 2% p.a. Pre Payment: Prepayment will

						attract 2% p.a. charges on the amount prepaid.
Union Bank of India -Term Loan I	Sanction Letter dated May 20, 2005 as latest amended by sanction letter dated May 16, 2009	185.00	86.77	13.75% p.a.	105 installment commencing from July, 2005	Penal Interest: Non payment of interest/installment will attract penal interest @2% p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.
The Bank of Nova Scotia-Gold Loan	Facility Agreement dated October 05, 2009 as latest amended by sanction letter dated October 22, 2010	Upto 3200 fine troy ounces of gold and gold to a value of Rs.245.76 millions	875.99	6% p.a.	180 days and as mutually agreed to renew for a further period	Default Amount: @2% above the Bank's prime rate in India, from the due date till the date of actual payment
State Bank of India-Working Capital Limit	Sanction Letter dated March 22, 2007 as latest amended by sanction letter dated March 21, 2011	900.00	876.90	12% p.a.	on demand	Penal Interest: For non submission of Quality receivables certificate from Statutory Auditor, penal interest @1% p.a. will be levied. 2% p.a. on the entire outstanding, if continuously irregular for a period beyond 60 days; in other cases on the irregular portion. 1% p.a. in case of non submission of Stock Statements. 1% p.a. in case of non submission of renewal data beyond 3 month from the due date of renewal. 1% p.a. in case of non-compliance with covenants. However penal interest due to non compliances will not exceed 3% p.a. Commitment Charge: 1.25% for utilisation level falling below 60% of Fund Based Limit
Oriental Bank of Commerce-Working Capital	Sanction Letter dated January 06, 2009 as latest amended letter dated June 22,	100.00	99.21	13.50% p.a.		Penal Interest: 2% for any irregularity.

Limit	2010					
Bank of India - Working Capital Limit	Sanction letter dated July 27, 2010	150.00	149.18	12.25% p.a.		Penal Interest: 2% p.a. for any irregularity. Commitment charges: 1.02% p.a. on unutilised portion subject to tolerance level of 15%
State Bank of Patiala-Working Capital	Sanction letter dated July 27, 2010	100.00	99.62	13% p.a.		Penal Interest: Continuously irregular for a period beyond 60 days 2% on the entire outstandings otherwise 2% p.a. on the irregular portion. 1% p.a. in case of non submission of Stock Statements. 1% p.a. in case of non submission of renewal data beyond 3 month from the due date of renewal.
State Bank of Travancore -Working Capital	Sanction letter dated July 14, 2010	100.00	99.97	13.25% p.a.		Penal Interest: 1% p.a. for defaults like overdrawn in sanctioned limits, Delay/ non-Submission of stock statement/ renewal data, non payment of monthly interest with overall ceiling 2% p.a.
ICICI Bank Ltd - Property Loan	Disbursement dated November 30, 2007	14.97	12.68	13.5% p.a.	120 equal monthly installment of (revised to 138 due to change in rate of interest) commencing from January, 2008	Penal Interest: In case of delay in repayment penal interest @ 24% p.a. will be levied
ICICI Bank Ltd-Vehicle Loan	Sanction in October, 2008	0.40	0.07		35 equal monthly installment Rs.14,100/- each commencing from October, 2008	-
ICICI Bank Ltd-Vehicle Loan	Sanction in August, 2008	0.19	0.02		36 equal monthly installment Rs.6,397/- each commencing from August, 2008	-
ICICI Bank Ltd-Vehicle Loan	Sanction in September, 2008	0.50	0.06		35 equal monthly installment Rs.17,500/- each commencing from September, 2008	-

HDFC Bank Ltd-Vehicle Loan	Sanction in May, 2008	0.30	0.01	Interest rate varying between 10% to 17% p.a.	36 equal monthly installment Rs.9,696/- each commencing from May, 2008	-
HDFC Bank Ltd-Vehicle Loan	Sanction in May, 2008	0.30	0.01		36 equal monthly installment Rs.9,696/- each commencing from May, 2008	-
Kotak Mahindra Prime Ltd-Vehicle Loan	Sanction in August, 2008	0.37	0.05		36 equal monthly installment Rs.13,009/- each commencing from August, 2008	-
Kotak Mahindra Prime Ltd-Vehicle Loan	Sanction in August, 2009	0.37	0.19		36 equal monthly installment Rs.12,691/- each commencing from September, 2009	-
Kotak Mahindra Prime Ltd-Vehicle Loan	Sanction in December, 2009	0.37	0.24		36 equal monthly installment Rs.12,800/- each commencing from January, 2010	-
Reliance Capital Ltd-Vehicle Loan	Sanction in September, 2008	0.52	0.04		36 equal monthly installment Rs.10,341/- each commencing from September, 2008	-
Tata Capital Ltd-Vehicle Loan	Sanction in September, 2008	0.52	0.07		35 equal monthly installment Rs.18,140/- each commencing from September, 2008	-
ICICI Bank Ltd-Vehicle Loan	Sanction in May, 2010	3.80	2.84		36 equal monthly installment Rs.1,22,170/- each commencing from June, 2010	-
HDFC Bank Ltd-Vehicle Loan	Sanction in June, 2010	5.30	4.10		36 equal monthly installment Rs.1,67,321/- each commencing from July, 2010	-
HDFC Bank Ltd-Vehicle Loan	Sanction in June, 2010	4.00	3.11		36 equal monthly installment Rs.1,28,600/- each commencing from July, 2010	-
ICICI Bank Ltd-Vehicle Loan	Sanction in October, 2010	0.74	0.63		36 equal monthly installment Rs.24,231/- each commencing from October 2010	-

Security Clause for Secured Loans are given as under:

1. Rupee Term Loan from Banks (on consortium basis comprising of State Bank of India (Lead Banker), State Bank of Bikaner & Jaipur, State Bank of Patiala, State Bank of Travancore and Union Bank of India) amounting to Rs. 390.23 millions is secured against first pari passu charge on all the fixed assets of the Company, including Equitable Mortgage of land and building at site no 4, City Center, Sector-12 and Multiplex-cum Shopping Mall constructed thereon in the name of the Company and further secured by first pari passu charge on (a) 8 acres of land at Prithla in the name of SPS Buildcon Ltd. (b) 6.84 acres of land at Prithla in the name of SRS Retreat Services Ltd. (c) Extension of charge on current assets. The Facility is further secured by personal guarantee by Directors and corporate guarantee of SPS Buildcon Ltd., SRS Retreat Services Ltd., BTL Industries Ltd., BTL Portfolio Ltd., SRS International Ltd., SRS Professional Services Ltd., and SRS IT Solutions Pvt. Ltd.
2. Rupee Term Loan from ICICI Bank for Jasola Property amounting to Rs. 12.68 millions is secured against Equitable mortgage on Jasola Property of the Company and Personal guarantee of relative of Directors and corporate guarantee of SRS Finance Ltd.
3. Rupee Term Loan (Corporate Loan) from Bank of Baroda amounting to Rs. 120.00 millions is secured against Equitable mortgage of Land measuring 66 Kanal situated on Sector-8, Palwal in the name of SRS Real Estate Limited and Personal guarantee of Director and Corporate guarantee of SRS Real Estate Limited.
4. Rupee Term Loan from various Banks amounting to Rs. 10.85 millions and from Others amounting to Rs. 0.59 millions against Equipments/Vehicles is secured against hypothecation of specified equipments/vehicles of the Company.
5. Gold Loan (Metal) from The Bank of Nova Scotia amounting to Rs. 875.99 millions is secured against Letter of Credit and FDR.
6. Cash Credit facility from Banks (on consortium basis comprising of State Bank of India (Lead Banker), Oriental Bank of Commerce, State Bank of Patiala, State Bank of Travancore and Bank of India) secured against hypothecation of stocks & book debts and equitable mortgage of specific properties and Personal guarantee of directors and Corporate guarantee of SPS Buildcon Ltd., SRS Retreat Services Ltd., BTL Industries Ltd., BTL Portfolio Ltd., SRS International Ltd., SRS Professional Services Ltd., and SRS IT Solutions Pvt. Ltd.

Annexure-IX
STATEMENT OF CONSOLIDATED UNSECURED LOANS, AS RESTATED
(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
From Directors	-	-
From Group Company	-	-
Inter Corporate Deposits	2.50	12.40
Total	2.50	12.40

Terms and Conditions of Unsecured Loans outstanding as on March 31, 2011:
(Rs. in mn.)

Particulars	Loan o/s	Rate of Intt. (PA)	Repayment Schedule
Inter Corporate Deposits	2.50	18%	Payable on Demand

Annexure – X

STATEMENT OF CONSOLIDATED SUNDRY DEBTORS, AS RESTATED

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Secured, considered Good		
(i) Debts outstanding for a period exceeding six months	0.04	-
(ii) Other Debts	0.97	0.97
Sub-total	1.01	0.97
Unsecured, considered Good		
(i) Debts outstanding for a period exceeding six months	28.09	1.31
(ii) Other Debts	2,680.36	997.50
Sub-total	2,708.45	998.81
Grand Total	2,709.46	999.78

Amounts outstanding from Promoters/Promoter Group/Group Companies/Directors/Relatives of Directors:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
From Promoters	-	-
From Promoter –Companies	-	0.69
From Group Companies	27.85	27.83
From Directors	-	-
From Relatives of Directors	-	-
Total	27.85	28.52

Note:

The list of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by Auditors. The Auditors have not performed any procedures to determine whether this list is accurate or complete.

Annexure–XI

STATEMENT OF CONSOLIDATED OTHER CURRENT ASSETS, AS RESTATED

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Interest Accrued but not Due	3.56	1.28
Total	3.56	1.28

Amounts outstanding from Promoters/ Promoter Group/ Group Companies/ Directors/ Relatives of Directors:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
From Promoters	-	-
From Promoters -Companies	-	-
From Group Companies	-	-
From Directors	-	-
From Relatives of Directors	-	-
Total	-	-

Note:

The list of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by Auditors. The Auditors have not performed any procedures to determine whether this list is accurate or complete.

Annexure–XII

DETAILS OF CONSOLIDATED LOANS & ADVANCES, AS RESTATED

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
Advances recoverable in cash or in kind or for which value to be received	67.57	70.10
Advances to Suppliers	19.37	7.26
Advances for Projects	0.17	10.37
Security Deposits	146.76	163.75
Prepaid Expenses	5.54	6.25
Total	239.41	257.73

Amounts outstanding from Promoters/ Promoter Group/ Group Companies/ Directors/ Relatives of Directors:

(Rs. in mn.)

Particulars	As at March 31,	
	2011	2010
From Promoters	-	-
From Promoters –Companies	-	0.49
From Group Companies	69.00	69.00
From Directors	-	-
From Relatives of Directors	-	-
Total	69.00	69.49

Note:

The list of persons/entities classified as ‘Promoters’ and ‘Promoter Group Companies’ has been determined by the management and relied upon by Auditors. The Auditors have not performed any procedures to determine whether this list is accurate or complete.

Annexure–XIII

DETAILS OF CONSOLIDATED OTHER INCOME, AS RESTATED

(Rs. in mn.)

Particulars	For the year ended March 31,	
	2011	2010
Recurring:		
Interest income	14.20	1.65
Sale of scrap	1.76	0.96
Non Recurring:		
Miscellaneous income	2.22	1.02
Foreign Exchange Fluctuation	-	-
Profit on Gold Forward Commodity Settlement	0.24	-
Total	18.42	3.63

Notes:

The classification of income as recurring / non recurring and related / not related to business activity is based on the current operations and business activity of the Company as determined by the management.

Annexure–XIV**CONSOLIDATED STATEMENT SHOWING RATES AND AMOUNT OF DIVIDEND**

Particulars	For the year ended March 31,	
	2011	2010
Total number of Equity Shares outstanding at the end of the year	104,291,009	104,291,009
Face Value of each shares (in Rs.)	10.00 *	10.00 *
Rate of Dividend (%)	-	-
Amount of Dividend (Rs. in Millions)	-	-

*The Company has Consolidated its Equity Shares from Re.1 to Rs.10 per equity share vide shareholders' resolution dated October 15, 2009.

Note:

The Directors in their prudence and considering the funds requirements for business purposes have not recommended or approved the payment of any dividend in the above years.

Auditors' Report on Restated Standalone Financial Information

To,

The Board of Directors
SRS Limited,
SRS Multiplex, City Centre,
Sector-12,
Faridabad – 121007.

Dear Sirs,

1. We have examined the attached Standalone Restated financial information of **SRS Limited** ('the Company') as approved by the Board of Directors of the Company, prepared in terms of requirements of paragraph B of Part II of Schedule II to the Companies Act, 1956, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date and in terms of our engagement agreed upon with you in accordance with our engagement letter dated May 5, 2011 in connection with the proposed issue of equity shares of the company.
2. These financial information have been extracted by the management from the financial statements for the year ended 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010, 31 March, 2011.
3. In accordance with the requirements of Paragraph B of Part II of Schedule II to the Companies Act, 1956, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Guidance Note issued in this regard by the Institute of Chartered Accountants of India, as amended from time to time, and in terms of our engagement agreed with you, we report that:
 - i) The Standalone summary statement of assets and liabilities of the Company, as restated, for the financial years as at 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010, 31 March 2011 as set out in Annexure I to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.
 - ii) The Standalone summary statement of profits and losses of the Company, as restated, for the financial years as at 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010, 31 March 2011 as set out in Annexure II to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.
 - iii) The Standalone statement of cash flows of the Company, as restated, for the financial years as at 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010, 31 March 2011 as set out in Annexure III to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.
 - iv) Based on above, we are of the opinion that the restated financial information, prepared by the management of the Company and approved by its Board of Directors, have been made after incorporating the following:
 - a. the impact of correction / changes in accounting policies have been adjusted with retrospective effect in the respective financial years to which they relate, to reflect the same accounting treatment as per changed / corrected accounting policy for all the reporting periods;
 - b. material amounts relating to previous years have been adjusted in the restated financial information in the respective financial years to which they relate;

- c. there are no extraordinary items which need to be disclosed separately in the restated financial information;
 - d. there are no qualifications/emphasis in the auditors' report which require any corrective adjustments in the restated financial statements as disclosed in Note- F of Annexure IV.
4. We have also examined the following other financial information set out in annexure prepared by the management and approved by the board of directors relating to the company for the year ended 31 March 2007, 31 March 2008, 31 March 2009, 31 March 2010 and 31 March 2011:
- i) Statement of Related Parties Transactions as appearing in Annexure V to this report;
 - ii) Accounting Ratios as appearing in Annexure VI to this report;
 - iii) Statement of Tax Shelter as appearing in Annexure VII to this report;
 - iv) Capitalization Statement as appearing in Annexure VIII to this report;
 - v) Statement of Secured Loans as appearing in Annexure IX to this report;
 - vi) Statement of Unsecured Loans as appearing in Annexure X to this report;
 - vii) Statement of Investments as appearing in Annexure XI to this report;
 - viii) Statement of Sundry Debtors as appearing in Annexure XII to this report;
 - ix) Details of Other Current Assets as appearing in Annexure XIII to this report;
 - x) Details of Loans and Advances as appearing in Annexure XIV to this report;
 - xi) Details of Other Income as appearing in Annexure XV to this report;
 - xii) Statement showing rates and amount of Dividend as appearing in Annexure XVI to this report.

In our opinion, the above financial information of the Company read with Significant Accounting Policies and Notes appearing in Annexure IV to this report after making adjustments and regrouping as considered appropriate and as set out in Annexure IV to this report have been prepared in accordance with Paragraph B, Part II of Schedule II to the Companies Act, 1956, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and the Guidance Notes issued in this regard by the Institute of Chartered Accountants, as amended from time to time, and in terms of our engagement as agreed with you.

5. This report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report by us nor should this be construed as a new opinion on any of the financial statements referred to herein.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our written consent.

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

Naveen Aggarwal
Partner
Membership No. 094380

Place: New Delhi
Date: 25th May 2011

Annexure-I

STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(Rs. in mn.)

Particulars		As at March 31,				
		2011	2010	2009	2008	2007
A	FIXED ASSETS					
	Gross Block (at cost)	2,611.09	2,068.99	1,608.64	947.13	611.01
	Less: Depreciation	312.48	198.87	126.58	62.30	35.20
	Net Block	2,298.61	1,870.12	1,482.06	884.83	575.81
	Less: Revaluation Reserve	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	2,298.61	1,870.12	1,482.06	884.83	575.81
	Capital Work in Progress	18.89	279.51	865.80	1,024.11	71.19
	Total (A)	2,317.50	2,149.63	2,347.86	1,908.94	647.00
B	INVESTMENTS (B)	3.88	0.50	-	-	-
C	CURRENT ASSETS, LOANS AND ADVANCES					
	Inventories	1,023.55	1,234.03	263.78	134.64	37.41
	Sundry Debtors	2,709.46	999.78	322.96	38.13	62.66
	Cash and Bank Balances	303.90	184.02	25.81	101.59	87.94
	Other Current Assets	3.55	1.28	0.15	0.05	0.65
	Loans and Advances	239.29	257.73	1,089.38	946.91	445.47
	Total (C)	4,279.75	2,676.84	1,702.08	1,221.32	634.13
D	LIABILITIES AND PROVISIONS					
	Secured Loans	2,735.22	1,610.46	1,441.97	1,265.15	426.97
	Unsecured Loans	2.50	12.40	101.04	17.91	10.37
	Deferred Tax Liability	137.56	114.11	85.38	66.25	36.86
	Current Liabilities	499.72	277.05	205.90	128.29	53.43
	Provisions	95.60	45.59	3.74	12.74	6.61
	Total (D)	3,470.60	2,059.61	1,838.03	1,490.34	534.24
E	Shares Application Money (pending allotment)	-	-	69.17	243.30	-
F	NET WORTH (A+B+C-D-E)	3,130.53	2,767.36	2,142.74	1,396.62	746.89
G	REPRESENTED BY:					
	Share Capital	1,042.91	1,042.91	1,006.31	723.95	362.92
	Reserves	2,100.24	1,726.36	1,136.43	672.67	383.97
	Less: Revaluation Reserves	-	-	-	-	-
	Reserves (net of revaluation reserves)	2,100.24	1,726.36	1,136.43	672.67	383.97
	Total (G)	3,143.15	2,769.27	2,142.74	1,396.62	746.89
H	Miscellaneous Expenditure (to the extent not written off/adjusted)	12.62	1.91	-	-	-
I	NET WORTH (G-H)	3,130.53	2,767.36	2142.74	1396.62	746.89

Note: The above statement should be read with the Notes to the Standalone Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as restated appearing in Annexure IV.

Annexure-II

STANDALONE SUMMARY STATEMENT OF PROFITS AND LOSSES, AS RESTATED
(Rs. in mn.)

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
<u>INCOME</u>					
SALES					
-of Products Manufactured	9,456.97	7,418.15	-	-	-
-of Products Traded	10,598.69	5,433.03	4,787.56	1,543.63	334.15
-Direct Incomes	352.35	226.47	215.93	172.55	161.94
Other Income	18.42	3.57	11.95	64.54	76.54
Increase / (Decrease) in Inventories	348.91	217.40	129.14	97.23	22.92
Total	20,775.34	13,298.62	5,144.58	1,877.95	595.55
<u>EXPENDITURE</u>					
Raw materials consumed	8,471.55	6,422.05	-	-	-
Purchases of Goods for resale	10,541.17	5,566.96	4,283.36	1,339.65	273.53
Staff cost	178.38	128.90	138.60	58.67	33.81
Other manufacturing /operational expenses	219.76	139.30	151.62	85.23	43.72
Administrative expenses	377.84	329.60	284.95	134.98	69.89
Selling and distribution expenses	53.64	37.44	38.66	14.72	7.65
Depreciation	119.97	82.11	64.85	28.39	17.42
Finance Cost	245.27	167.13	103.60	52.84	18.65
Total	20,207.58	12,873.49	5,065.64	1,714.48	464.67
Net Profit before Tax and extraordinary items	567.76	425.13	78.94	163.47	130.88
Taxations	193.88	163.56	23.03	58.72	29.77
Net Profit before extraordinary Items	373.88	261.57	55.91	104.75	101.11
Extraordinary items (net of tax)	-	-	-	-	-
Net Profit after extraordinary Items, as restated	373.88	261.57	55.91	104.75	101.11
APPROPRIATIONS:					
Add: Balance brought forward from last year	628.51	366.94	311.03	206.28	105.17
Less: Transfer to General Reserve	-	-	-	-	-
Less: Proposed Dividend & tax thereon	-	-	-	-	-
Balance carried forward, as restated	1,002.39	628.51	366.94	311.03	206.28

Note: The above statement should be read with the Notes to the Standalone Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as restated appearing in Annexure IV.

Annexure-III

STANDALONE STATEMENT OF CASH FLOWS, AS RESTATED

(Rs. in mn.)

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
<u>CASHFLOWFROMOPERATINGACTIVITIES</u>					
NetProfitBeforeTaxandExtraordinaryItems,asrestated	567.76	425.13	78.94	163.47	130.88
Adjustmentsfor:					
Depreciation	119.97	82.11	64.85	28.39	17.42
ForeignExchangeFluctuation	-	-	2.71	3.14	-
ProvisionforDoubtfulDebts	-	-	-	-	0.12
Amountw/off(net)	0.94	18.18	-	1.20	-
ConversionofFixedAssetsintoStockinTrade	-	-	8.83	-	-
Loss/(Profit)onCapitalAssets	0.17	13.67	(5.20)	(37.31)	(0.51)
PreliminaryExpensesW/Off	-	-	-	-	7.95
ProfitonSaleofCurrentInvestment-AgricultureLand	-	-	-	-	(74.14)
FixedAssets&CWIPwrittenoff	2.58	16.96	-	-	-
InterestExpenses	245.27	167.13	103.60	52.84	18.65
InterestIncome	(14.20)	(1.65)	(4.94)	(0.50)	(0.93)
Operatingprofitsbeforeworkingcapitalchanges	922.49	721.53	248.79	211.23	99.44
Adjustmentsfor:					
Inventories	210.48	(970.25)	(129.14)	(97.23)	(22.93)
Trade&OtherReceivables	(1,702.37)	(708.38)	(411.64)	(19.20)	(54.82)
TradePayable&OtherLiabilities	219.70	94.19	75.16	69.21	7.25
CashGeneratedfromOperations	(349.70)	(862.91)	(216.83)	164.01	28.94
DirectTaxpaid	(122.10)	(92.94)	(23.88)	(19.36)	(20.26)
CashflowbeforeExtraordinaryItems	(471.80)	(955.85)	(240.71)	144.65	8.68
Extraordinaryitems	-	-	-	-	-
NetcashfromOperatingActivities(A)	(471.80)	(955.85)	(240.71)	144.65	8.68
<u>CASHFLOWFROMINVESTINGACTIVITIES</u>					
Purchaseoffixedassets(includingCWIP&CapitalAdvance)	(360.97)	(158.23)	(520.86)	(2,105.42)	(172.53)
RefundbackofCapitalAdvancesforProjects	-	811.64	-	366.73	-
ProceedsfromSaleofFixedAssets&CWIP	80.58	266.37	8.53	63.40	1.19
PurchasesofInvestments	-	-	-	-	(29.66)
PurchaseofSharesofSubsidiary	(3.38)	(0.50)	-	-	-
SalesofInvestments	-	-	-	-	103.80
Interestreceived	11.92	0.51	4.84	0.46	0.93
NetcashusedininvestingActivities(B)	(271.85)	919.79	(507.49)	(1,674.83)	(96.27)
<u>CASHFLOWFROMFINANCINGACTIVITIES</u>					
Proceedsfromlongtermborrowings	13.84	150.89	158.23	1,042.26	199.48
RepaymentsofLongTermBorrowings	(266.29)	(499.48)	(195.30)	(241.48)	(28.39)
NetProceedsfromShortTermBorrowing	1,367.31	504.18	294.30	41.79	14.05
ProceedsfromIssueofShares	-	220.80	516.08	788.28	23.40
ShareIssueExpenses	(10.71)	(1.91)	-	-	(0.77)
InterestPaid	(240.62)	(180.21)	(100.89)	(87.02)	(43.34)
NetcashusedinFinancingActivities(C)	863.53	194.27	672.42	1,543.83	164.43
NetIncreaseincashandcashequivalents(A+B+C)	119.88	158.21	(75.78)	13.65	76.84
CashandCashequivalentsatbeginningoftheyear	184.02	25.81	101.59	87.94	11.10
CashandCashequivalentsatendoftheyear	303.90	184.02	25.81	101.59	87.94
NetIncrease/(Decrease)incash&cashEquivalent	119.88	158.21	(75.78)	13.65	76.84

Note: The above statement should be read with the Notes to the Standalone Restated Summary Statement of Assets and Liabilities, Profits and Losses and Cash Flows of the Company, as restated appearing in Annexure IV.

Annexure-IV
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE STANDALONE RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, PROFIT AND LOSSES AND CASH FLOWS, AS RESTATED
A. Standalone Significant Accounting Policies as at March 31, 2011:
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 (AS) referred to in sub-section (3C) of Section 211 of the said Act. 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 the Generally Accepted Accounting Principles (GAAP), which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

3. Revenue Recognition

- a) Revenue from sale is recognized when the significant risk and rewards in respect of ownership of the goods are transferred to customer.
- b) Revenue from theatre business is recognized on the basis of tickets sold for the period under accounting.
- c) Entertainment tax collection in respect of its multiplex put up in Uttar Pradesh (U.P.) has been recognised as revenue on the sale of tickets, considering the exemption from payment of entertainment tax upto a specified period in terms of the scheme of UP state government. Since the collection is dependent on sale of tickets been uncertain and collection of aforesaid tax is normal trading transaction, it has not been recognised as grant in terms of Accounting Standard-12 "Accounting for Government Grants".
- d) Revenue from Lease Rent, Common Area Maintenance (CAM) Charges and Interest is recognized on a time proportion basis.
- e) Advertisement revenue is recognized as and when advertisement is displayed.
- f) Sale of land, plots and other properties is recognised in the financial year in which the transfer is made by agreement to sell / registration of sale deed or otherwise in favour of parties.

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 Work-in-Progress 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 (AS)-26 "Intangible Assets" 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 of the Companies Act, 1956, on pro rata basis.

Depreciation on fixed assets costing upto Rs.5,000/- is provided @100% over a period of one (1) year.

Intangible Assets are amortized over the useful life of the assets or ten (10) years, whichever is earlier.

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

6. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of Assets. 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 it was incurred.

7. Impairment of Assets

An asset is impaired if there is 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

Raw materials are valued at lower of Cost and Net Realizable Value.

Finished goods are valued at lower of Cost (raw material and appropriate proportion of overheads) and Net Realizable Value.

Goods held for Resale are valued at lower of cost and net realizable value.

Costs of inventories 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.

10. Foreign Exchange Transaction

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognized as income or as expenses for the year.
- c) Non-monetary items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized and is reflected separately in the Profit & Loss Account.

11. Taxations

Current Tax:

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

Minimum Alternate Tax (MAT) Credit:

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement under Loans & Advances. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

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

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.

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.

13. 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.

14. 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.

15. Earning Per Share

Earning Per Share (EPS) 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 is divided by the Weighted Average Number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares.

16. Miscellaneous Expenditure

Share issue expenses will be adjusted from Securities Premium Account at the time of issue of respective Shares.

17. 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. Impact of changes in the Accounting Policies, Material Adjustments and Prior Period Items:

Summary of results of restatements made in audited financial statements of the Company for the respective years and their impact on the profits of the Company is as under:

Particulars	(Rs. in mn.)				
	For the year ended March 31,				
	2011	2010	2009	2008	2007
Net profit/(loss) after tax as per Audited Profit & Loss account	371.32	259.41	53.33	111.57	100.80
Prior Period Items for other than amortization (Refer Note no. C(1) below)	-	3.39	2.59	(7.05)	0.50
Prior Period Items for amortization (Refer Note no. C(2) below)	-	-	-	-	0.01

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
Provision for Employees' Benefits as per AS-15 (Refer Note no. C(3) below)	-	-	-	0.04	(0.04)
Provision for Bad debts written back (Refer Note no. C(4) below)	-	(0.54)	-	-	0.54
Depreciation (Refer Note no. C(5) below)	-	2.80	(1.18)	(1.18)	(0.44)
Tax Impact of adjustments (Refer Note no. C(6) below)	-	(2.24)	(0.88)	1.60	(0.16)
Deferred Tax Impact on adjustments (Refer Note no. C(6) below)	(1.09)	0.32	0.40	0.38	(0.01)
Excess /(short) provision of income tax (Refer Note no. C(7) below)	3.65	(1.57)	1.65	(0.61)	(0.09)
Total adjustments (net of tax)	2.56	2.16	2.58	(6.82)	0.31
Net Profit as per restated summary statements	373.88	261.57	55.91	104.75	101.11

C. Notes on adjustments carried out:

1. Prior Period Items

In the financial statements for the years ended March 31, 2011, 2010, 2009, 2008 and 2007, certain items of income/expenses have been identified as prior period adjustments. For the purpose of Standalone Summary of Financial Statements, as restated, such prior period adjustments have been appropriately adjusted in the respective years.

2. Prior Period Items for amortization

As per the policy followed in the past, the Company was amortizing Preliminary Expenses over a period of 10 years. In the Financial Year 2006-07, with the view to comply with the mandatory Accounting Standard (AS)-26 "Accounting of Intangible Assets", the Company has fully amortised miscellaneous expenditure to the profit & loss account.

3. Provision for Employees benefits.

The Company has adopted revised Accounting Standard (AS)-15 "Employee Benefits" issued by the ICAI effective from April 1, 2007. However, due to practical difficulties in retrospective application and the amount not being material, the revised Accounting Standard had not been adopted by the Company for the financial year ended March 31, 2007. Accordingly, such adjustments have not been made in the Standalone Summary of Financial Statements, as restated. However, the impact of transitional provision has been made in the year ended March 31, 2007.

4. Provision for Bad debts written back

Debts considered doubtful and written off in the year ended March 31, 2007 but recovered subsequently during the year ended March 31, 2010 have been adjusted in the year when such debt was originally provided for/written off. Accordingly, adjustment have been made to the Standalone Summary Statement of Profit & Losses, as restated for respective years.

5. Depreciation

The Company had earlier classified the cost of improvements to the leasehold buildings under the head 'Building' and depreciated it at the rate applicable to Building. However, during the year ended March 31, 2010 the same were classified as Leasehold Improvements and were depreciated over the lease term of the respective leases and accordingly, depreciation was revised during the financial year ended March 31, 2010. For the purpose of restatement, the adjustments to the depreciation charge has been adjusted for in the respective years.

6. Tax/Deferred Tax impact of adjustments

In the preparation of the Standalone Summary of Financial Statements, as restated, the Company has determined the current tax & deferred tax impact on all the adjustments considered.

7. Provision of Income Tax

Income taxes provided in earlier years in respect of which either additional demand has been subsequently paid to the authorities or tax arising on account of short / excess provisions in the books of account, on completion of assessments or otherwise, have been adjusted in the Standalone Summary of Financial Statements, as restated in the respective years.

D. Reconciliation of Profit & Loss Account as on April 1, 2006:

Particular	(Rs. in mn.)
Balance of Profit and Loss Account, as audited	105.96
Add: Prior Period Income / Expenses	0.69
	106.65
Less: Provision for Taxes:	
-Current tax	0.22
-Earlier year	1.26
Balance of Profit & Loss Account, as restated	105.17

E. Material regroupings:

Appropriate adjustments have been made in the Restated Standalone Summary Statement of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by a reclassification of the corresponding items of Income, Expenses, Assets, Liabilities, Cash Flows and figures of the Notes to the Accounts in order to bring them in line with the groupings as per the audited financials of the Company for the year ended March 31, 2011. The material regroupings made in the Standalone Summary Statement of Assets and Liabilities, as restated, and the Standalone Summary Statement of Profit and Losses, as restated are:

1. Capital advances

Capital advances included in Capital Work in progress as at March 31, 2007 have been regrouped under Loans and Advances in the Standalone Summary Statement of Assets and Liabilities, as restated.

F. Audit Qualifications / emphasis under Companies (Auditor's Report) Order, 2003 (CARO), which do not require any corrective adjustment in the Standalone Summary of Financial Statements, as restated:

1. Year ended March 31, 2011 & 2010:

The records showing full particulars including quantitative details and situation of fixed assets are in the process of updation. Major fixed assets have been physically verified by the management during the year. The frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancy as such has been noticed on such verification, however the same would be adjusted, if any, on the updation of records.

2. Year ended March 31, 2010, 2009, 2008 & 2007:

The Company has been *generally* regular, except as mentioned in para (4) below, in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it, *though there has been a slight delay in a few cases.*

3. Year ended March 31, 2011:

The Company has been *generally* regular, in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it.

4. Year ended March 31, 2009 & 2008:

According to the information and explanations given to us, *except advance fringe benefit tax dues of Rs.0.39 millions (as on March 31, 2009) & advance tax dues of Rs.1.45 millions (as on March 31, 2008)* 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 the end of the respective year for a period of more than six months from the date they become payable.

G. Contingent Liabilities:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Claims against Company not acknowledged as debt (excluding interest & penalty, if any) for Legal Cases	5.16	1.69	0.63	0.54	0.54

H. Other Notes on Accounts:**1. Estimated amount of contracts remaining to be executed on capital account and not provided for:**

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Capital Commitment	0.83	92.32	130.56	142.13	25.68

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. a) During the Financial Year 2009-10, the Company has Converted Zero Percent 750,000 fully convertible Debentures of Rs.100 each into 7,602,790 equity shares (became 760,279 shares after consolidation) of face value of Re.1 each @ Rs.9.8648 per share on preferential basis to HT Media Limited. The said debentures were issued in the Financial Year 2008-09 at Rs.75.00 Millions.

b) Further, the Company has also issued equity shares to various parties including the parties covered in the register maintained u/s 301 of the Companies Act, 1956 at such price determined in terms of the valuation obtained by the management from independent consultant. Details of issue of shares are as follows:

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
No. of Shares issued (Figures in Millions):					
a) Having face value of Rs.10 each (No.):					
-issued at premium of Rs.90	-	1.47	-	-	-
-issued at premium of Rs.10.	-	-	26.06 #	18.40	4.23
-issued at premium of Rs.NIL.	-	-	-	17.71	5.02
b) Having face value of Re.1 each (No.):					
-issued at premium of Rs.9.	-	14.25 *	13.65	-	-
-issued at premium of Rs.3.	-	-	8.15	-	-
# No. of share after split	N.A.	N.A.	260.56	N.A.	N.A.
* No. of share after consolidation	N.A.	1.43	N.A.	N.A.	N.A.

Note:

Equity shares were split into Re.1 from Rs.10 per equity shares vide shareholders' resolution dated September 11, 2008, subsequently, the Company has consolidated its Equity Shares from Re.1 to Rs.10 per equity share vide shareholders' resolution dated October 15, 2009.

4. Sales includes Entertainment Tax for which the company is exempted for deposition in terms of the scheme of U.P. State Government, comprises of the Following:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Exempted Entertainment Tax	58.60	22.01	13.61	-	-

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

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Principal amount unpaid	0.01	0.01	-	-	-
Interest due on above	-	-	-	-	-

- b) No interest has been paid and payable as on March 31, 2011 & 2010.

c) The above information 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 and is given in "Current Liabilities".

6. Raw Material lying with third parties, comprises of the following:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Value of Raw Material	193.46	185.09	-	-	-

7. "During the Financial Year 2010-11, company has purchased commercial sites aggregating Rs. 179.51 million from HUDA in open auction scheme announced by HUDA for Commercial Site / School Site at Faridabad and Palwal for which Rs. 44.94 million has been paid during the year and amount of Rs. 134.61 million payable shown as "Deferred Credit Payment" under the head "Current Liabilities" which will be paid in half / yearly installments over specified period.

Company has got the allotment letters alongwith possession of the above sites, the legal title of which will be transferred in the name of the Company after making the payment of full consideration.

8. The amount of Exchange Difference (Net):

- a) The Foreign Exchange Expenses resulting from settlement and realignment of foreign exchange transaction has been adjusted in the Profit & Loss Account are as under:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Foreign Exchange Expenses/ (Income)	-	-	(0.32)	3.14	-

- b) Premium paid on Forward Contract and recognized as expense to Profit & Loss Account on time proportion basis are as under:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Premium paid on Forward Contract	-	6.55	3.03	-	-
Premium recognized as Expenses	3.07	3.48	3.03	-	-

c) Forward contracts entered into for hedging purpose and outstanding are as under:

Forward Contracts for payment to be made against Loan	As at March 31,				
	2011	2010	2009	2008	2007
Amount in US\$ (in millions)	-	4.50	-	-	-
Equivalent Indian Rupees (in millions)	-	203.13	-	-	-

d) The foreign currency exposure of the Company, which was unhedged are as under:

Unhedged Foreign Exposure against Loan	As at March 31,				
	2011	2010	2009	2008	2007
Amount in US\$ (in millions)	-	-	-	4.00	-
Equivalent Indian Rupees (in millions)	-	-	-	160.88	-

9. Assets taken on operating lease:

a) The Company has taken certain shops/offices/other Fixed Assets on non-cancellable operating lease and out of which, some items have been given on sub-lease. The amount charged / recognized to Profit & Loss Account are as under:

(Rs. in mn.)

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
Minimum lease payments	209.31	162.48	167.26	58.69	15.17
Contingent rents as expenses	8.51	1.56	-	-	-
Sub-leased payment received (on accrual basis)	13.82	13.22	23.89	9.59	23.87

b) Future commitments in respect of minimum lease payments payable in respect of aforesaid leases entered by the Company are as follows:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Not later than one year	214.31	180.46	152.60	146.31	17.48
Later than one year and not later than five year	722.04	666.16	607.94	650.33	91.55
Later than five year	320.68	375.60	398.51	1,214.58	187.38

c) The total of future minimum sub-lease payments expected to be received under non-cancellable sub-leases at the Balance Sheet date are as under:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Future minimum sub-lease payments expected to be received	32.09	48.11	61.93	50.60	136.77

10. Assets given on operating lease:

a) Future minimum lease payments receivable by the Company in respect of non-cancellable operating lease for shops / kiosks entered by the Company are as follows:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Not later than one year	32.85	33.47	35.05	21.18	21.44
Later than one year and not later than five year	101.41	128.93	125.41	90.94	94.76
Later than five year	6.72	10.00	47.98	78.90	70.10

- b) Total contingent rents recognized as income in the statement of profit and loss during the year are as under:

Particulars	(Rs. in mn.) For the year ended March 31,				
	2011	2010	2009	2008	2007
Contingent rents as Income	3.85	3.07	2.04	1.05	0.90

11. In view of the Accounting Standard (AS)-22 "Accounting for Taxes on Income", Deferred Tax Assets/Liabilities, as restated on account of the adjustment as referred in Note C-6 above, comprise of the following major components at the year end:

Particulars	(Rs. in mn.) As at March 31,				
	2011	2010	2009	2008	2007
Fixed Assets	139.42	116.54	88.88	66.78	37.18
Deferred Tax Liability (A)	139.42	116.54	88.88	66.78	37.18
Unabsorbed Depreciation	-	-	2.78	-	-
Provision for Retirement Benefits	1.86	1.34	0.56	0.53	0.24
Disallowance of Expenses	-	1.09	0.16	-	0.08
Deferred Tax Assets (B)	1.86	2.43	3.50	0.53	0.32
NET DEFERRED TAX LIABILITY (A-B)	137.56	114.11	85.38	66.25	36.86

12. Employee Benefits

A. Defined Contribution Plans :

The Company has recognised as expense in Profit & Loss Account, comprises the following:

Particulars	(Rs. in mn.) For the year ended March 31,				
	2011	2010	2009	2008	2007
Contribution to Provident Fund and Other Fund	14.32	10.29	12.88	5.13	2.14

B. Defined Benefit Plans :

a) Gratuity

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 funded with Life Insurance Corporation of India (LIC).

The following tables summarize the components of net benefit expense recognized in the profit and loss account, the funded status and the amounts recognized in the balance sheet for the Gratuity plan (as per Actuarial Valuation at the end of every year).

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

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
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%	8.00%	See note (d) below
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.50%	5.00%	5.50%	5.50%	
Expected Rate of Return on Plan Assets	9.15%	8.65%	9.00%	8.00%	
Average Outstanding Service of Employees upto retirement (years)	31.65	31.88	32.71	33.87	

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

Particulars	(Rs. in mn.) For the year ended March 31,				
	2011	2010	2009	2008	2007
Present Value of Defined Benefit Obligation at the beginning of the year	4.24	2.52	1.05	0.34	See note (d) below
Interest Cost	0.34	0.19	0.08	0.03	
Past Service Cost	0.05	-	-	-	
Current Service Cost	2.12	1.73	1.36	0.66	
Benefits Paid	-	(0.02)	(0.01)	-	
Actuarial (gain) / loss on obligation	(0.51)	(0.18)	0.04	0.03	
Present Value of Defined Benefit Obligation at the end of the year	6.24	4.24	2.52	1.05	

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

Particulars	(Rs. in mn.) For the year ended March 31,				
	2011	2010	2009	2008	2007
Fair value of the plan assets at the beginning of the year	2.83	2.61	0.56	-	See note (d) below
Expected return on Plan Assets	0.26	0.23	0.05	-	
Contribution by employer	0.00	-	1.87	0.56	
Benefits Paid	-	-	(0.01)	-	
Actuarial (gain) / loss on Plan Assets	0.00	-	0.14	-	
Fair value of the plan assets at the end of the year	3.09	2.83	2.61	0.56	

Net Asset / (Liability) recognized in the Balance Sheet are as under:

Particulars	(Rs. in mn.) As at March 31,				
	2011	2010	2009	2008	2007
Present Value of Defined Benefit Obligation at the end of the year	6.24	4.24	2.52	1.05	See note (d) below
Fair Value of Plan Assets	3.09	2.83	2.61	0.56	
Net Asset / (Liability) recognized in the Balance Sheet	(3.15)	(1.41)	0.08	(0.49)	

Net Employees Benefit Expense as recognized in the Statement of Profit & Loss are as under:

Particulars	(Rs. in mn.) For the year ended March 31,				
	2011	2010	2009	2008	2007
Current Service Cost	2.12	1.73	1.36	0.66	See note (d) below
Past Service Cost	0.05	-	-	-	
Interest Cost	0.34	0.19	0.08	0.03	
Expected return on plan assets	(0.26)	(0.23)	(0.05)	-	
Net actuarial (gain)/loss recognized in the year	(0.51)	(0.18)	0.10	0.03	
Expenses recognized in the statement of Profit & Loss	1.74	1.51	1.29	0.71	

b) Leave Encashment

The Company has also a defined benefit Leave Encashment plan, which is unfunded.

The following tables summarize the components of net benefit expense recognized in the profit and loss account and the amounts recognized in the balance sheet for the Leave Encashment plan (as per Actuarial Valuation at the end of every year):

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

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
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%	8.00%	See note (d) below
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	5.50%	5.00%	5.50%	5.50%	
Expected Rate of Return on Plan Assets	0.00%	0.00%	0.00%	0.00%	
Average Outstanding Service of Employees upto retirement (years)	31.65	31.88	32.81	33.87	

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

(Rs. in mn.)

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
Present Value of Defined Benefit Obligation at the beginning of the year	2.64	1.90	1.07	0.37	See note (d) below
Interest Cost	0.21	0.14	0.09	0.03	
Current Service Cost	1.01	1.32	1.17	0.73	
Benefits Paid	(0.14)	(0.18)	(0.14)	-	
Actuarial (gain) / loss on obligation	(1.13)	(0.54)	(0.29)	(0.05)	
Present Value of Defined Benefit Obligation at the end of the year	2.58	2.64	1.90	1.07	

Net Asset / (Liability) recognized in the Balance Sheet are as under:

(Rs. in mn.)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Present Value of Defined Benefit Obligation at the end of the year	2.58	2.64	1.90	1.07	See note (d) below
Fair Value of Plan Assets	-	-	-	-	
Net Asset / (Liability) recognized in the Balance Sheet	(2.58)	(2.64)	(1.90)	(1.07)	

Net Employees Benefit Expense as recognized in the Statement of Profit & Loss are as under:

(Rs. in mn.)

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
Current Service Cost	1.01	1.32	1.17	0.73	See note (d) below
Past Service Cost	-	-	-	-	
Interest Cost	0.21	0.14	0.09	0.03	
Expected return on plan assets	-	-	-	-	
Net actuarial (gain) / loss recognized in the year	(1.13)	(0.54)	(0.29)	(0.05)	
Expenses recognized in the statement of Profit & Loss	0.08	0.92	0.96	0.70	

- c) In accordance with the transitional provision as per Accounting Standard (AS)-15 (Revised) "Employee Benefits" issued by the ICAI, an amount of Rs.0.03 millions (net of deferred tax Rs.0.02 millions) being the difference between relevant liability as on March 31, 2007 and that computed in accordance with this Accounting Standard as on April 1, 2007 was adjusted against the opening balance of Profit and Loss Account (accumulated profit). Now in the Standalone Summary of Financial Statements, as restated, the same has been regrouped accordingly.
- d) As referred in Note C-3 under the head "Provision For Employee Benefits" above, the company has adopted revised Accounting Standard (AS)-15 "Employee Benefits" issued by the ICAI effective from April 1, 2007. However, due to the practical difficulties in retrospective application and amount not being material, the revised Accounting Standard had not been adopted by the Company for the financial year March 31, 2007. Accordingly, such adjustments have not been made in the Standalone Summary of Financial Statements, as restated. However, the impact of transitional provision has been made in the year ended March 31, 2007.

13. Capital work in progress (CWIP):

Includes Preoperative Expenses which are as under:

Particulars	(Rs. in mn.) For the year ended March 31,				
	2011	2010	2009	2008	2007
Travelling and Conveyance	0.45	0.32	1.51	0.43	0.31
Salary and Related Expenses	3.99	3.39	22.47	10.37	2.15
Security and House Keeping	0.03	0.19	1.18	0.48	0.10
Insurance	-	0.15	0.03	0.02	0.07
Legal and Professional	1.64	-	2.35	3.30	-
Repair and Maintenance –Others	-	-	0.08	0.02	-
Electricity and Water Expenses	0.09	0.70	0.84	1.01	-
Lease Rent (including CAM)	-	0.06	5.02	2.93	-
Interest	7.95	25.94	81.62	40.73	25.07
Bank Charges	-	-	0.02	3.22	0.66
Other Expenses	0.04	0.41	0.96	0.50	0.56
Total for the Year	14.19	31.16	116.08	63.01	28.92
Add: B/F from Previous Year	39.04	110.98	54.57	24.50	0.19
Grand Total	53.23	142.14	170.65	87.51	29.11
Less: Allocated to Fixed Assets	43.30	93.16	59.67	10.08	4.61
Less: sold / written off	9.93	9.94	-	22.86	-
Balance Carried Forward	-	39.04	110.98	54.57	24.50

14. Segment informations are given in accordance with Accounting Standard (AS)-17 "Segment Reporting". The Company is operating in the same geographical segment and therefore only reportable business segment is given as under on the basis of Restated Financial Statements:

Particulars	(Rs. in mn.) For the year ended March 31,				
	2011	2010	2009	2008	2007
Revenue:					
Net Sales/Income (there is no inter-segment revenue):					
Cinemas	368.81	218.79	182.37	137.56	77.26
Food & Beverages	212.50	170.29	133.96	43.02	0.87
Cash & Carry	5,212.53	4,439.25	4,479.64	1,291.01	209.27
Jewellery	14,579.91	8,213.45	157.89	-	-
Commercial Space	-	-	8.83	187.03	106.80
Corporate (Unallocable)	34.26	35.87	40.80	57.56	101.89
Total	20,408.01	13,077.65	5,003.49	1,716.18	496.09
Result:					

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
Before interest, other income, depreciation, non-cash expenses and taxes, as restated:					
Cinemas	66.13	32.47	23.18	11.18	24.07
Food & Beverages	34.75	21.34	12.71	(1.91)	(0.11)
Cash & Carry	103.59	93.66	275.69	189.97	1.41
Jewellery	858.82	661.34	4.91	-	-
Commercial Space	-	-	-	11.55	46.20
Corporate (Unallocable)	(141.94)	(85.72)	(83.31)	(29.43)	26.16
Total	921.35	723.09	233.18	181.36	97.73
Add: Other Income:					
Cinemas	0.26	0.18	0.37	0.11	0.17
Food & Beverages	0.38	0.77	0.27	0.03	-
Cash & Carry	2.05	0.95	1.22	1.00	0.31
Jewellery	0.28	-	-	-	-
Commercial Space	-	-	-	-	-
Corporate (Unallocable)	15.45	1.67	10.09	63.40	76.06
Total	18.42	3.57	11.95	64.54	76.54
Add: Non-Cash Other Income:					
Cinemas	-	-	-	-	-
Food & Beverages	-	-	-	-	-
Cash & Carry	-	-	-	-	-
Jewellery	-	-	-	-	-
Commercial Space	-	-	-	-	-
Corporate (Unallocable)	-	-	-	-	-
Total	-	-	-	-	-
Less: Depreciation:					
Cinemas	49.60	24.16	16.05	7.21	0.96
Food & Beverages	23.37	19.83	11.62	1.51	0.02
Cash & Carry	17.45	17.12	16.83	1.96	0.55
Jewellery	0.64	0.43	0.13	-	-
Commercial Space	-	-	-	-	-
Corporate (Unallocable)	28.91	20.57	20.22	17.71	15.89
Total	119.97	82.11	64.85	28.39	17.42
Less: Non-cash Expenses:					
Cinemas	0.04	0.68	0.11	0.43	-
Food & Beverages	0.99	(0.72)	0.21	-	-
Cash & Carry	0.69	-	0.45	-	-
Jewellery	-	-	-	-	-
Commercial Space	-	-	-	-	-
Corporate (Unallocable)	5.05	52.33	(3.03)	0.77	7.32
Total	6.77	52.29	(2.26)	1.20	7.32
Profit / (Loss) before interest and taxes					
Cinemas	16.75	7.81	7.39	3.65	23.28
Food & Beverages	10.77	3.00	1.15	(3.39)	(0.13)
Cash & Carry	87.50	77.49	259.63	189.01	1.17
Jewellery	858.46	660.91	4.78	-	-
Commercial Space	-	-	-	11.55	46.20
Corporate (Unallocable)	(160.45)	(156.95)	(90.41)	15.49	79.01
Total	813.03	592.26	182.54	216.31	149.53
Less: Interest:					
Corporate (Unallocable)	245.27	167.13	103.60	52.84	18.65
Total	245.27	167.13	103.60	52.84	18.65
Profit before taxes	567.76	425.13	78.94	163.47	130.88
Less: Taxes:					
Corporate (Unallocable)	193.88	163.56	23.03	58.72	29.77
Total	193.88	163.56	23.03	58.72	29.77
Net Profit	373.88	261.57	55.91	104.75	101.11

Other Informations, as restated:**(Rs. in mn.)**

Segment Assets	As at March 31,				
	2011	2010	2009	2008	2007
Cinemas	1,010.70	839.26	318.33	179.44	61.71
Food & Beverages	390.21	368.02	313.74	70.12	1.34
Cash & Carry	1,209.46	667.82	757.06	301.06	68.34
Jewellery	2,783.51	1,796.86	140.60	-	-
Commercial Space	-	-	-	-	-
Corporate (Unallocable)	1,207.25	1,155.01	2,520.21	2,579.64	1,149.74
Total	6,601.13	4,826.97	4,049.94	3,130.26	1,281.13
Segment Liabilities					
Cinemas	53.20	36.92	24.67	16.54	12.51
Food & Beverages	12.88	14.76	15.54	8.91	0.28
Cash & Carry	411.09	139.28	200.57	24.64	15.62
Jewellery	1,044.00	8.61	12.92	-	-
Commercial Space	-	-	-	-	-
Corporate (Unallocable)	1,949.43	1,860.04	1,653.50	1,683.55	505.83
Total	3,470.60	2,059.61	1,907.20	1,733.64	534.24

Note:

The segment informations for the year ended March 31, 2010, 2009, 2008 & 2007 have been re-arranged/re-grouped in order to bring them in line with the segment information disclosed in the audited Financial Statement for the year ended March 31, 2011.

15. Details of Investment purchased and sold:**(Figures in Millions)**

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
Purchased:					
Investment in Shares (unquoted, non-trade, current investment):					
-No.	-	-	-	-	0.07
-Rs.	-	-	-	-	10.76
Investment in Immovable Properties:					
-Sq. Ft.	-	-	-	-	0.77
-Rs.	-	-	-	-	18.90
Sold:					
Investment in Shares (unquoted, non-trade, current investment):					
-No.	-	-	-	-	0.07
-Rs.	-	-	-	-	10.76
Investment in Immovable Properties:					
-Sq. Ft.	-	-	-	-	0.77
-Rs.	-	-	-	-	93.04

16. Directors Remuneration:**(Figures in Millions)**

Particulars	For the year ended March 31,				
	2011	2010	2009	2008	2007
Directors' Remuneration	23.17	17.71	7.58	5.73	5.73
Directors' Sitting Fee	0.40	-	-	-	0.29
Commission	-	-	-	-	0.25
Employer' Share to PF etc.	0.50	0.43	0.01	-	-

Note:

1. 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 no separate amount for the Directors is available. No leave encashment benefit is available to the Director(s).

2. Computation of net profit in accordance with the relevant provisions of the Companies Act, 1956 had not been disclosed for the Financial Year 2007-08 onward. For the Financial Year 2006-07, Computation of net profit are as under:

Particulars		(Rs. in mn.)
		FY 2006-07
Profit before Tax		130.31
Add :		
- Director Remuneration		5.73
- Commission to Non-Executive Director		0.25
- Sitting Fee		0.29
- Provision for doubtful debts		0.66
- Preliminary Expenses w/off		0.01
- CWIP w/off (Public Issue Expenses)		7.95
		145.20
Less :		
- Profit on sale of Investment		74.14
- Profit on sale of Fixed Assets		0.51
Net Profit for the year in accordance with Section 198 and 349 of the Companies Act, 1956		70.55
Remuneration payable @ 10% of the said Net Profit		7.06
Commission Payable @ 1% of said Net Profit		0.71

17. Auditors Remuneration (excluding service tax):

Particulars	(Rs. in mn.)				
	For the year ended March 31,				
	2011 *	2010	2009	2008	2007
Statutory Audit Fee	1.35	1.20	0.80	0.55	0.20
Tax Audit Fee	0.25	0.20	0.15	0.10	0.05
Certification Fee	-	-	-	0.01	-
Out of Pocket Expenses	0.07	0.05	0.05	0.00	-
Total	1.67	1.45	1.00	0.66	0.25

* Excluding Rs. 6.14 Lacs (excluding service tax) paid to auditors for other services, presently been shown under 'Share Issue Expense' under the head "Miscellaneous Expenditure (to the extent not written off or adjusted)".

18. Additional Informations 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):

The relevant quantitative information have been stated below only to the extent they formed part of the audited statement of the relevant financial years i.e March 31,2007,2008,2009, 2010 and 2011.

a) Details of Goods Purchased for Resale:

(Figures in millions)										
Particular	Units of Measurement	For the year ended March 31,	Opening Stock		Purchases		Sale / Consumption		Closing Stock	
			Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
FMCG	NOS./ KG	2011	1.49	74.66	87.80	4,790.80	86.84	5,025.59	2.45	112.08
		2010	3.81	180.10	83.94	3,843.14	86.26	4,189.56	1.49	74.66
		2009	3.29	79.41	101.42	2,614.39	100.90	2,991.05	3.81	180.10
		2008	0.30	12.10	48.19	1,034.78	45.19	1,195.86	3.29	79.41
		2007	0.23	5.53	3.32	140.33	3.25	145.99	0.30	12.10
GARMEN	NOS.	2011	0.11	44.79	0.31	141.92	0.28	161.89	0.13	58.87

Particular	Units of Measurement	For the year ended March 31,	Opening Stock		Purchases		Sale / Consumption		Closing Stock	
			Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
TS		2010	0.09	31.23	0.21	86.62	0.20	90.44	0.11	44.79
		2009	0.07	35.53	0.20	64.13	0.18	78.16	0.09	31.23
		2008	0.04	20.62	0.16	72.23	0.12	66.73	0.07	35.53
		2007	0.01	3.94	0.09	47.77	0.06	41.82	0.04	20.62
APPLIANCES ETC.	NOS.	2011	0.01	2.06	0.03	10.56	0.03	10.83	0.01	2.52
		2010	0.02	2.26	0.05	145.47	0.05	151.41	0.01	2.06
		2009	0.01	2.12	0.04	11.32	0.03	12.18	0.02	2.26
		2008	0.00	1.01	0.02	8.83	0.02	8.59	0.01	2.12
		2007	-	-	0.01	5.01	0.01	4.50	0.00	1.01
CEMENT	BAGS	2011	-	-	-	-	-	-	-	-
		2010	-	-	-	-	-	-	-	-
		2009	-	-	0.09	17.98	0.09	18.48	-	-
		2008	-	-	-	-	-	-	-	-
		2007	-	-	-	-	-	-	-	-
GLASS	SQ. FT.	2011	-	-	-	-	-	-	-	-
		2010	-	-	-	-	-	-	-	-
		2009	-	-	0.04	10.40	0.04	12.37	-	-
		2008	-	-	-	-	-	-	-	-
		2007	-	-	-	-	-	-	-	-
STEEL	TONS	2011	-	-	-	-	-	-	-	-
		2010	-	-	-	-	-	-	-	-
		2009	-	-	0.04	1,282.43	0.04	1,332.65	-	-
		2008	-	-	-	-	-	-	-	-
		2007	-	-	-	-	-	-	-	-
COMMERCIAL SPACE \$	SQ. FT.	2011	-	-	-	-	-	-	-	-
		2010	-	-	-	-	-	-	-	-
		2009	-	-	0.00	8.83	0.00	8.83	-	-
		2008	-	-	0.27	175.48	0.27	187.03	-	-
		2007	-	-	0.02	60.60	0.02	106.80	-	-
GOLD	GRAM	2011	-	-	0.28	529.39	0.28	533.14	-	-

Particular	Units of Measurement	For the year ended March 31,	Opening Stock		Purchases		Sale / Consumption		Closing Stock	
			Qty.	Rs.	Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
		2010	0.01	10.68	0.52	812.61	0.53	788.23	-	-
		2009	-	-	0.08	130.49	0.07	120.46	0.01	10.68
		2008	-	-	-	-	-	-	-	-
		2007	-	-	-	-	-	-	-	-
SILVER	GRAM	2011	0.58 *	15.00	0.74	25.23	1.32	47.55	-	-
		2010	-	-	0.26	6.86	0.26	7.08	-	-
		2009	-	-	-	-	-	-	-	-
		2008	-	-	-	-	-	-	-	-
		2007	-	-	-	-	-	-	-	-
GOLD JEWELLERY #		2011	-	-	-	-	-	-	-	-
		2010	-	-	-	-	-	-	-	-
		2009	-	-	-	59.27	-	37.43	-	26.35 @
		2008	-	-	-	-	-	-	-	-
		2007	-	-	-	-	-	-	-	-
OTHERS #		2011	-	4.96	-	109.30	-	277.48	-	6.15
		2010	-	13.16	-	81.43	-	206.32	-	4.96
		2009	-	17.59	-	84.12	-	176.44	-	13.16
		2008	-	3.68	-	47.93	-	85.43	-	17.59
		2007	-	5.02	-	20.06	-	35.04	-	3.68

b) Particulars of installed Capacity and Actual Production:

(Qty. in millions)

Particulars	Units of Measurement	For the year ended March 31,	Installed Capacity	Actual Production
GOLD JEWELLERY	GRAM	2011	-	4.23
		2010	-	4.10
		2009	-	-
		2008	-	-
		2007	-	-
GOLD COINS	GRAM	2011	-	0.48
		2010	-	0.09
		2009	-	-
		2008	-	-
		2007	-	-
SILVER COINS	GRAM	2011	-	0.02
		2010	-	-
		2009	-	-

Particulars	Units of Measurement	For the year ended March 31,	Installed Capacity	Actual Production
		2008	-	-
		2007	-	-
SILVER JEWELLERY	GRAM	2011	-	0.10
		2010	-	0.04
		2009	-	-
		2008	-	-
		2007	-	-
SILVER JEWELLERY	PCS	2011	-	0.00 ^
		2010	-	-
		2009	-	-
		2008	-	-
		2007	-	-

Note:

Installed capacity has not been given as the Company is getting the goods manufactured on work contract basis from the job workers.

c) Stock and Sales of Finished Goods:**(Figures in millions)**

Particulars	Unit of Measurement	For the year ended March 31,	Sales		Opening Stock		Closing Stock	
			Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
GOLD JEWELLERY	GRAM	2011	6.44	12,939.58	0.17	269.63	0.34	648.33
		2010	4.22	7,202.79	0.02	26.35 @	0.17	269.63
		2009	-	-	-	-	-	-
		2008	-	-	-	-	-	-
		2007	-	-	-	-	-	-
GOLD COINS	GRAM	2011	0.53	1,053.68	0.05	83.35	-	-
		2010	0.13	210.43	-	-	0.05	83.35
		2009	-	-	-	-	-	-
		2008	-	-	-	-	-	-
		2007	-	-	-	-	-	-
SILVER COINS	GRAM	2011	0.02	0.89	-	-	-	-
		2010	-	-	-	-	-	-
		2009	-	-	-	-	-	-
		2008	-	-	-	-	-	-
		2007	-	-	-	-	-	-
SILVER JEWELLERY	PCS	2011	0.00	0.44	-	-	0.00	0.81
		2010	-	-	-	-	-	-
		2009	-	-	-	-	-	-
		2008	-	-	-	-	-	-
		2007	-	-	-	-	-	-
SILVER JEWELLERY	GRAM	2011	0.11	4.64	0.06	1.73	0.04	1.33
		2010	-	-	-	-	-	-

Particulars	Unit of Measurement	For the year ended March 31,	Sales		Opening Stock		Closing Stock	
			Qty.	Rs.	Qty.	Rs.	Qty.	Rs.
			0.16	4.93		-	0.06	1.73
		2009	-	-	-	-	-	-
		2008	-	-	-	-	-	-
		2007	-	-	-	-	-	-

d) Purchase of Finished Goods for Resale:

(Figures in millions)

Particulars	Units of Measurement	For the year ended March 31,	Qty.	Rs.
GOLD JEWELLERY	GRAM	2011	2.38	4,928.80
		2010	0.27	429.72
		2009	-	-
		2008	-	-
		2007	-	-
				-
GOLD COINS	GRAM	2011	0.00	5.18
		2010	0.09	156.16
		2009	-	-
		2008	-	-
		2007	-	-
				-
SILVER JEWELLERY	GRAM	2011	-	-
		2010	0.18	5.35
		2009	-	-
		2008	-	-
		2007	-	-
				-

e) Consumption of Indigenous Raw Materials

(Figures in millions)

Particulars	Units of Measurement	For the year ended March 31,	Qty.	Rs.
GOLD	GRAM	2011	4.45	8,450.58
		2010	4.06	6,420.95
		2009	-	-
		2008	-	-
		2007	-	-
				-
SILVER	GRAM	2011	0.77 **	20.92 **
		2010	0.03	1.10
		2009	-	-
		2008	-	-
		2007	-	-
				-

Particulars	Units of Measurement	For the year ended March 31,	Qty.	Rs.
SEMI PRESIOUS STONE	CT	2011	0.01	0.04
		2010	-	-
		2009	-	-
		2008	-	-
		2007	-	-

* Opening Stock of Silver has transferred from stock of raw material.

\$ During the Financial Year 2008-09, Fixed Assets having Written Down Value (WDV) of Rs.3.57 millions was converted into stock in trade.

@ Shown in Financial Year 2009-10 as opening stock of finished goods as the Company has started manufacturing of Jewellery on work contract basis from the job workers from Financial Year 2009-10.

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

** Includes cost of Raw material sold from opening stock.

^ Silver Jewellery of 7,856 Gram converted into 1,423 Pcs in Financial Year 2010-11.

19. The company has undergone change in its name as below, during the period of restated Accounts:

SRS Limited	Presently, From July 16, 2009
SRS Entertainment & Retail Limited	From January 2, 2009 to July 15, 2009.
SRS Entertainment & Multitrade Limited	From December 15, 2008 to January 1, 2009
SRS Entertainment Limited	From January 25, 2005 to December 14, 2008

Annexure-V

STATEMENT OF STANDALONE RELATED PARTY TRANSACTIONS, AS RESTATED

As per Accounting Standard (AS)-18 "Related Party Disclosures", the Company's related parties and transactions are disclosed given below:

A. LIST OF RELATED PARTY

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

a. Subsidiary Company

SRS Jewells Limited (formerly SRS Bullions & Jewellers Limited) (w.e.f. 31/03/10)

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

a. Associate

SRS Cinemas Ltd. (from 12/02/07 to 20/03/07)

b. Investing Parties (Shareholders of the Company)

SRS Finance Ltd. (formerly SRS Exhibitors & Hoteliers Ltd.) (from 07/07/08 to 25/03/10)

BTL Investments Ltd. (Merged with SRS Finance Ltd. w.e.f.07/07/08) (from 31/03/07 to 07/07/08)

SBS Finance Ltd. (Merged with SRS Finance Ltd. w.e.f.07/07/08) (from 31/03/08 to 07/07/08)

c. Enterprises owned or significantly influenced by KMP and/or their Relatives

SRS Finance Ltd. (w.e.f. 26/03/10)

SRS Global Securities Ltd. (formerly SRS Housing Finance Ltd.) (w.e.f.01/04/06)

BTL Industries Ltd. (w.e.f.01/04/06)

BTL Portfolio Ltd. (formerly BTL Sales Ltd.) (w.e.f.01/04/06)

SRS Real Infrastructure Ltd. (w.e.f.01/04/07)

SRS Real Estate Ltd. (w.e.f.01/04/06)

BTL Investments & Securities Ltd. (formerly North Delhi Credit & Investments Ltd.) (w.e.f.01/04/09)

SRS Buildcon Pvt. Ltd. (w.e.f. 01/02/10)

SRS Portfolio Ltd (w.e.f.01/04/09)

Vinod Gas Agencies (w.e.f 01/04/09)

SRS Retreat Services Ltd.(formerly SRS Retreat Services Pvt. Ltd.) (FY 2006-2008)

Richi Look Tours & Travels Pvt. Ltd. (FY 2006-2007)

SRS Computech Pvt. Ltd. (FY 2006-2007)

SRS Infracon Ltd. (FY 2006-2007)

SRS IT Solutions Pvt. Ltd. (FY 2006-2007)

SRS Professional Services Ltd. (FY 2006-2007)

SRS Retail Ltd. (FY 2006-2007)

Three-D-Food & Beverages Pvt. Ltd.(FY 2006-2007)

d. Key Management Personnel (KMP)

Dr. Anil Jindal	-Chairman (w.e.f. 01/11/08)
Mr. Sunil Jindal	-Managing Director
Mr. Raju Bansal	-Whole Time Director
Mr. Vinod Gupta	-Whole Time Director
Mr. R. S. Gupta	-Director (upto 29/01/07)

B. DETAILS OF RELATED PARTY TRANSACTIONS, AS RESTATED

S. No.	Name of the Party	Nature of Transaction	(Rs. in Millions)				
			For the year ended March 31,				
			2011	2010	2009	2008	2007
1	SRS Finance Ltd.	Share Application Money	-	-	31.14	-	-
		Share Application Money (Refunded)	-	31.14	-	-	-
		Issue of Equity Shares	-	62.34	-	-	-
		Sale of Fixed Assets	5.25	-	5.06	-	-
		Electricity Charges (Income)	-	0.62	-	-	-
		Purchases of Fixed Assets (including CWIP)	4.43	-	39.64	-	-
		Sale of Goods	0.11	1.04	0.56	-	-
		Purchases of Goods	0.55	-	0.39	-	-
		Lease Rent Paid	0.36	0.97	-	-	-
		Reimbursement of Expenses	0.16	1.28	0.28	-	-
		Advance Received and Paid (Net)	0.68	-	-	-	-
		Transfer of Party Account	0.38	0.10	1.45	-	-
		Closing Balances:					
		Share Application Money	-	-	31.14	-	-
		Sundry Debtor	-	0.69	1.27	-	-
		Sundry Creditor	-	0.36	-	-	-
		Security Deposit Receivable	-	0.49	0.49	-	-
2	BTL Investments Ltd.	Issue of Equity Shares	-	-	133.07	102.53	13.50
		Interest Paid	-	-	0.18	-	-
		Lease Rent Paid	-	-	0.75	0.63	-
		Interest Received	-	-	0.11	-	-
		Lease Rent Received	-	-	0.12	0.03	-
		Security Deposit Receivable	-	-	-	0.49	-
		Loans & Advances Given	-	-	199.78	-	-
		Loans & Advances Taken	-	-	189.31	-	-
		Share Application Money	-	-	-	104.82	-
		General Expenses	-	-	-	0.18	-
		Closing Balances:					
		Security Deposit Receivable	-	-	-	0.49	-
		Loans & Advances Given	-	-	-	0.26	0.18
		Debtors	-	-	-	0.05	-
		Share Application Money	-	-	-	85.30	-
3	SBS Finance Ltd.	Interest Received	-	-	0.43	-	0.06
		Loans & Advances Taken	-	-	76.25	-	1.59
		Loans & Advances Given	-	-	93.92	8.25	7.61
		Issue of Equity Shares	-	-	110.61	178.44	1.70
		Share Application Money	-	-	-	104.43	-
		Advertisement Income	-	-	-	-	4.02
		Interest Paid	-	-	-	-	0.01
		Closing Balances:	--				
		Amount Receivable		-	-	-	0.05
4	SRS Global Securities Limited (Formerly SRS Housing Finance Ltd.)	Share Application Money	-	-	-	78.06	-
		Purchases of Goods	-	-	36.23	30.95	22.65
		Purchases of Fixed Assets	-	-	-	0.25	-
		Issue of Equity Shares	-	4.80	52.78	18.41	-
		Share Application Money	-	-	-	49.43	-
		Security Deposit Receivable	-	-	-	0.15	-
		Loans & Advances Given	-	-	-	-	1.89
		Lease Rent & Other Income	-	-	-	-	0.03
		Closing Balances:					

S. No.	Name of the Party	Nature of Transaction	For the year ended March 31,				
			2011	2010	2009	2008	2007
		Loans & Advances Given	-	-	-	-	0.36
		Sundry Creditor	-	-	-	1.00	0.26
		Share Application Money	-	-	-	48.35	-
5	BTL Industries Ltd.	Lease Rent Paid	-	-	0.11	-	-
		Issue of Equity Shares	-	8.90	39.60	116.10	-
		Loans & Advances Given	-	1.30	-	-	-
		Share Application Money	-	0.20	0.85	-	-
		Advertisement Income	-	-	-	-	0.45
		Purchases of Goods	-	-	-	-	0.01
		Closing Balances:					
6	BTL Portfolio Ltd.	Share Application Money	-	-	0.85	31.59	-
		Issue of Equity Shares	-	1.20	3.01	36.54	5.03
		Share Application Money	-	-	1.12	-	-
7	SRS Real Infrastructure Ltd.	Loans & Advances Given	-	-	-	11.51	-
		Reimbursement of Exp (net)	0.66	1.40	-	-	-
		Lease Rent Paid	6.00	3.00	0.16	-	-
		Sale of Goods	1.14	-	0.20	-	-
		Purchase of Space	18.88	-	-	-	-
		Security Deposit Receivable	-	69.00	0.05	-	-
		Loans & Advances Taken	-	-	69.54	-	-
		Advertisement Income	-	-	-	5.29	-
		Commission Received	-	-	-	25.00	-
		Closing Balances:					
		Sundry Debtor	-	-	-	22.17	-
		Sundry Creditor	-	0.20	-	-	-
		Security Deposit Receivable	69.00	69.00	0.05	-	-
8	SRS Real Estate Ltd.	Loans & Advances Taken	-	-	0.05	-	-
		Office Rent and Other Income Received	4.20	4.20	4.35	4.32	3.16
		Reimbursement of Expenses	1.67	3.35	-	-	-
		Sale of Goods	0.03	0.11	-	0.55	-
		Loans & Advances Given	-	-	316.21	-	-
		Display Charges received (including Service Tax)	27.58	27.58	25.80	-	-
		Loans & Advances Taken	-	-	569.38	-	-
		Advances Paid for Flat Booking	-	-	81.12	944.80	-
		Interest Received	-	-	2.56	-	-
		Closing Balances:					
9	BTL Investments & Securities Ltd.	Advances Paid for Flat Booking	-	-	811.64	782.07	-
		Sundry Debtor	27.85	27.60	28.10	0.36	-
		Issue of Equity Shares	-	0.57	-	-	-
10	SRS Buildcon Pvt. Ltd.	Issue of Equity Shares	-	2.51	-	-	-
		Loans & Advances Given	-	2.51	-	-	-
11	SRS Portfolio Ltd.	Issue of Equity Shares	-	18.55	-	-	-
		Advance given	-	-	-	-	-
		Closing Balances:					
12	SRS Jewells Ltd.	Advance Receivable	-	-	-	-	-
		Job Work Charges	5.34	-	-	-	-
		Investment in Shares	3.38	-	-	-	-
		Loan Given and Received Back	9.30	-	-	-	-
		Closing Balance					

S. No.	Name of the Party	Nature of Transaction	For the year ended March 31,				
			2011	2010	2009	2008	2007
		Sundry Creditors	1.61	-	-	-	-
		Investment in Subsidiary	3.88	0.50	-	-	-
13	SRS Professional Services Ltd.	Lease Rent Received	-	-	-	-	0.11
14	SRS Retreat Services Ltd.	Loans & Advances Given	-	-	-	0.22	0.01
15	SRS Computech Pvt. Ltd.	Lease Rent & Other Income	-	-	-	-	0.12
		Closing Balances:					
		Sundry Debtor	-	-	-	-	0.01
16	SRS IT Solutions Pvt. Ltd.	Lease Rent Received	-	-	-	-	0.12
17	SRS Infracon Ltd.	Reimbursement of Expenses	-	-	-	-	0.01
		Lease Rent Received	-	-	-	-	0.18
		Purchases of Fixed Assets	-	-	-	-	0.56
18	SRS Cinemas Ltd.	Investment in Equity Shares	-	-	-	-	10.76
19	Richi Look Tours & Travels Pvt. Ltd.	Lease Rent & Other Income	-	-	-	-	0.30
		Tour & Travelling Expenses	-	-	-	-	0.32
		Closing Balances:					
		Sundry Debtor	-	-	-	-	0.04
20	Three-D-Food & Beverages Pvt. Ltd.	Lease Rent Received	-	-	-	-	14.01
		Closing Balances:					
		Sundry Debtor	-	-	-	-	0.94
21	SRS Retail Ltd.	Loans & Advances Given	-	-	-	-	9.68
		Interest Received	-	-	-	-	0.13
		Closing Balances:					
		Amount Receivable	-	-	-	-	0.13
22	Vinod Gas Agencies	Purchases of Goods	0.69	3.34	-	-	-
23	Dr. Anil Jindal	Payment to Director	17.93	14.94	2.15	-	-
24	Mr. Sunil Jindal	Payment to Director	2.16	1.32	2.04	2.16	2.16
25	Mr. Raju Bansal	Payment to Director	1.79	0.72	1.70	1.79	1.79
26	Mr. Vinod Gupta	Payment to Director	1.79	1.16	1.70	1.79	1.79
27	Mr. R. S. Gupta	Payment to Director	-	-	-	-	0.25

Annexure-VI

STANDALONE ACCOUNTING RATIOS

S. No.	Particulars	For the year ended March 31,				
		2011	2010	2009	2008	2007
	Net profit after tax, as restated (Rs. in millions)	373.88	261.57	55.91	104.75	101.11
1	Earnings Per Share (EPS) (Face Value of Rs.10): (in Rs.)					
	a) Basic	3.585	2.553	0.600	2.122	3.571
	b) Diluted	3.585	2.553	0.599	2.119	3.571
2	Net Asset value per equity share (in Rs.)	30.02	26.54	21.29	19.29	20.58
3	Return on Net Worth (%)	11.94	9.45	2.61	7.50	13.54

Formulas:

- i) Earnings Per Share (Rs.) = $\frac{\text{Net Profit after Tax}}{\text{Weighted Average Number of Equity Shares outstanding during the year}}$
- ii) Net Asset Value Per Share (Rs.) = $\frac{\text{Net worth}}{\text{Number of Equity Shares outstanding at the end of the year}}$
- iii) Return on Net Worth (%) = $\frac{\text{Net Profit after Tax}}{\text{Net worth}}$

iv) Net Worth (Rs.) = Equity Share Capital + Reserves & Surplus (excluding Revaluation Reserve) less Miscellaneous Expenditure

Note:

- a) The EPS calculations are in accordance with Accounting Standard (AS)-20 "Earnings Per Share".
b) The Company has taken Secured Term Loans from Banks and Others. However, there is no conversion clause in any of the Loan Agreements.
c) Calculation of weighted average number of Equity Shares outstanding during the year(s) are as Under:

SR. NO.	NATURE OF TRANSACTION	FOR THE YEAR ENDED MARCH 31,				
		2011	2010	2009	2008	2007
1.	Nominal value of Equity Shares (Rs. per share)	10 *	10 *	10 *	10	10
2.	Total number of equity shares outstanding at the beginning of the year- fully paid up (in millions)	104.29	100.63	72.39	36.29	27.04
3.	Number of Equity Shares issued on (in millions) :					
	AUGUST 12, 2005	-	-	-	-	-
	DECEMBER 20, 2006	-	-	-	-	4.23
	MARCH 21, 2007	-	-	-	-	3.00
	MARCH 31, 2007	-	-	-	-	2.02
	JUNE 30, 2007	-	-	-	13.85	-
	JULY 30, 2007	-	-	-	3.85	-
	MARCH 31, 2008	-	-	-	18.40	-
	APRIL 30, 2008	-	-	14.92	-	-
	JUNE 30, 2008	-	-	1.64	-	-
	AUGUST 31, 2008	-	-	9.50	-	-
	NOVEMBER 30, 2008	-	-	0.82	-	-
	MARCH 31, 2009	-	-	1.36	-	-
	JULY 31, 2009	-	1.43	-	-	-
	SEPTEMBER 15, 2009	-	0.76	-	-	-
	DECEMBER 11, 2009	-	1.47	-	-	-
	TOTAL (IN MILLIONS)	-	3.66	28.24	36.10	9.25
4.	Total number of equity shares outstanding at the end of the year (fully paid up) (in millions)	104.29	104.29	100.63	72.39	36.29
5.	Adjustment in respect of Bonus shares issued (in millions)	-	-	-	-	-
6.	Wighted Average Number of Equity Shares outstanding during the year considered for basic EPS (in millions)	104.29	102.44	93.18	49.37	28.32
7.	Adjustment for weighted Share Application Money outstanding at the end of the year (in millions)	-	-	0.10	0.07	-
8.	Adjustment for Convertible Debenture outstanding at the end of the year (in millions)	-	-	0.07	-	-
9.	Weighted Average Number of Equity Shares outstanding during the year considered for Diluted EPS (in millions)	104.29	102.44	93.35	49.44	28.32

* Equity shares were split into Re.1 from Rs.10 per equity shares vide shareholders' resolution dated September 11, 2008, subsequently, the Company has consolidated its Equity Shares from Re.1 to Rs.10 per equity share vide shareholders' resolution dated October 15, 2009. Accordingly, numbers of Shares and Face Value of Re.1 restated to Rs.10 for those share issued at Face Value of Re.1 during the said period.

Annexure-VII

STATEMENT OF STANDALONE TAX SHELTER

Particulars	(Rs. in Millions)				
	For year ended March 31,				
	2011	2010	2009	2008	2007
Profit/(Loss) before Tax, as restated (A)	567.76	425.13	78.94	163.47	130.88
MAT rate including surcharge	19.93%	16.99%	11.33%	11.33%	11.22%
Normal Tax rate including surcharge	33.22%	33.99%	33.99%	33.99%	33.66%
Normal Tax on above (B)	188.61	144.50	26.83	55.56	44.05
Adjustments:					
Permanent Differences:					
Prior Period Expenses	-	0.76	1.34	0.65	-
Profit on sale of current investment-agricultural land	-	-	-	-	(74.14)
Donation	0.02	0.05	0.04	0.05	0.09
Deduction under Chapter VI A	-	-	-	-	-
Others	0.07	4.67	4.96	0.96	8.21
Total (C)	0.09	5.48	6.34	1.66	(65.84)
Temporary Differences:					
Difference between book and tax depreciation	(81.56)	(79.55)	(86.23)	(49.96)	(36.21)
Unabsorbed depreciation	-	(8.05)	-	-	-
Fixed Assets written off	2.58	13.99	-	-	-
Loss/(Profit) on sale of assets	0.17	13.67	(5.20)	(37.31)	(0.51)
Disallowance/(Allowance) u/s 43(B)	2.46	5.17	0.25	0.91	0.50
Disallowance/(Allowance) u/s 40(a)(ia)	(0.29)	(0.97)	0.44	(2.24)	3.06
Provision for Doubtful Debts	-	-	-	(0.12)	0.12
Total (D)	(76.64)	(55.74)	(90.74)	(88.72)	(33.04)
Total Adjustment E=(C+D)	(76.55)	(50.26)	(84.40)	(87.06)	(98.88)
Tax Expense / (Saving) thereon F=(E*Normal Tax Rate)	(25.43)	(17.08)	(28.69)	(29.59)	(33.28)
Total Tax Payable:					
Tax payable for the year G=(B+F)	163.18	127.42	-	25.97	-
Tax Payable under MAT	-	-	9.33	-	14.66
Interest on Tax Payment	7.25	7.40	-	1.25	0.49
Total Tax Payable as per books of account, as restated	170.43	134.82	9.33	27.22	15.15

Note:

The statement of tax shelter has been prepared based on returns of income filed by the Company with the Income Tax Authority, except for the year ended March 31, 2011.

Annexure–VIII

STANDALONE CAPITALIZATION STATEMENT

(Rs. in Millions)

Particulars	As at March 31, 2011	
	Pre Issue	Post Issue *
Total Debts:		
Long Term Debt	355.80	
Short Term Debt	2,381.92	
Total Debts	2,737.72	
Shareholders Funds:		
Share Capital	1,042.91	
Reserves & surplus	2,100.24	
Less: Misc. expenditure	12.62	
Total Shareholders Funds	3,130.53	
Long Term Debt / Total Shareholders' Funds	0.11	
Total debts / Total Shareholders' Funds	0.87	

* The post-issue capitalization can not be determined till the completion of book building process.

Notes:

- a) Long term debt is debt with tenure of more than one year.
b) The above has been computed on the basis of Standalone Summary of Financial Statements, as restated.

Annexure–IX

STATEMENT OF STANDALONE SECURED LOANS, AS RESTATED

(Rs. in Millions)

S. No.	Particulars	As at March 31,				
		2011	2010	2009	2008	2007
1	Term Loan-Rupee					
	-From Bank	1,409.75	786.06	1,134.21	1,009.12	366.91
	-From Others	0.59	106.75	2.27	0.83	-
	-Foreign Currency	-	-	-	160.88	-
2	Overdraft from Bank					
	-From Bank Overdraft Facility	-	-	-	-	-
	-Interest Accrued & due on Overdraft	-	-	-	-	-
3	Working Capital from Bank					
	-Cash Credit	1,324.88	514.52	305.49	94.32	60.06
	-Foreign Currency	-	203.13	-	-	-
Total		2,735.22	1,610.46	1,441.97	1,265.15	426.97

Terms and Conditions of Secured Loans outstanding as on March 31, 2011:

Lender	Loan Documentation	Loan Sanctioned (Rs. in Millions)	Loan Outstanding (Rs. in Millions)	Interest Rate PA	Repayment Schedule	Details of Re-schedulement/ Prepayment/ Penalty/ Default, if any										
State Bank of India- Term Loan-II	Sanction Letter dated March 22, 2007 as latest amended by sanction letter dated March 21, 2011	400.00	156.85	13% p.a.	60 monthly installments commencing from April, 2008 as under: <table><tr><th>No.</th><th>Amt (in millions)</th></tr><tr><td>12</td><td>Rs.02.40</td></tr><tr><td>12</td><td>Rs.06.20</td></tr><tr><td>35</td><td>Rs.08.00</td></tr><tr><td>01</td><td>Rs.16.80</td></tr></table>	No.	Amt (in millions)	12	Rs.02.40	12	Rs.06.20	35	Rs.08.00	01	Rs.16.80	Penal Interest: Default in payment of interest/installment will attract penal interest @2% p.a. & adverse deviation from ratio levels stipulated by Bank by more than 20% will attract penal interest for 1%. p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.
No.	Amt (in millions)															
12	Rs.02.40															
12	Rs.06.20															
35	Rs.08.00															
01	Rs.16.80															
State Bank of Bikaner & Jaipur- Term Loan	Sanction Letter dated June 05, 2007 as latest amended by letter dated June 10, 2009	78.00	23.84	13.50% p.a.	60 monthly installments commencing from April, 2008 as under: <table><tr><th>No.</th><th>Amt (in millions)</th></tr><tr><td>12</td><td>Rs.0.50</td></tr><tr><td>12</td><td>Rs.1.20</td></tr><tr><td>36</td><td>Rs.1.60</td></tr></table>	No.	Amt (in millions)	12	Rs.0.50	12	Rs.1.20	36	Rs.1.60	Penal Interest: Non payment of interest/installment will attract penal interest @1% p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.		
No.	Amt (in millions)															
12	Rs.0.50															
12	Rs.1.20															
36	Rs.1.60															
State Bank of Patiala- Term Loan	Sanction Letter dated July 27, 2010	250.00	93.76	13.75% p.a.	60 monthly installments commencing from April, 2008 as under: <table><tr><th>No</th><th>Amt (in millions)</th></tr><tr><td>12</td><td>Rs.1.20</td></tr><tr><td>12</td><td>Rs.3.10</td></tr><tr><td>35</td><td>Rs.5.50</td></tr><tr><td>01</td><td>Rs.5.90</td></tr></table>	No	Amt (in millions)	12	Rs.1.20	12	Rs.3.10	35	Rs.5.50	01	Rs.5.90	Penal Interest: Non payment of interest/installment will attract penal interest @1% p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.
No	Amt (in millions)															
12	Rs.1.20															
12	Rs.3.10															
35	Rs.5.50															
01	Rs.5.90															
State Bank of Travancore -Term Loan	Sanction Letter dated August 16, 2007 as latest amended by letter dated July,13 2010	100.00	29.01	13.50% p.a.	60 monthly installments commencing from April, 2008 as under: <table><tr><th>No.</th><th>Amt (in millions)</th></tr><tr><td>12</td><td>Rs.0.60</td></tr><tr><td>12</td><td>Rs.1.57</td></tr><tr><td>35</td><td>Rs.2.05</td></tr></table>	No.	Amt (in millions)	12	Rs.0.60	12	Rs.1.57	35	Rs.2.05	Penal Interest: Non payment of interest/installment will attract penal interest @2% p.a.		
No.	Amt (in millions)															
12	Rs.0.60															
12	Rs.1.57															
35	Rs.2.05															

Lender	Loan Documentation	Loan Sanctioned (Rs. in Millions)	Loan Outstanding (Rs. in Millions)	Interest Rate PA	Repayment Schedule	Details of Re-schedulement/ Prepayment/ Penalty/ Default, if any								
					01 Rs.2.21									
Bank of India - Corporate Loan II	Sanction Letter dated December 03, 2009 as latest amended by letter dated July, 27 2010	150.00	120.00	13% p.a.	11 Quarterly Ballooned installments commencing from April, 2010 as under: <table><tr><td>No.</td><td>Amt (in millions)</td></tr><tr><td>04</td><td>Rs.07.50</td></tr><tr><td>04</td><td>Rs.15.00</td></tr><tr><td>03</td><td>Rs.20.00</td></tr></table>	No.	Amt (in millions)	04	Rs.07.50	04	Rs.15.00	03	Rs.20.00	Penal Interest: for non submission of audited financial statements & CMA within stipulated period will attract penal interest @ 1% p.a. & penal interest @2% p.a. will be levied on the overdue amounts due to irregularities & any default in complying with terms of sanction will attract penal interest @ 1% p.a. after expiry of stipulated time of complying with conditions. Non payment of interest / installment will attract penal interest @2% p.a. Commitment Charges: Min commitment charges 1.02% p.a. on unutilized portion & overall annual unutilised below 60% will attract commitment charges of 2% p.a. Pre Payment: Prepayment will attract 2% p.a. charges on the amount prepaid.
No.	Amt (in millions)													
04	Rs.07.50													
04	Rs.15.00													
03	Rs.20.00													
Union Bank of India - Term Loan I	Sanction Letter dated May 20, 2005 as latest amended by sanction letter dated May 16, 2009	185.00	86.77	13.75% p.a.	105 installment commencing from July, 2005	Penal Interest: Non payment of interest/installment will attract penal interest @2% p.a. Pre Payment: Prepayment will be accepted on terms & conditions to be decided by bank.								

Lender	Loan Documentation	Loan Sanctioned (Rs. in Millions)	Loan Outstanding (Rs. in Millions)	Interest Rate PA	Repayment Schedule	Details of Re-schedulement/ Prepayment/ Penalty/ Default, if any
The Bank of Nova Scotia-Gold Loan	Facility Agreement dated October 05, 2009 as latest amended by sanction letter dated October 22, 2010	Upto 16000 fine troy ounces of gold and gold to a value of Rs.1,228.8 millions	875.99	6% p.a.	180 days and as mutually agreed to renew for a further period	Default Amount: @2% above the Bank's prime rate in India, from the due date till the date of actual payment.
State Bank of India-Working Capital Limit	Sanction Letter dated March 22, 2007 as latest amended by sanction letter dated March 21, 2011	900.00	876.90	12% p.a.	on demand	Penal Interest: For non submission of Quality receivables certificate from Statutory Auditor, penal interest @1% p.a. will be levied. 2% p.a. on the entire outstanding, if continuously irregular for a period beyond 60 days; in other cases on the irregular portion. 1% p.a. in case of non submission of Stock Statements. 1% p.a. in case of non submission of renewal data beyond 3 month from the due date of renewal. 1% p.a. in case of non-compliance with covenants. However penal interest due to non compliances will not exceed 3% p.a. Commitment Charge: 1.25% for utilisation level falling below 60% of Fund Based Limit.
Oriental Bank of Commerce-Working Capital Limit	Sanction Letter dated January 06, 2009 as latest amended letter dated June 22, 2010	100.00	99.21	13.50% p.a.		Penal Interest: 2% for any irregularity.
Bank of India - Working Capital Limit	Sanction letter dated July, 27 2010	150.00	149.18	12.25% p.a.		Penal Interest: 2% p.a. for any irregularity. Commitment charges: 1.02% p.a. on unutilised portion

Lender	Loan Documentation	Loan Sanctioned (Rs. in Millions)	Loan Outstanding (Rs. in Millions)	Interest Rate PA	Repayment Schedule	Details of Re-schedulement/ Prepayment/ Penalty/ Default, if any
						subject to tolerance level of 15%
State Bank of Patiala-Working Capital	Sanction letter dated July, 27 2010	100.00	99.62	13% p.a.		Penal Interest: Continuously irregular for a period beyond 60 days 2% on the entire outstandings otherwise 2% p.a. on the irregular portion. 1% p.a. in case of non submission of Stock Statements. 1% p.a. in case of non submission of renewal data beyond 3 month from the due date of renewal.
State Bank of Travancore -Working Capital	Sanction letter dated July, 14 2010	100.00	99.97	13.25% p.a.		Penal Interest: 1% p.a. for defaults like overdrawing in sanctioned limits, Delay/ non-Submission of stock statement/ renewal data, non payment of monthly interest with overall ceiling 2% p.a.
ICICI Bank Ltd - Property Loan	Disbursement dated November 30,2007	14.97	12.68	13.5% p.a.	120 equal monthly installment of (revised to 138 due to change in rate of interest) commencing from January, 2008	Penal Interest: In case of delay in repayment penal interest @ 24% p.a. will be levied
ICICI Bank Ltd- Vehicle Loan	Sanction in October, 2008	0.40	0.07	Interest rate varying between 10% to 17% p.a.	35 equal monthly installment Rs.14,100/- each commencing from October, 2008	-
ICICI Bank Ltd- Vehicle Loan	Sanction in August, 2008	0.19	0.02		36 equal monthly installment Rs.6,397/- each commencing from August, 2008	-
ICICI Bank Ltd- Vehicle Loan	Sanction in September, 2008	0.50	0.06		35 equal monthly installment Rs.17,500/- each commencing from September, 2008	-
HDFC Bank Ltd- Vehicle Loan	Sanction in May, 2008	0.30	0.01		36 equal monthly installment Rs.9,696/- each commencing from May, 2008	-

Lender	Loan Documentation	Loan Sanctioned (Rs. in Millions)	Loan Outstanding (Rs. in Millions)	Interest Rate PA	Repayment Schedule	Details of Re-schedulement/ Prepayment/ Penalty/ Default, if any
HDFC Bank Ltd- Vehicle Loan	Sanction in May, 2008	0.30	0.01		36 equal monthly installment Rs.9,696/- each commencing from May, 2008	-
Kotak Mahindra Prime Ltd- Vehicle Loan	Sanction in August, 2008	0.37	0.05		36 equal monthly installment Rs.13,009/- each commencing from August, 2008	-
Kotak Mahindra Prime Ltd- Vehicle Loan	Sanction in August, 2009	0.37	0.19		36 equal monthly installment Rs.12,691/- each commencing from September, 2009	-
Kotak Mahindra Prime Ltd- Vehicle Loan	Sanction in December, 2009	0.37	0.24		36 equal monthly installment Rs.12,800/- each commencing from January, 2010	-
Reliance Capital Ltd- Vehicle Loan	Sanction in September, 2008	0.31	0.04		36 equal monthly installment Rs.10,341/- each commencing from September, 2008	-
Tata Capital Ltd- Vehicle Loan	Sanction in September, 2008	0.52	0.07		35 equal monthly installment Rs.18,140/- each commencing from September, 2008	-
ICICI Bank Ltd- Vehicle Loan	Sanction in May, 2010	3.80	2.84		36 equal monthly installment Rs.1,22,170/- each commencing from June, 2010	-
HDFC Bank Ltd- Vehicle Loan	Sanction in June, 2010	5.30	4.10		36 equal monthly installment Rs.1,67,321/- each commencing from July, 2010	-
HDFC Bank Ltd- Vehicle Loan	Sanction in June, 2010	4.00	3.11		36 equal monthly installment Rs.1,28,600/- each commencing from July, 2010	-
ICICI Bank Ltd- Vehicle Loan	Sanction in October, 2010	0.74	0.63		36 equal monthly installment Rs.24,231/- each commencing from October 2010	-

Security Clause for Secured Loans are given as under:

- 1 Rupee Term Loan from Banks (on consortium basis comprising of State Bank of India (Lead Banker), State Bank of Bikaner & Jaipur, State Bank of Patiala, State Bank of Travancore and Union Bank of India) amounting to Rs. 390.23 millions is secured against first pari passu charge on all the fixed assets of the Company, including Equitable Mortgage of land and building at site no 4, City Center, Sector-12 and Multiplex-cum Shopping Mall constructed thereon in the name of the Company and further secured by first pari passu charge on (a) 8 acres of land at Prithla in the name of SPS Buildcon Ltd. (b) 6.84 acres of land at Prithla in the name of SRS Retreat Services Ltd. (c) Extension of charge on current assets. The Facility is further secured by personal guarantee by Directors and corporate guarantee of SPS Buildcon Ltd., SRS Retreat Services Ltd., BTL Industries Ltd., BTL Portfolio Ltd., SRS International Ltd., SRS Professional Services Ltd., and SRS IT Solutions Pvt. Ltd.
- 2 Rupee Term Loan from ICICI Bank for Jasola Property amounting to Rs. 12.68 millions is secured against Equitable mortgage on Jasola Property of the Company and Personal guarantee of relative of Directors and corporate guarantee of SRS Finance Ltd.
- 3 Rupee Term Loan (Corporate Loan) from Bank of Baroda amounting to Rs. 120.00 millions is secured against Equitable mortgage of Land measuring 66 Kanal situated on Sector-8, Palwal in the name of SRS Real Estate Limited and Personal guarantee of Director and Corporate guarantee of SRS Real Estate Limited.
- 4 Rupee Term Loan from various Banks amounting to Rs. 10.85 millions and from Others amounting to Rs. 0.59 millions against Equipments/Vehicles is secured against hypothecation of specified equipments/vehicles of the Company.
- 5 Gold Loan (Metal) from The Bank of Nova Scotia amounting to Rs. 875.99 millions is secured against Letter of Credit and FDR.
- 6 Cash Credit facility from Banks (on consortium basis comprising of State Bank of India (Lead Banker), Oriental Bank of Commerce, State Bank of Patiala, State Bank of Travancore and Bank of India) secured against hypothecation of stocks & book debts and equitable mortgage of specific properties and Personal guarantee of directors and Corporate guarantee of SPS Buildcon Ltd., SRS Retreat Services Ltd., BTL Industries Ltd., BTL Portfolio Ltd., SRS International Ltd., SRS Professional Services Ltd., and SRS IT Solutions Pvt. Ltd.

Annexure-X

STATEMENT OF STANDALONE UNSECURED LOANS, AS RESTATED

(Rs. in Millions)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
From Directors	-	-	-	-	-
From Group Company	-	-	-	-	0.74
Zero % Fully Convertible Debentures	-	-	75.00	-	-
Inter Corporate Deposits	2.50	12.40	26.04	17.91	9.63
Total	2.50	12.40	101.04	17.01	10.37

Terms and Conditions of Unsecured Loans outstanding as on March 31, 2011:

Particulars	Loan o/s (Rs. in Millions.)	Rate of Intt. (PA)	Repayment Schedule
Inter Corporate Deposits	2.50	18%	Payable on Demand

Annexure–XI

STATEMENT OF STANDALONE INVESTMENTS, AS RESTATED

Particulars	For year ended March 31,				
	2011	2010	2009	2008	2007
Long Term, Unquoted, Trade					
Number of Equity Shares of Rs. 10	83,750	50,000	-	-	-
Investments in equity shares of wholly-owned Subsidiary- Fully paid up:					
SRS Jewells Limited (Rs. in millions)	3.88	0.50	-	-	-
Total Cost of Investments	3.88	0.50	-	-	-
Note: Average Value of Unquoted Investments	3.88	0.50	-	-	-

Annexure–XII

STATEMENT OF STANDALONE SUNDRY DEBTORS, AS RESTATED

(Rs. in Millions)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Secured, considered Good					
(i) Debts outstanding for a period exceeding six months	0.04	-	-	0.06	0.04
(ii) Other Debts	0.97	0.97	0.78	0.93	0.59
Sub-total	1.01	0.97	0.78	0.99	0.63
Unsecured					
(i) Debts outstanding for a period exceeding six months					
(a) Considered Good	28.09	1.31	3.68	0.92	2.97
(b) Considered Doubtful	-	-	-	-	0.12
(ii) Other Debts					
(a) Considered Good	2,680.36	997.50	318.50	36.22	59.06
Sub-total	2,708.45	998.81	322.18	37.14	62.15
Less: Provision for Doubtful Debts	-	-	-	-	0.12
Total	2,709.46	999.78	322.96	38.13	62.66

Amounts outstanding from Promoters/Promoter Group/Group Companies/Directors/Relatives of Directors:

(Rs. in Millions)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
From Promoters	-	-	-	-	-
From Promoter -Companies	-	0.69	1.27	0.05	0.10
From Group Companies	27.85	27.83	38.62	22.53	2.09
From Directors	-	-	-	-	-
From Relatives of Directors	-	-	-	-	-
Total	27.85	28.52	39.89	22.58	2.19

Note:

The list of persons/entities classified as “Promoters” and ‘Promoter Group Companies’ has been determined by the management and relied upon by Auditors. The Auditors have not performed any procedures to determine whether this list is accurate or complete.

Annexure–XIII

STATEMENT OF STANDALONE OTHER CURRENT ASSETS, AS RESTATED

(Rs. in Millions)

Particulars	As At March 31,				
	2011	2010	2009	2008	2007
Interest Accrued but not Due	3.55	1.28	0.15	0.05	0.65
Total	3.55	1.28	0.15	0.05	0.65

Amounts outstanding from Promoters/Promoter Group/Group Companies/Directors/Relatives of Directors:

(Rs. in Millions)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
From Promoters	-	-	-	-	-
From Promoters -Companies	-	-	-	-	0.52
From Group Companies	-	-	-	-	0.13
From Directors	-	-	-	-	-
From Relatives of Directors	-	-	-	-	-
Total	-	-	-	-	0.65

Note:

The list of persons/entities classified as “Promoters” and ‘Promoter Group Companies’ has been determined by the management and relied upon by Auditors. The Auditors have not performed any procedures to determine whether this list is accurate or complete.

Annexure–XIV

DETAILS OF STANDALONE LOANS & ADVANCES, AS RESTATED

(Rs. in Millions)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Advances recoverable in cash or in kind or for which value to be received	67.57	70.10	80.88	3.74	3.42
Advances to Suppliers	19.37	7.26	34.26	5.02	9.68
Advances for Projects / Fixed Assets	0.17	10.37	844.66	839.73	376.74
MAT Credit Entitlement	-	-	8.46	-	4.74
Advance Income Tax and TDS (net of Provision for Income Tax)	-	-	2.27	-	-
Security Deposits	146.64	163.75	115.75	95.81	49.63
Prepaid Expenses	5.54	6.25	3.10	2.61	1.26
Total	239.29	257.73	1,089.38	946.91	445.47

Amounts outstanding from Promoters/Promoter Group/Group Companies/Directors/Relatives of Directors:

(Rs. in Millions)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
From Promoters	-	-	-	-	-
From Promoters -Companies	-	0.49	0.49	0.75	0.54
From Group Companies	69.00	69.00	811.84	782.44	0.01
From Directors	-	-	-	-	-
From Relatives of Directors	-	-	-	-	-
Total	69.00	69.49	812.33	783.19	0.55

Note:

The list of persons/entities classified as “Promoters” and ‘Promoter Group Companies’ has been determined by the management and relied upon by Auditors. The Auditors have not performed any procedures to determine whether this list is accurate or complete.

Annexure–XV

DETAILS OF STANDALONE OTHER INCOME, AS RESTATED

(Rs. in Millions)

Particulars	For year ended March 31,				
	2011	2010	2009	2008	2007
Recurring:					
Interest income	14.20	1.65	4.94	0.50	0.93
Sale of scrap	1.76	0.96	0.49	0.56	0.13
Non Recurring:					
Miscellaneous income	2.22	0.96	1.32	1.17	0.83
Foreign Exchange Fluctuation	-	-	-	-	-
Profit on Gold Forward Commodity Settlement	0.24	-	-	-	-
Amount written back	-	-	-	-	-
Commission income	-	-	-	-	-
				25.00	
Profit on sale of current investment - Agricultural land	-	-	-	-	74.14
Profit on sale of capital assets (net)	-	-	5.20	37.31	0.51
Total	18.42	3.57	11.95	64.54	76.54

Notes:

The classification of income as recurring / non recurring and related / not related to business activity is based on the current operations and business activity of the Company as determined by the management.

Annexure–XVI

STANDALONE STATEMENT SHOWING RATES AND AMOUNT OF DIVIDEND

Particulars	For year ended March 31,				
	2011	2010	2009	2008	2007
Total number of Equity Shares outstanding at the end of the year	104,291,009	104,291,009	1,006,310,500	72,395,000	36,291,585
Face Value of each shares (in Rs.)	10.00	10.00 *	1.00 *	10.00	10.00
Rate of Dividend (%)	-	-	-	-	-
Amount of Dividend (Rs. in Millions)	-	-	-	-	-

* Equity shares were split into Re.1 from Rs.10 per equity shares vide shareholders' resolution dated September 11, 2008, subsequently, the Company has consolidated its Equity Shares from Re.1 to Rs.10 per equity share vide shareholders' resolution dated October 15, 2009.

Note:

The Directors in their prudence and considering the funds requirements for business purposes have not recommended or approved the payment of any dividend in the above years.

FINANCIAL INDEBTEDNESS

The loans outstanding against the Company have been categorized as under:

Sr. No.	Particulars
I	Loans availed under the Consortium Arrangement
II	Corporate Loan availed from the Bank of India
III	Unsecured Corporate Loan sanctioned by Indian Overseas Bank
IV	Loan availed from the ICICI Bank
V	Vehicle Loans
VI	Other Loans – Unsecured

Apart from the above mentioned loan/ credit arrangements, the Oriental Bank of Commerce has *vide* sanction letter dated June 22, 2010 sanctioned a term loan of Rs.200 mn., subject to the Company raising funds from the proposed Initial Public Offering (“IPO”) and atleast 75% of the said IPO proceeds being spent towards expansion.

I. Loans/ Facilities availed under the consortium arrangement

The following banks (herein after collectively referred to as the “**Consortium Banks or Consortium**”) have entered into a consortium arrangement with the Company:

1. State Bank of India (“SBI” or the “**Lead Bank**”);
2. Bank of India (“BOI”);
3. Oriental Bank of Commerce (“OBC”);
4. Union Bank of India (“UBI”);
5. State Bank of Bikaner and Jaipur (“SBBJ”);
6. State Bank of Patiala (“SBP”);
7. State Bank of Travancore (“SBT”);

The Consortium Banks have extended Term Loans and other Fund Based and Non-Fund based facilities to the Company. Various documents including the “Joint Deed of Hypothecation”, “Inter - se Agreement” and the “Working Capital Consortium Agreement” dated May 30, 2011 have been entered between Company and the Consortium Banks for giving effect to the said arrangement.

Brief summary of the arrangement entered into with the Consortium Banks are as follows:

Sr. No.	Name of the Bank	Amount Sanctioned (In Rs. Mn.)	Amount Availed (In Rs. Mn.)	Amount outstanding as on May 31, 2011 (In Rs. Mn.)
I	<u>Term Loans</u>			
	a) SBI	400.00	400.00	142.70
	b) SBI	500.00	22.50	22.71
2	SBBJ	78.00	78.00	20.89
3	SBP	250.00	250.00	83.77
4	SBT	100.00	100.00	25.17
5	UBI	185.00	185.00	88.80
	Total Term	1,513.00	1,035.50	384.04

Sr. No.	Name of the Bank	Amount Sanctioned (In Rs. Mn.)	Amount Availed (In Rs. Mn.)	Amount outstanding as on May 31, 2011 (In Rs. Mn.)
	Loans			
II	<u>Fund based – Cash Credit/ Working Capital</u>			
1	SBI	900.00	900.00	900.65
2	OBC	100.00	100.00	101.05
3	SBP	100.00	100.00	99.17
4	SBT	100.00	100.00	100.32
5	BOI	150.00	150.00	150.00
6	SBBJ	150.00	-	-
	Total Fund Based	1,500.00	1,350.00	1,351.19
III	<u>Non-fund based facilities (Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit)</u>			
1	SBI	550.00	550.00	550.13
2	OBC	50.00	50.00	50.00
3	SBP	200.00	200.00	200.00
4	SBT	200.00	200.00	200.00
5	BOI	150.00	150.00	150.00
6	SBBJ	100.00	-	-
	Non-fund based facilities	1,250.00	1,150.00	1,150.13

The above detailed loans and facilities have been secured by way of charge on the Company's properties. Details of the charges so created in favour of the Consortium Banks (Lead Banker) are as under:

Sr. No.	Particulars	Amount of charge (In Rs. Mn.)	Comments/ Observation
1	Charge ID 10070155 [Last modified on August 19, 2010 <i>vide</i> SRN No. A94253754] Registered in favour of: State Bank of India, Commercial Branch, A-5 South Extension Part-I, New Delhi – 110049, India.	1,950.00	As security against the Fund based and Non-Fund based facilities extended by the Consortium Banks.
2	Charge ID 10070181 [Last modified on October 7, 2009 <i>vide</i> SRN No. A72453616] Registered in favour of: State Bank of India, Mid-corporate Loan Administration Unit, Second Floor Chandni Chowk, Delhi, 110006, India.	1,099.60	As security against the term loans extended by the Consortium Banks
3	Charge ID 10282744 [Created on March 24, 2011 <i>vide</i> SRN No. B11475761]	1,450.00	As security against the Fund based and Non-Fund based facilities

Sr. No.	Particulars	Amount of charge (In Rs. Mn.)	Comments/ Observation
	Registered in favour of: State Bank of India, Commercial Branch, A-5 South Extension Part-I, New Delhi – 110049, India.		extended by the Consortium Banks.

The loan facilities entered into with the Consortium Banks have been discussed briefly hereunder:

1.1 Term Loans – SBI

The Company had availed two (2) term loans of Rs. 70.00 mn. and Rs. 400.00 mn. each from the SBI. The first arrangement for Rs. 70.00 mn., consisted of the following two loans taken over by the SBI:

1. Loan of Rs. 43.00 mn. from the Indian Overseas Bank; and
2. Loan of Rs. 27.00 mn. from Dena Bank.

This loan has been paid off by the Company.

The second loan of Rs. 400.00 mn. is outstanding as on the date of this Report. Details of the said loan facility are as under.

Nature of Loan	Term Loan
Purpose	Expansion of business
Amount Sanctioned	Rs. 400.00 mn.
Loan Availed	Rs. 400.00 mn.
Amount outstanding as on May 31, 2011	Rs. 142.70 mn. (approx.)
Tenure	5 years
Terms of Repayment	Repayable in 60 installments starting from April 08 (and ending in March 2013), as per the repayment schedule laid down by the Lead Banker.
Security	<u>Primary Charge</u> – (i) First <i>pari passu</i> charge along with other Consortium Banks on all the fixed assets including equitable mortgage of land and building at site no. 4, City Centre, Sector 12, Faridabad; <u>Collateral Security</u> – (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. (ii) Extension of charge on Current Assets. <u>Guarantee</u> – (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs.15.3 mn. (i) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private

	Limited.
Rate of interest	SBAR (Effective Rate 14.00% p.a., as on May 31, 11)
Margin	33.33%
Implications of default in repayment (penal interest)	2% for the period of default
Cancellation rights	SBI may cancel the limits (either fully or partially) unconditionally without prior notice, in case: (i) The case of deterioration in the loan account in any manner whatsoever; and/or (ii) Non-compliance of terms and conditions mentioned in the agreement with SBI.

Negative Covenants

The document entered into with SBI contains the following negative covenants:

1. The Company is not allowed to effect any change in its capital structure/ constitution/ ownership/ controlling interest etc., without the prior approval of SBI;
2. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBI;
3. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to and approved by SBI;
4. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBI;
5. The Company shall not undertake any guarantee obligation on behalf of any other company;
6. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee etc.).

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBI are as detailed hereunder:

1. SBI shall have the right to convert the debt into equity, at any time felt appropriate by it, at a mutually acceptable formula;
2. The Company to provide copy of its audited Balance Sheet to SBI within 3 months from the date of the Balance Sheet, failing which it shall be liable to pay a penal interest, as may be prescribed (presently 0.25%), on the entire limit till the date of the submission of the balance sheet;
3. The Company to immediately have itself rated by an approved External Credit Rating Agency, failing which SBI would be entitled to recover penal interest, as may be prescribed (presently 1%), from the Company;
4. The Company is not allowed to repay any unsecured loan during the currency of the loan from SBI;
5. The Company is not allowed to appoint as director, on its Board of Directors, a person whose name appears in the willful defaulters list of RBI/ CIBIL;
6. The Company to maintain a current ratio of atleast 1:1, failing which the Company would be liable to pay penal interest @ 0.25% per annum.

1.2 Term Loan – SBI

The Company has also been sanctioned another term loan of Rs. 500.00 mn. from the SBI vide sanction letter dated 21.03.2011. The said facility is yet to be availed by the Company.

Nature of Loan	Term Loan			
Purpose	Expansion of business			
Amount Sanctioned	Rs. 500.00 mn.			
Loan Availed	Rs. 22.50 mn.			
Amount outstanding as on May 31, 2011	Rs. 22.71 mn. (approx.)			
Tenure	4 years			
Terms of Repayment	Particulars	Installment due on	Installment Amount	Total Repayment
	Monthly installments (47)	Last working day of each month, first installment payable on 30.04.2012	April' 12 – August' 13: 5.0 mn. September; 13 – March' 14: 10.0 mn. April' 14 – February' 16: 15.0 mn.	85.00 mn. 70.00 mn. 345.00 mn.
	Total			500.00 mn.
Security	<u>Primary Charge</u> – (i) First <i>pari passu</i> charge along with other Consortium Banks on all the fixed assets including Equitable Mortgage (“EM”) of land and building at site no. 4, City Centre, Sector 12, Faridabad; <u>Collateral Security</u> – (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a. EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b. EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. (ii) Extension of charge on Current Assets. <u>Guarantee</u> - (i) Personal Guarantee(s) from Company’s directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs.15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.			
Rate of interest	4.25% above base rate i.e. 12.50%.			
Margin	33.90%			
Prepayment Penalty	2% of the pre-paid amount for floating interest rates term loan.			
Periodicity of	The pricing is subject to reset after two years from the date of sanction and			

reset of Interest Rate	thereafter every two years.
Status of registration of Charge with the Registrar of Companies (ROC)	Charge ID 10282465 [Created on March 24, 2011 vide SRN No. B11475001] Registered in favour of: State Bank of India, Commercial Branch, A-5 South Extension Part-I, New Delhi – 110049, India

Negative Covenants

The document entered into with SBI contains the following negative covenants:

1. The Company is not allowed to effect any change in the Company's capital structure;
2. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBI;
3. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to and approved by SBI;
4. The Company is prohibited to invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies);
5. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBI;
6. The Company shall not undertake any guarantee obligation on behalf of any other company;
7. The Company shall not create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons;
8. The Company shall not sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to SBI;
9. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee, etc.).

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBI are as detailed hereunder:

1. Any adverse deviation by more than 20% from the levels stipulated as below in respect of any two of the following items for a minimum period of one year @ 1% per annum: (a) Current ratio; (b) Total debt gearing; (c) Interest coverage ratio.
2. The Company is not allowed to appoint as director, on its Board of Directors, a person whose name appears in the willful defaulters list of RBI/ CIBIL.

1.3 Term Loan – SBBJ

SBBJ has extended a Term Loan of Rs. 78.00 mn. to the Company under the Consortium Arrangement.

Details of the said loan arrangement are as under:

Nature of Loan	Term Loan
Purpose	Expansion of business
Amount Sanctioned	Rs. 78.00 mn.
Loan Availed	Rs. 78.00 mn.
Amount outstanding as on May 31, 2011	Rs. 20.89 (approx.)
Tenure	5 Years
Terms of Repayment	Repayable in 60 installments starting from April 08 (and ending in March 2013), as per the repayment schedule laid down by the Lead

	Banker.
Security	<u>Primary Charge</u> – First <i>pari passu</i> charge along with other Consortium Banks on all the fixed assets including equitable mortgage of land and building at site no. 4, City Centre, Sector 12, Faridabad. <u>Collateral Security</u> – (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. (ii) Extension of charge on Current Assets. <u>Guarantee</u> - (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs. 15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	33.33%
Rate of interest	Floating rate of interest. [14.00% p.a. as on May 31, 2011]
Implications of default in repayment (penal interest)	1% p.a. on the total outstanding for the period of default.

Negative Covenants

The document entered into with SBBJ contains the following negative covenants:

1. The Company is not allowed to effect any change in its capital structure/ constitution/ ownership/ controlling interest etc., without the prior approval of SBBJ;
2. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBBJ;
3. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to and approved by SBBJ;
4. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBBJ;
5. The Company shall not undertake any guarantee obligation on behalf of any other company;
6. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee etc.).

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBBJ are as detailed hereunder:

1. SBBJ shall have the right to appoint its nominee on the board of directors of the Company.

1.4 Term Loan – SBP

SBP has extended a Term Loan of Rs. 250.00 mn. to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Term Loan
Purpose	Expansion of business
Amount Sanctioned	Rs. 250.00 mn.
Loan Availed	Rs. 250.00 mn.
Amount outstanding as on May 31, 2011	Rs. 83.77 mn. (approx.)
Tenure	5 Years
Terms of Repayment	Repayable in 60 installments starting from April 08 (and ending in March 2013), as per the repayment schedule laid down by the Lead Banker.
Security	<u>Primary Charge</u> – (i) First <i>pari passu</i> charge along with other Consortium Banks on all the fixed assets including equitable mortgage (EM) of land and building at site no. 4, City Centre, Sector 12, Faridabad; (ii) Assignment of future rent receivables of Rs.1.1 mn. per month from BTL Investments Limited. <u>Collateral Security</u> – (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. (ii) Extension of charge on Current Assets. <u>Guarantee</u> - (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs.15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	33.33%
Rate of interest	Floating rate of interest. [14.25% p.a. as on May 31, 2011.] <i>In case any other Consortium Bank charges a higher rate, then the said rate shall be applicable.</i>
Implications of default in repayment (penal interest)	1% p.a. on the total outstanding for the period of default.

Negative Covenants

The document entered into with SBP contains the following negative covenants:

1. The Company is prohibited from undertaking any new projects or implementing any scheme of major expansion without the prior approval of SBP.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBP are as detailed hereunder:

1. SBP may shall have the right to appoint its nominee on the board of directors of the Company;
2. SBP shall have the right to accelerate repayment of the loan in case the Company's accruals are more than the project figures.

1.5 Term Loans – SBT

SBT has extended a Term Loan of Rs. 100.00 mn. to the Company under the Consortium Arrangement.

Details of the said loan arrangement are as under:

Nature of Loan	Term Loan
Purpose	Expansion of business
Amount Sanctioned	Rs. 100.00 mn.
Loan Availed	Rs. 100.00 mn.
Amount outstanding as on May 31, 2011	Rs. 25.17 mn. (approx.)
Tenure	70 months (including 10 months start up period).
Terms of Repayment	Repayable in 60 installments starting from April 08 (and ending in March 2013), as per the repayment schedule laid down by the Lead Banker.
Security	<u>Primary Charge</u> – (i) First <i>pari passu</i> charge along with other Consortium Banks on all the fixed assets including equitable mortgage of land and building at site no. 4, City Centre, Sector 12, Faridabad; <u>Collateral Security</u> – (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. (ii) Extension of charge on Current Assets. <u>Guarantee</u> – (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs.15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS

	Professional Services Limited and SRS IT Solutions Private Limited.
Margin	Project margin 33.33%
Rate of interest	Floating rate of interest. 11.75% p.a. as on May 31, 2011. <i>It may however be noted that as per the terms entered into with the Lead Banker and the other Consortium Banks, the rate of interest paid to any of the consortium banker cannot be more favourable than those being paid to the others.</i> <i>The rate being charged by SBT is not more favorable than the rate of interest being paid to the Lead Banker.</i>
Implications of default in repayment (penal interest)	2% for the period of default

Negative Covenants

The document entered into with SBT contains the following negative covenants:

1. The Company is not allowed to effect any change in its capital structure/ constitution/ ownership/ controlling interest etc., without the prior approval of SBT;
2. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBT;
3. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to and approved by SBT;
4. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBT;
5. The Company shall not undertake any guarantee obligation on behalf of any other company;
6. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee, etc.).

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBT are as detailed hereunder:

1. SBT shall have the right to convert the debt into equity, at any time felt appropriate by it, at a mutually acceptable formula;
2. The Company is not allowed to appoint as director, on its Board of Directors, a person whose name appears in the willful defaulters list of RBI/ CIBIL;
3. The price (i.e., interest, charges etc.) payable to SBT shall not be lower than the other banks in the consortium.

1.6 Term Loan – Union Bank of India (UBI)

UBI has extended a Term Loan of Rs. 185.00 mn. to the Company under the Consortium Arrangement.

Details of the said loan arrangement are as under:

Nature of Loan	Term Loan
Purpose	Expansion of business
Amount Sanctioned	Rs. 185.00 mn.
Loan Availed	Rs. 185.00 mn.
Amount outstanding as on May 31, 2011	Rs. 88.80 mn. (approx.)
Tenure	105 months

Nature of Loan	Term Loan
Terms of Repayment	105 monthly installment starting from July, 2005 (ending on March, 2014)
Security	<u>Primary Charge</u> – Hypothecation of rent receivables. <u>Collateral Security</u> – (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of land and building at site no. 4, city centre, Sector – 12, Faridabad; b) EM of Immovable property comprising Agricultural land measuring 63 kanal and 17 marlas situated at village – Prithila, Tehsil – Palwal, Dist. Faridabad owned by SPS Buildcon Limited; c) EM of Immovable property comprising Agricultural land measuring 54 kanal and 14 marlas situated at village – Prithila, Tehsil – Palwal, Dist. Faridabad owned by SRS Retreat Services Limited. <u>Guarantee</u> – (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal, Mr. Sunil Jindal, Mr. Raju Bansal and Mr. Vinod Gupta; (ii) Corporate Guarantee(s) from SPS Buildcon Limited and SRS Retreat Services Limited.
Rate of interest	As per the BPLR (BPLR was 14.25%% p.a. as on May 31, 2011).
Implications of default in repayment (penal interest)	2% p.a. on the total outstanding for the period of default.

Important terms and conditions

Some of the important terms and conditions under the arrangement entered into with UBI are as detailed hereunder:

1. The Company shall deal exclusively with consortium members;
2. The Company to inform its/ director's relationship with UBI's CMD/ Directors;
3. The Company to disclose the names of its directors in case of default;
4. The rate of interest stipulated will be subject to revision depending on the change in BPLR or depending on the directives of RBI or the policy of the UBI.

1.7 Working Capital Facility - SBI

SBI has extended Working Capital facility of Rs. 900.00 mn. to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Working Capital Facility
Purpose	Funding the Company's Working Capital Requirements
Amount Sanctioned	Rs. 900.00 mn.
Amount Availed	Rs. 900.00 mn.
Amount outstanding as on May 31, 2011	Rs. 900.65 mn. (approx.)
Tenure	The present facility is valid till February 24, 2012.
Terms of Repayment	Repayable on demand.
Security	<u>Primary Charge</u> – Hypothecation charge of stock of goods including goods in transit and all present and future book debts, shared with the other Consortium Banks.

Nature of Loan	Working Capital Facility
	<u>Collateral Security –</u> (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. (ii) Extension of charge on Current Assets. (iii) Second charge on fixed assets. <u>Guarantee -</u> (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs.15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	Raw Material – 25% Finished Goods – 25% Book Debts – 25% LC – 15% Gold Metal loan – 10%
Rate of interest	3.75% above Base Rate i.e. 13.00% per annum.
Implications of default in repayment (penal interest)	2% on the entire outstanding, if continuously irregular for a period beyond 60 days; in other cases on the irregular portion.
Cancellation rights	SBI may cancel the limits (either fully or partially) unconditionally without prior notice, in case: (i) In case the limits/ part of the limits are not utilized by the Company; and/ or (ii) The case of deterioration in the loan account in any manner whatsoever; and/or (iii) Non-compliance of terms and conditions mentioned in the agreement with SBI.

Negative Covenants

The document entered into with SBI contains the following negative covenants:

1. The Company is not allowed to effect any change in its capital structure/ constitution/ ownership/ controlling interest etc., without the prior approval of SBI;
2. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBI;
3. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to SBI and approved by it;
4. The Company is prohibited to invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies);
5. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBI;
6. The Company shall not undertake any guarantee obligation on behalf of any other company;
7. The Company shall not create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons;

8. The Company shall not sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to SBI;
9. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee, etc.);
10. The Company shall not compound or release any of the book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the said banks first had and obtained.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBI are as detailed hereunder:

1. SBI shall have the right to convert the debt into equity, at any time felt appropriate by it, at a mutually acceptable formula;
2. The Company to provide copy of its audited Balance Sheet to SBI within 3 months from the date of the Balance Sheet, failing which it shall be liable to pay a penal interest of 0.25% on the entire limit till the date of the submission of the balance sheet.
3. The non-submission of stock statements (delay beyond 10 days of the succeeding month to be considered as non-submission) will attract a penal interest @ 1% per annum;
4. The Company is not allowed to repay any unsecured loan during the currency of the loan from SBI;
5. The Company is not allowed to appoint as director, on its Board of Directors, a person whose name appears in the willful defaulters list of RBI/ CIBIL;
6. The price (i.e., interest, charges etc.) payable to SBI shall not be lower than the other banks in the consortium;
7. Commitment charge @ 0.25% where applicable shall be levied, in case utilization of Fund Based Working Capital Limits falls below 60% of the limit sanctioned;
8. The Company would be liable to pay penal interest @ 1% per annum in case of non-compliance with covenants.

1.8 Working Capital Facility – OBC

OBC has extended Working Capital facility of Rs. 200.00 mn. (allocated to the extent of Rs. 100.00 mn.) to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Working Capital Facility
Purpose	Funding the Company's Working Capital Requirements
Amount Sanctioned	Rs. 100.00 mn.
Loan Availed	Rs. 100.00 mn.
Amount outstanding as on May 31, 2011	Rs. 101.05 mn. (approx.)
Tenure	The present facility is valid for a period of 1 years (Initially sanctioned <i>vide</i> letter dated August 31, 09).
Security	<u>Primary Charge</u> – Hypothecation charge of stock of goods including goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security</u> – 1. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited.

	2. Extension of charge on Current Assets. 3. Second charge on fixed assets. <u>Guarantee -</u> (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs.15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	Finished Goods – 25% Book Debts – 35%.
Rate of interest	PLR -0.25% [Effective Rate (PLR) 14.00%. p.a., as on May 31, 2011].
Implications of default in repayment (penal interest)	Penal interest @ 2% p.a. over the normal rate of interest.
Cancellation rights	OBC reserves the right to withdraw the sanction at any time in case any new facts etc. come to light.

Negative Covenants

The document entered into with OBC contains the following negative covenants:

1. The Company is not allowed to effect any change in the promoter directors or in the core management team, without the prior approval of OBC;
2. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of OBC;
3. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets without the prior approval of OBC;
4. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with a party other than the Consortium Banks, without the express permission of OBC.
5. Not to invest in shares and debentures of other companies and not to extend finance to associate concerns during the currency of the said facility, except with the prior approval of OBC.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with OBC are as detailed hereunder:

1. OBC's name plate shall be affixed to all the assets charged in its favour;
2. Necessary documents from the borrower/ guarantor pertaining to Credit Information Bureau of India (CIBIL) shall be obtained;
3. The Company is not allowed to appoint as director, on its Board of Directors, a person whose name appears in the willful defaulters list of RBI/ CIBIL.

1.9 Working Capital Facility – SBP

SBP has extended Working Capital facility of Rs. 100.00 mn. to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Working Capital Facility
Purpose	Funding the Company's Working Capital Requirements
Amount Sanctioned	Rs.100.00 mn.
Loan Availed	Rs.100.00 mn.
Amount outstanding as on May 31, 2011	Rs. 99.17 mn. (approx.)
Tenure	The facility is valid for a period of 1 year (Sanctioned <i>vide</i> letter dated July 27, 2010)
Security	<u>Primary Charge</u> – Hypothecation charge of stock of goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security</u> – 1. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. 2. Extension of charge on Current Assets. 3. Second charge on fixed assets of the Company on <i>pari passu</i> basis. <u>Guarantee</u> - (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs. 0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs. 15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited and SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited..
Margin	Raw Material 25%; Book Debts 30%.
Rate of interest	Competitive pricing at 4% above Base Rate. Present effective rate is 11.75% per annum (floating) as against applicable rate of interest of 6.10% above Base Rate i.e. 13.50% per annum (floating) with monthly rests.
Implications of default in repayment (penal interest)	Continuously irregular for a period beyond 60 days – penal interest @ 2% p.a. on the entire outstanding. Otherwise 2% on the irregular portion.

Negative Covenants

The document entered into with SBP contains the following negative covenants:

1. The Company shall not make any drastic change in their management set up without SBP permission;
2. The monies brought in by principal shareholders/ directors/ depositors will not be allowed to be withdrawn without SBPs permission.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBP are as detailed hereunder:

1. The non-submission of audited balance sheet within 6 months of year end will attract a penalty of Rs. 1200/- per month;
2. The stock statements to be submitted by the Company at monthly intervals (within 10 days of the end of the month);
3. The Company will keep SBP informed of the happening of any event likely to have a substantial effect on their revenues, profits etc.

1.10 Working Capital Facility – SBT

SBT has extended Working Capital facility of Rs. 100.00 mn. to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Working Capital Facility
Purpose	Funding the Company's Working Capital Requirements
Amount Sanctioned	Rs. 100.00 mn.
Loan Availed	Rs. 100.00 mn.
Amount outstanding as on May 31, 2011	Rs. 100.32 mn. (approx.)
Tenure	The facility is valid for a period of 1 year (Sanctioned <i>vide</i> letter dated July 14, 2010)
Security	Primary Charge – Hypothecation charge of stock of goods including goods in transit and all present and future book debts, shared with the other Consortium Banks. Collateral Security – 1. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. 2. Extension of charge on Current Assets. 3. Second charge on fixed assets. Guarantee - (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs.0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs.15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	Book Debts 30%.
Rate of interest	4.25% above Base Rate. Present effective rate is 15% per annum.
Implications of default in repayment (penal interest)	Overall ceiling 2% - penal interest @ 1% p.a., will be charged for entire quarter/ period for any of the following defaults: a) Overdrawing in sanctioned limits;

Nature of Loan	Working Capital Facility
	b) Delay/ non-submission of stock statements; c) Delay/ non-submission of renewal date; and d) Non-payment of monthly interest.

Negative Covenants

The document entered into with SBT contains the following negative covenants:

1. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBT;
2. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to and approved by SBT;
3. The Company is prohibited to invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies);
4. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBT;
5. The Company shall not undertake any guarantee obligation on behalf of any other company;
6. The Company shall not create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons;
7. The Company shall not sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to SBT;
8. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee, etc.).
9. The Company shall not compound or release any of the book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the said banks first had and obtained.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBT are as detailed hereunder:

1. The SBT will have a first charge on the profits of the Company, after provisions for taxation and dividend where applicable, for repayment of installments;
2. The SBT will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time;
3. The Company shall keep SBT informed of the happening of any event likely to have substantial effect on their profit or business;
4. The total penal interest charged on a borrower due to various non-compliances will not exceed 3% per annum.

1.11 Working Capital Facility – Bank of India

The Company has availed Working Capital facility of Rs. 150.00 mn. from the Bank of India ("BOI") under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Working Capital Facility
Purpose	Funding the Company's Working Capital Requirements
Amount Sanctioned	Rs. 150.00 mn.
Loan Availed	Rs. 150.00 mn.
Amount outstanding as on May 31, 2011	Rs. 150.00 mn. (approx.)
Tenure	The facility is valid for a period of 1 year (Sanctioned <i>vide</i> letter dated July 27, 2010)

Nature of Loan	Working Capital Facility
Security	<u>Primary Charge</u> – Hypothecation charge of stock of goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security</u> – - First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: - EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; - EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. - Second charge on fixed assets of the Company on <i>pari passu</i> basis. <u>Guarantee</u> - - Personal Guarantee(s) from Company’s directors, namely, Mr. Anil Jindal, Mr. Sunil Jindal, Mr. Raju Bansal and Mr. Vinod Gupta. - Corporate Guarantee(s) from SPS Buildcon Limited and SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	Stocks 25%; Book Debts 30%.
Rate of interest	2.75% over Base Rate presently 12.75% per annum.
Implications of default in repayment (penal interest)	Penal interest @ 2% p.a. will be levied on the overdue amounts for the period account remains overdrawn due to irregularities such as – non payment of interest immediately on application, non payment of installments on due date of their falling due, reduction in drawing power/ limit, excess borrowings.

Negative Covenants

The Company shall not, without BOI permission in writing:

- Effect any adverse changes in Company’s capital structure;
- Formulate any scheme of amalgamation or merger or reconstruction;
- Implement any scheme of expansion on diversification or capital expenditure;
- Enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, company etc.,;
- Invest by way of share capital or lent or advance funds to or place deposits with any other company including group companies;
- Undertake guarantee obligations on behalf of any other company;
- Invest the proceeds of the loan for investments in capital markets/ real estate;
- Approach capital market for mobilizing additional resources either in the form of debts or equity;
- sell or dispose off or create security or encumbrances on the assets charged to BOI in favour of any other bank, financial institutions, company etc.,
- Repay monies brought in by promoters/ directors/ shareholders their relatives and friends in the business;
- The Company shall not compound or release any of the book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the said banks first had and obtained.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with BOI are as detailed hereunder:

1. The stock statements to be submitted by the Company at monthly intervals (before 10th day of the succeeding month). The non-submission will attract penal interest @ 1% per annum;
2. The BOI reserves its right to appoint its nominee on Company's Board of Directors to oversee the functioning of the Company.

1.12 Working Capital Facility – State Bank of Bikaner and Jaipur

The Company has availed Working Capital facility of Rs. 150.00 mn. from the State Bank of Bikaner and Jaipur ("SBBJ") under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Working Capital Facility
Purpose	Funding the Company's Working Capital Requirements
Amount Sanctioned	Rs. 150.00 mn.
Loan Availed	Nil
Amount outstanding as on May 31, 2011	Nil
Tenure	The facility is valid for a period of 12 months with effect from May 4, 2011. (Sanctioned <i>vide</i> letter dated May 6, 2011).
Security	Primary Charge – Hypothecation charge of stock of goods in transit and all present and future book debts, shared with the other Consortium Banks. Collateral Security – a. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. b. Second charge on fixed assets of the Company on <i>pari passu</i> basis. Guarantee - (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal, Mr. Sunil Jindal, Mr. Raju Bansal and Mr. Vinod Gupta. (ii) Corporate Guarantee(s) from SPS Buildcon Limited and SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	Raw Material 25%; Finished Goods 25% Book Debts 25%.
Rate of interest	3.75% over Base Rate presently 12.50% per annum (floating).
Implications of default in repayment (penal interest)	Penal rate of interest will be charged as per SBBJ internal circular.

Negative Covenants

The Company shall not, without SBBJ permission in writing:

1. Effect any adverse changes in Company's capital structure;
2. Formulate any scheme of amalgamation or merger or reconstruction;
3. Implement any scheme of expansion or diversification or capital expenditure;
4. Enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, company etc.;
5. Invest by way of share capital or lent or advance funds to or place deposits with any other company including group companies;
6. Undertake guarantee obligations on behalf of any other company;
7. Invest the proceeds of the loan for investments in capital markets/ real estate;
8. Approach capital market for mobilizing additional resources either in the form of debts or equity;
9. sell or dispose off or create security or encumbrances on the assets charged to SBBJ in favour of any other bank, financial institutions, company etc.,
10. Repay monies brought in by promoters/ directors/ shareholders their relatives and friends in the business;
11. The Company shall not compound or release any of the book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the said banks first had and obtained.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBBJ are as detailed hereunder:

1. The drawings will be within the Drawing Power ('DP') fixed on the basis of stock statements.
2. In the case of default in the repayment of loan/ advance or in payment of interest the bank, CIBIL and/ or RBI will have an unqualified right to disclose or publish the name of the Company and its directors as defaulters.
3. An undertaking from the Company's Director's as well as lenders of unsecured loan to the effect that the same will be effectively pegged until the currency of the limits.
4. All other conditions will be in line with SBI, the Lead Bank.

1.13 Non-Fund Based Facility (Letter of Credit) – SBI

The Company enjoys a non-fund based facility aggregating to Rs. 550.00 mn. from the SBI. Brief particulars of the said facility are as under:

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit/ Letter of Comfort
Amount Sanctioned	Rs. 550.00 mn.
Amount outstanding as on May 31, 2011	Rs. 550.13 mn. (approx.)
Security	<u>Primary Charge</u> – Hypothecation charge of stock of goods including goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security</u> - (i) First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit/ Letter of Comfort
	(ii) Extension of charge on Current Assets (iii) Second charge on fixed assets. <u>Guarantee -</u> (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs. 0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs. 15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	LC – 15%

Negative Covenants

The document entered into with SBI contains the following negative covenants:

1. The Company is not allowed to effect any change in its capital structure/ constitution/ ownership/ controlling interest etc., without the prior approval of SBI;
2. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBI;
3. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to SBI and approved by it;
4. The Company is prohibited to invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies);
5. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBI;
6. The Company shall not undertake any guarantee obligation on behalf of any other company;
7. The Company shall not create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons;
8. The Company shall not sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to SBI;
9. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee, etc.);
10. The Company shall not compound or release any of the book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the said banks first had and obtained.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBI are as detailed hereunder:

1. SBI shall have the right to convert the debt into equity, at any time felt appropriate by it, at a mutually acceptable formula;
2. The Company to provide copy of its audited Balance Sheet to SBI within 3 months from the date of the Balance Sheet, failing which it shall be liable to pay a penal interest of 0.25% on the entire limit till the date of the submission of the balance sheet.
3. The non-submission of stock statements (delay beyond 10 days of the succeeding month to be considered as non-submission) will attract a penal interest @ 1% per annum;
4. The Company is not allowed to repay any unsecured loan during the currency of the loan from SBI;
5. The Company is not allowed to appoint as director, on its Board of Directors, a person whose name appears in the willful defaulters list of RBI/ CIBIL;
6. The price (i.e., interest, charges etc.) payable to SBI shall not be lower than the other banks in the consortium;

7. Commitment charge @ 0.25% where applicable shall be levied, in case utilization of Fund Based Working Capital Limits falls below 60% of the limit sanctioned;
8. The Company would be liable to pay penal interest @ 1% per annum in case of non-compliance with covenants.

1.14 Non-Fund Based Facility (Letter of Credit Facility) – OBC

OBC has extended LC facility of Rs. 50.00 mn. to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit
Purpose	To procure raw material and spares. The facility shall not be used for procurement of capital goods.
Amount Sanctioned	Rs. 50.00 mn.
Loan Availed	Rs. 50.00 mn.
Amount outstanding as on May 31, 2011	Rs. 50.00 mn. (approx.)
Security	DP bills/ DA bills with usance period of 6 months accompanied by bills of lading and other shipping documents/ RR/ MTR of approved transport companies/ receipt challans in case of local purchases covering consignment of goods alongwith invoices. <u>Primary Charge –</u> Hypothecation charge of stock of goods including goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security -</u> a. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: c) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited d) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited (ii) Extension of charge on Current Assets (iii) Second charge on fixed assets. <u>Guarantee -</u> (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs. 0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs. 15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited
Margin	20% in the shape of unencumbered CDRs duly discharged to be held with the Bank.
Rate of interest	As per FEDAI rules/ Bank/ RBI guidelines as applicable from time to time.

Negative Covenants

The document entered into with OBC contains the following negative covenants:

1. The Company is not allowed to effect any change in the promoter directors or in the core management team, without the prior approval of OBC;
2. The Company is not allowed to take any new project/ any further expansion without the approval of OBC;

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with OBC are as detailed hereunder:

1. LC shall be on standard format of OBC and no onerous clause shall be incorporated in the LC;
2. The Company would furnish an undertaking to the effect that in respect of the transactions relating to the import LCs, it will bear the exchange fluctuation risk, if any and that they will arrange for necessary forward cover whenever called upon to do so by OBC.

1.15 Non-Fund Based Facility (Letter of Credit) – SBP

SBP has extended Non-Fund Based Facility (Letter of Credit) of Rs. 200.00 mn. to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit
Purpose	To procure raw material and spares used in the normal course of business of the Company.
Amount Sanctioned	Rs. 200.00 mn.
Loan Availed	Rs. 200.00 mn.
Amount outstanding as on May 31, 2011	Rs. 200.00 mn. (approx.)
Security	<u>Primary Charge</u> – Application-cum-indemnity from the Company. <u>Collateral Security</u> – 1. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. 2. Extension of charge on Current Assets. 3. Second charge on fixed assets of the Company on <i>pari passu</i> basis. <u>Guarantee</u> - (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs. 0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs. 15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit
	Limited.
Margin	20%
Tenure	One year

Negative Covenants

The document entered into with SBP contains the following negative covenants:

1. The Company shall not make any drastic change in their management set up without SBPs permission;
2. The monies brought in by principal shareholders/ directors/ depositors will not be allowed to be withdrawn without SBPs permission.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBP are as detailed hereunder:

1. SBP shall be entitled at any time during the currency of the LCs to demand and recover any margin upto the full extent of 100% on LCs and on default of payment by the Company of the margin so demanded, the SBP reserves the right to recover such margin by debit to any of the Company's account;
2. While establishing Import LCs all the relative exchange control regulations will be complied with;
3. The Company to furnish an undertaking to the effect that in respect of the transactions relating to the Import LCs, it will bear exchange fluctuations risks, if any, and that it will also arrange for necessary forward cover, whenever called upon to do so by SBP.

1.16 Non-Fund Based Facility (Letter of Credit) – SBT

SBT has extended Letter of Credit facility of Rs. 200.00 mn. to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Letter of Credit
Purpose	To procure raw material and spares used in the normal course of business of the Company.
Amount Sanctioned	Rs. 200.00 mn.
Loan Availed	Rs. 200.00 mn.
Amount outstanding as on May 31, 2011	Rs. 200.00 mn. (approx.)
Security	<u>Primary Charge</u> – Hypothecation charge of stock of goods including goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security</u> – 1. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. 2. Extension of charge on Current Assets. 3. Second charge on fixed assets. <u>Guarantee</u> -

Nature of Loan	Letter of Credit
	(i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal Rs. 26.3 mn., Mr. Sunil Jindal – Rs. 0.1 mn., Mr. Raju Bansal – Rs. 23.8 mn. and Mr. Vinod Gupta – Rs. 15.3 mn. (ii) Corporate Guarantee(s) from SPS Buildcon Limited, SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	20%.

Negative Covenants

The document entered into with SBT contains the following negative covenants:

1. The Company is not allowed to formulate any scheme of amalgamation or reconstruction without the approval of SBT;
2. The Company is prohibited from undertaking any new projects, implementing any scheme of expansion or acquire fixed assets except those indicated in the fund flow statement submitted to and approved by SBT;
3. The Company is prohibited to invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies);
4. The Company is prohibited from entering into any borrowing arrangement either secured or unsecured with any third party, except those indicated in the fund flow statement submitted to and approved by SBT;
5. The Company shall not undertake any guarantee obligation on behalf of any other company;
6. The Company shall not create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons;
7. The Company shall not sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to SBT;
8. The Company shall not change the practice with regard to director's remuneration (paid in any manner i.e., as ordinary remuneration, commission, sitting fee, etc.);
9. The Company shall not compound or release any of the book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the said banks first had and obtained.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBT are as detailed hereunder:

1. The Import Letter of Credit will be opened only against valid import licenses held by the Company, wherever applicable, as permitted by the Import trade control authorities from time to time;
2. The application for opening the LC should be suitably stamped in accordance with the Stamp Act;
3. The SBT will have a first charge on the profits of the Company, after provisions for taxation and dividend where applicable, for repayment of installments;
4. The SBT will have the right to share credit information as deemed appropriate with CIBIL or any other institution as approved by RBI from time to time;
5. The Company shall keep SBT informed of the happening of any event likely to have substantial effect on their profit or business;
6. The total penal interest charged on a borrower due to various non-compliances will not exceed 3% per annum.

1.17

Non-Fund Based Facility (Letter of Credit) – BOI

BOI has extended Letter of Credit facility of Rs. 200.00 mn. (allocated to the extent of Rs. 150.00 mn.) to the Company under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit
Purpose	To procure raw material and spares used in the normal course of business of the Company.
Amount Sanctioned	Rs. 150.00 mn.
Loan Availed	Rs. 150.00 mn.
Amount outstanding as on May 31, 2011	Rs. 150.00 mn. (approx.)
Security	<u>Primary Charge</u> – Hypothecation charge of stock of goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security</u> – 1. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. 2. Second charge on fixed assets of the Company on <i>pari passu</i> basis. <u>Guarantee</u> - (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal, Mr. Sunil Jindal, Mr. Raju Bansal and Mr. Vinod Gupta. (ii) Corporate Guarantee(s) from SPS Buildcon Limited and SRS Retreat Services Limited, BTL Industries Limited, BTL Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	20%
Rate of interest	50% concession on card rates + Service Tax or charges by other consortium members, whichever is higher.

Negative Covenants

The Company shall not, without BOI permission in writing:

1. Effect any adverse changes in Company's capital structure;
2. Formulate any scheme of amalgamation or merger or reconstruction;
3. Implement any scheme of expansion on diversification or capital expenditure;
4. Enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, company etc.,
5. Invest by way of share capital or lent or advance funds to or place deposits with any other company including group companies;
6. Undertake guarantee obligations on behalf of any other company;
7. Invest the proceeds of the loan for investments in capital markets/ real estate;
8. Approach capital market for mobilizing additional resources either in the form of debts or equity;
9. sell or dispose off or create security or encumbrances on the assets charged to BOI in favour of any other bank, financial institutions, company etc.,
10. Repay monies brought in by promoters/ directors/ shareholders their relatives and friends in the business;

11. The Company shall not compound or release any of the book debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented without the consent in writing of the said banks first had and obtained.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with BOI are as detailed hereunder:

1. The stock statements to be submitted by the Company at monthly intervals (before 10th day of the succeeding month). The non-submission will attract penal interest @ 1% per annum;
2. The BOI reserves its right to appoint its nominee on Company's Board of Directors to oversee the functioning of the Company.

1.18 Non-Fund Based Facility (Letter of Credit) – SBBJ

The SBBJ has extended Letter of Credit facility of Rs. 100.00 mn. under the Consortium Arrangement.

Details of the said arrangement are as under:

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit
Purpose	To procure raw material and spares used in the normal course of business of the Company.
Amount Sanctioned	Rs. 100.00 mn.
Loan Availed	Nil
Amount outstanding as on May 31, 2011	Nil
Tenure	The facility is valid for a period of 12 months with effect from May 04, 2011. (Sanctioned <i>vide</i> letter dated May 6, 2011). [Usance Period – 180 days].
Security	<u>DD/ Bill of Exchange, documents of title to goods (RRs/ MTRs complete set of clean on-board bills of lading etc., evidencing procurement of raw materials, consumable spares, stores, spare parts and machinery items for routine maintenance, repairs along with relative invoices, packing list etc.</u> <u>Primary Charge –</u> Hypothecation charge of stock of goods in transit and all present and future book debts, shared with the other Consortium Banks. <u>Collateral Security –</u> 1. First <i>pari passu</i> charge along with the other Consortium Banks on the following properties: a) EM of 8 acres of land located at village – Prithila, Tehsil – Palwal, Dist.- Faridabad in the name of SPS Buildcon Limited; b) EM of 6.84 acres of land located at village – Prithila, Tehsil – Palwal, Dist. Faridabad in the name of SRS Retreat Services Limited. 2. Second charge on fixed assets of the Company on <i>pari passu</i> basis. <u>Guarantee -</u> (i) Personal Guarantee(s) from Company's directors, namely, Mr. Anil Jindal, Mr. Sunil Jindal, Mr. Raju Bansal and Mr. Vinod Gupta. (ii) Corporate Guarantee(s) from SPS Buildcon Limited and SRS Retreat Services Limited, BTL Industries Limited, BTL

Nature of Loan	Letter of Credit/ Foreign Letter of Credit/ Standby Letter of Credit
	Portfolio Limited, SRS International Limited, SRS Professional Services Limited and SRS IT Solutions Private Limited.
Margin	15%
Commission	75% of prescribed charges for LC issuance.

Negative Covenants

1. No LC on sister/ associate concern will be opened.
2. No fresh LCs will be opened if the bills under LC are devolved in bank.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with SBBJ are as detailed hereunder:

1. The Company will undertake to book relative forward exchange contract to hedge against price fluctuations as and when considered necessary/ called for by the bank.
2. The Company will undertake to comply with all exchange control regulations prescribed by RBI/ FEDAI/ FEMA in regard to forex transaction.
3. All exchange control formalities/ regulations will be complied with and necessary import license, if any, would be obtained.
4. In the case of default in the repayment of loan/ advance or in payment of interest the bank, CIBIL and/ or RBI will have an unqualified right to disclose or publish the name of the Company and its directors as defaulters.
5. An undertaking from the Company's Director's as well as lenders of unsecured loan to the effect that the same will be effectively pegged until the currency of the limits.
6. All other conditions will be in line with SBI, the Lead Bank.

II. CORPORATE LOAN - BOI

The Company has availed of a corporate loan of Rs. 142.50 mn. (original limit Rs. 150.00 mn.) from the BOI. The said loan has been approved *vide* BOI's sanction letter dated December 3, 2009 which was subsequently modified *vide* sanction letter dated July 27, 2010.

Brief details of the said loan facility are as under:

Nature of Loan	Corporate Loan
Purpose	General corporate purpose.
Amount Sanctioned	Rs. 142.50 mn.
Loan Availed	Rs.142.50 mn.
Amount outstanding as on May 31, 2011	Rs. 105.60 mn. (approx.)
Tenure	2.75 years (i.e. 35 months)
Terms of Repayment	Repayable in 11 quarterly installments, commencing from April, 2010 – 4 installments of Rs. 7.5 mn. each, next 4 installments of Rs. 15.0 mn. each and the last 3 installments of Rs. 20.0 mn. each.
Security	<u>Equitable Mortgage</u> – EM of land measuring 66 Kanal situated on Sohna Road, Palwal, Sector – 8, in the name of SRS Real Estate Limited. <u>Guarantee</u> – (i) Personal guarantee(s) by Mr. Sunil Jindal, Dr. Anil Jindal, Mr. Raju Banal and Mr. Vinod Gupta; (ii) Corporate Guarantee of SRS Real Estate Limited.
Status of registration of Charge with the Registrar of Companies (ROC)	Charge ID 10199125 [Modified on January 10, 2011 <i>vide</i> SRN No. B03278892]

Nature of Loan	Corporate Loan
	Registered in favour of: Bank of India, New Delhi Corporate Banking Branch, 37, Shaheed Bhagat Singh Marg, New Delhi – 110001
Margin	N.A.
Rate of interest	3.50% over Base Rate presently 13.50% per annum.
Implications of default in repayment (penal interest)	2% p.a. on the overdue amount

Negative Covenants

The Company shall not, without BOI permission in writing:

1. Effect any adverse changes in Company's capital structure;
2. Formulate any scheme of amalgamation or merger or reconstruction;
3. Implement any scheme of expansion on diversification or capital expenditure;
4. Enter into any borrowing or non-borrowing arrangements either secured or unsecured with any other bank, financial institution, company etc.;
5. Invest by way of share capital or lent or advance funds to or place deposits with any other company including group companies;
6. Undertake guarantee obligations on behalf of any other company;
7. Invest the proceeds of the loan for investments in capital markets/ real estate;
8. Approach capital market for mobilizing additional resources either in the form of debts or equity;
9. Sell or dispose off or create security or encumbrances on the assets charged to BOI in favour of any other bank, financial institutions, company etc.,
10. Repay monies brought in by promoters/ directors/ shareholders their relatives and friends in the business.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with BOI are as detailed hereunder:

1. The audited financial statements to be submitted by the Company within 6 months from closure of financial year. The non-submission will attract penal interest @ 1% per annum;
2. The bank without prior information to the Company can give names and other details to CIBIL, other banks, RBI and ECGC for their publication etc., in case of default.

III. Unsecured Corporate Loan – Indian Overseas Bank (“IOB”)

The IOB has sanctioned an unsecured corporate loan of Rs. 350.00 mn. to the Company. The said loan has been approved *vide* IOB's sanction letter dated July 1, 2011. However, the said loan is yet to be availed by the Company. The brief details whereof are as under:

Nature of Loan	Unsecured Corporate Loan
Purpose	General corporate purpose
Amount Sanctioned	Rs. 350.00 mn.
Loan Availed	Yet to be availed
Tenure	36 months [After the expiry of holiday period of 6 months i.e. December, 2011].
Terms of Repayment	Repayable in 10 quarterly installments, commencing from January, 2012 – 6 installments of Rs. 25.00 mn. each, next 4 installments of Rs.50 mn. each from July, 2013.
Security	<u>Guarantee</u> – (i) Personal guarantee(s) by Dr. Anil Jindal, Mr. Sunil Jindal, Mr. Raju Banal and Mr. Vinod Kumar Gupta; (ii) Corporate Guarantee of SRS Infrastructure Limited.

	Collateral Security– Pledge of 14 mn. Equity Shares of SRS Real Infrastructure Limited, which are listed to the extent of Market Value of 1.5 times of the loan amount. Average market price of the shares for the last six months to be taken for calculating the share price and value of collateral security. The shares to be pledged are held by BTL Investments & Securities Limited.
Status of registration of Charge with the Registrar of Companies (ROC)	Charge ID 10294815 [Created on July 06, 2011 <i>vide</i> SRN No. B16047797] Registered in favour of: Indian Overseas Bank Sector – 12, Faridabad, Haryana – 121007.
Margin	16.67%
Rate of interest	3% over Base Rate. Presently the effective rate is 13.25% per annum.
Interest for non-compliance of the terms & conditions	2% p.a. over and above the normal rate.

Negative Covenants

The Company shall not, without IOB prior permission in writing:

1. Effect any change in Company's capital structure, which may affect IOB's interest adversely;
2. Formulate any scheme of amalgamation or reconstruction;
3. Withdrawal of capital, if the accounts with IOB are running irregular or any of the terms & conditions of the sanction remains un-complied by the Company;
4. Sell, assign, mortgage, alienate or otherwise dispose of any of the assets of the Company charged to IOB;
5. Enter into contractual obligating of a long-term nature affecting the Company financially;
6. Permit any transfer of the controlling interest or make any drastic change in the management set up;
7. Divert/ utilize IOB's funds to other sister/ associate/ group company.

Other important terms and conditions

Some of the other important terms and conditions under the arrangement entered into with IOB are as detailed hereunder:

1. An undertaking from the Company that they would not use the funds for purchase of land or for taking exposure in the capital market/ other investment;
2. In case the Company commits default in the repayment of advances/ loan or in the repayment of interest thereon or any of the agreed installments of the loan on due dates, the IOB and/ or RBI/ CIBIL will have an unqualified right to disclose or publish its name or the name of its directors as defaulters in such manner and through such medium as IOB or RBI/ CIBIL in their absolute discretion may think.

IV. LOAN AVAILED FROM ICICI BANK

The Company has also availed a home loan from ICICI Bank, brief details whereof are as under:

Nature of Loan	Home Loan
Purpose	Acquisition of immovable property at Jasola, New Delhi
Amount Sanctioned	Rs. 15.00 mn.
Loan Availed	Rs. 15.00 mn.
Amount outstanding as on May 31, 2011	Rs. 12.53 mn. (approx.)

Nature of Loan	Home Loan
Tenure	11.5 years
Terms of Repayment	Payable in 120 monthly installments [Equated Monthly Installment – Rs.2,27,932/-].
Security	Equitable Mortgage of Flat No. 225, DLF Jasola, Tower – B, New Delhi.
Status of registration of Charge with the Registrar of Companies (ROC)	Charge ID 10239992 [Filed on November 30, 2007 <i>vide</i> SRN No. A88720529] Registered in favour of: ICICI Bank Limited Landmark, Race Course Circle, Alkapuri, Baroda, Gujarat - 390015, India
Rate of interest	Floating interest rate (13.5% p.a., in November' 2007)
Implications of default in repayment (penal interest)	24% p.a.

V. VEHICLE LOANS

The Company has availed 11 auto / vehicle loans from various banks / financial institutions. As on May 31, 2011, the total outstanding amount for the said loans stood at Rs. 10.50 mn.

VI. OTHER LOANS – UNSECURED

Apart from the above detailed loan and facilities, the Company has also entered into the following unsecured loan arrangements:

Sr. No	Name of the Lender	Amount Sanctioned (In Rs. Mn.)	Amount outstanding as on May 31, 2011 (In Rs. Mn.)	Deposit Date	Rate of Interest	Period of loan
1	Visu Leasing & Finance Private Limited	2.50	2.50	March 13, 2008	18% p.a.	Until paid off

Note:

Some of the secured creditors restrict the right of the Company from raising any other loans (secured and / or unsecured). However the Company has raised unsecured loans without obtaining any such permission from the banks.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS REFLECTED IN THE FINANCIAL STATEMENTS

Please read the following discussion of the financial condition and results of operations together with the audited restated financial statements including the schedules, annexure and notes thereto and the reports thereon under section titled “Financial Information” on page 198 alongwith “Risk Factors” on page xii of this Red Herring Prospectus, which discusses a number of factors and contingencies that could impact the financial condition, results of operations and cash flows. The following discussion relates to the Company and unless otherwise stated, is based on the Restated Audited Standalone Financial Statements, which have been prepared in accordance with Indian GAAP and the Companies Act, 1956 and restated in accordance with the ICDR Regulations. Certain statistical information presented in this section has been derived from internal reporting systems and other sources. The Company's financial year ends on March 31 of each year, so all references relate to the twelve-month period ended on March 31 of that year.

OVERVIEW

SRS Limited is a diversified Company with a business portfolio comprising of Cinema Exhibition, Food & Beverages, Retail and Manufacturing & Retailing of Jewellery. The Company was incorporated on August 29, 2000 with the objective of trading in FMCG Goods and it later entered into other business segments. The four business verticals of the Company enable it to profitably exploit the business synergies, as well as, smoothen out seasonal business fluctuations. The four business verticals of the Company are categorised as below:

- **Cinema Exhibition: SRS Cinemas** is the cinema exhibition brand under which the Company operates a chain of cinemas spread across six cities. This includes 11 properties at strategic locations having 30 screens and 7,608 seats. It is a brand that is fast spreading its footprint across the major cities of North India. SRS brand is a well recognized film exhibition brand in North India.
- **Food & Beverages:** The food & beverages segment of the Company operates a chain of food courts, fine dining restaurants and banquets across several cities. The food courts are run under the **SRS 7dayz** brand and currently, the Company operates 11 food courts across North and Central India. The fine dining restaurants are operated under the brand **Punjabi Haandi** and currently, the Company operates three Fine Dining Restaurants that are located at Faridabad, Gorakhpur and Ludhiana. All these outlets are strategically located at high footfalls areas such as malls and high street markets to ensure higher visibility and walk-ins. Apart from this, the Company offers indoor and outdoor catering services through its brand **SRS Banquets**, which is located at Faridabad. The **SRS 7dayz** brand also sells packaged snack food such as *namkeens*, cookies and bakery products through the Company's own retail stores as well as through other retailers.
- **Retail and Cash & Carry:** The Company operates a chain of retail stores under the brand name of **SRS Value Bazaar** that offer FMCG products including food and groceries, apparels, cosmetics / home care / personal care products, crockery, appliances, accessories, etc. **SRS Fashion Wear** is the other brand under which the Company retails multi-brand apparels. The Company has 23 retail stores in North India with a total floor space of more than 0.132 mn. sq. ft. Apart from this, the Company is also active player in the cash& carry business.
- **Jewellery:** The Company procures jewellery from its 100% subsidiary having manufacturing facility at Patparganj, New Delhi and through third parties. In this division, the Company is into whole-selling and retailing of jewellery. It sells a wide range of gold and diamond jewellery under the brand name of **SRS Jewells**. The product portfolio includes gold coins, necklaces, rings, pendants, bracelets, earrings, bangles etc. Skilled craftsmen are employed by the Company for manufacturing of jewellery pieces based on international and trendy designs. The Company at present has three retail showrooms at Delhi, Faridabad and Palwal and two wholesale outlets at Chandni Chowk and Karol Bagh, Delhi. Recently, the Company has also started the manufacturing facility at Noida SEZ.

As per restated audited standalone financial statements for the Fiscal 2011, 2010, 2009 and 2008, the Company has generated total income of Rs. 20,426.43 mn., Rs. 13,081.22 mn., Rs. 5,015.44 mn. and Rs. 1,780.72 mn. respectively and net profit after extra-ordinary items of Rs. 373.88 mn., Rs. 261.57 mn, Rs. 55.91 mn. and Rs. 104.75 mn. respectively. Over the last three fiscal years the Company's total income and net profit after extra-ordinary items increased at a CAGR of 125.53% and 52.82% respectively.

MATERIAL DEVELOPMENTS AFTER MARCH 31, 2010 THAT MAY AFFECT THE FUTURE RESULTS OF OPERATIONS

A fire broke-out at the Company's Retail outlet and Food Court operating at Jind, Haryana on May 24, 2011. The Company is in the process of claiming insurance for these properties.

Further the Company has received approval for setting up its jewellery manufacturing unit on 645 sq. mts. at Noida Special Economic Zone and has started commercial operations in April 2011.

To the knowledge of the Company and except as disclosed herein, since the date of the last financial statements contained in this Red Herring Prospectus, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, the operations, profitability, asset value or the ability to pay material liabilities.

FACTORS AFFECTING THE FINANCIAL RESULTS

The business of the Company is subject to various risks and uncertainties, including those discussed in the section titled "**Risk Factors**". Some of the important factors that have affected and the Company expects will to continue to affect, the results of operations, financial information and cash flows are discussed below:-

Cinema Exhibition Business

Box Office Revenue

The Box office revenue depends on the number of patrons that visit cinemas and the average ticket price that is charged to them. Both these factors are critical for optimizing the profitability of the cinema exhibition business.

The number of patrons that visit cinemas is one of the key parameters that help to evaluate the Company's performance. The growth in the number of patrons has been primarily due to the opening of new cinemas. Occupancy rate has decreased from 2010 to 2011 on account of opening of new cinema screens, which has resulted in decrease in overall occupancy. Use of flexible ticket pricing can attract patrons at various points of time of the day and the week. Movie focused marketing and promotional activities also attract patrons to cinemas.

Food & Beverages Revenue

Food and beverages contributes approx. 19% of the revenues in cinema division. The Company generally tries to maximize the revenues from the sale of food & beverages by increasing the number of transactions and average transaction size within the limited time prior to the start of a film or during the interval of a film. The Company attempts to increase the number of transactions by installing adequate number of points of sale counters, suggestive selling to patrons and service on seats. The Company also attempts to increase the average transaction size by selling a combination of two or more products at a price cheaper than the total of each of those items purchased separately, thereby attracting patrons' desire to obtain better value for money.

Distributors' Share (Film Hire Costs)

The Company generally pays film distributors a percentage of net sales of tickets of films (*sale of tickets of films net of state entertainment taxes and local body levies*) for each film. The Company generally has a revenue sharing or a minimum guarantee agreement with distributors. The distributor's share is generally 50% in the first week, 42.5% in the second week, 37.5% in the third week and 30% in the fourth week and the following weeks. However, the revenue sharing agreement may be altered from time to time and can be negotiated from film to film with the film distributors.

Entertainment Tax Benefits and Exemptions

In order to encourage investment in cinemas, some of the state governments have granted reductions in the applicable rate of entertainment tax or provide exemption in entertainment tax. Entertainment tax in India has historically been high which had till recently restricted the growth of the film exhibition industry. However, over the years, there has been a gradual rationalization of the state entertainment taxes in many states where entertainment tax rates were exorbitant.

Seasonality of Film Exhibition Business

Historically, revenues in cinema division have been higher during the first half of the fiscal year due to summer vacations and release of big budget Indian movies during this period. As a result of this, quarter-to-quarter results may not be comparable or provide a meaningful indicator of future performance.

Food & Beverages***Price fluctuations and seasonality***

Most food ingredients used in the preparations are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand and other factors. In case of significant increase in price of raw materials the financial performance of the Company will adversely affect. In order to overcome such significant increases the Company regularly reviews the prices of raw materials and accordingly change the price on the menu.

Effectiveness of marketing strategies

The Company devotes significant attention to brand-building efforts. The Company has plans on continuing to build its brand and retail sales by satisfying customers with offerings and by continuing to invest in the advertising and marketing of “SRS 7dayz” brand. Effective marketing strategy is expected to benefit the business.

Retail Division***Same store sales***

Same store sales growth refers to year-on-year growth in sales for stores in operation for whole year in both the financial years. As new stores open around other existing stores, thereby reducing the delivery area for the existing stores, this results in reduction of sales of the existing store and overall same store sales growth. However, the Company believes that over time the existing stores would try to offset this initial reduction in sales by using aggressive marketing strategies in the area of their operations.

Trends and fashion preference of the target customers

The Company is into retailing of fast moving consumer goods and lifestyle products where introduction of new products, design is a regular phenomenon. Also, fashion preference and taste keep on varying depending upon the region. Hence, any failure to identify changing fashion trends could have an adverse impact on the business of the Company.

Strategizing location of the new stores

Revenues from this division is dependent upon opening of new stores at strategic location and customizing the store as per regional taste preference, which is very significant for drawing customers to a particular store. This may require the Company to invest higher amounts in rentals as well as working capital.

Jewellery Division***Seasonal fluctuation in the sales***

The Company has experienced and expects to continue to experience seasonal fluctuations in sales primarily in jewellery division. In particular, the Company has historically experienced higher sales at jewellery retail stores, during the second half of fiscal, as a result of various festive seasons. In anticipation of increased sales activity during the second half of the fiscal year, the Company may incur significant additional expenses, including higher inventory and additional staffing in customer support and operations. In future, seasonal sales patterns may become more pronounced, strain personnel activities and cause a shortfall in sales as compared to the expenses incurred in a given period, which could adversely affect the business and results of operations.

Demand for the jewellery products

Jewellery forms a part of the discretionary purchases for consumers and results of operations are significantly dependent on various factors such as economic growth, employment levels, income levels, tax rates and credit availability, all of which affects consumer spending and disposable income. Any reduction in consumer spending or disposable income may affect the Company significantly.

The Company believes that jewellery offerings must reflect the tastes and preferences of a wide range of consumers whose preferences may change regularly. If the styles and designs offered by the Company become less popular with consumers and the Company is not able to adjust the inventory levels in a timely manner, the sales may decline or fail to meet expected levels.

Success of the brand

The business is significantly dependent on continued establishment and promotion of the Company's brand. Promoting and positioning this brand depend largely on the success of marketing and merchandising efforts and the ability to provide a consistent, high-quality customer experience. The failure of brand promotion activities could adversely affect the Company's ability to attract new customers and maintain customer relationships and as a result, adversely affect the business and results of operations.

Fluctuations in Gold prices

The price fluctuation of gold, which accounts majority of the raw material costs, can affect the Company's performance.

Growth of new customers and increased sales to existing customers

The revenues are dependent on growth of new customers and increase in sales to existing customers. The Company seeks to leverage long-term relationships with existing customers to acquire new customers.

Government Incentives

The Company can benefit from a number of government incentives that are available by setting up a manufacturing unit located in a SEZ. This benefit will entitle the Company to direct and indirect taxation benefits and enable them to price their products competitively. To avail such benefits the Company has set up a manufacturing unit at Noida SEZ in the state of Uttar Pradesh.

General Factors affecting the results of operations

Time overrun on Expansion of new projects

The Company is into diversified business and is into the phase of expansion across all divisions. Though, the projects are independent of each other, there is a possibility that the projects get delayed on account of any unavoidable circumstances such as, regulatory changes, unavailability of plant & machinery, etc. The Company might face time over-run on its projects. Such time overrun can also increase the expenditure during the construction period.

Operating expenses

The primary operating expenses include the cost of raw materials (such as FMCG, grocery, apparels, jewellery, food and beverages), distributor's share, staff costs, rentals and other operating costs which include packaging costs, fuel costs etc. As the Company does more business, open more cinemas / food courts / restaurants / retail stores and hire more people, operating costs will increase. As the Company continues to grow, other expenses will also increase, but may decline as a percentage of revenue.

Competition

The Company is into varied business verticals and so it faces competition in each business vertical independently. In retail division, ease on FDI policy, if any, by the government will intensify competition in future. Unprecedented downturn in the economy will adversely impact consumer spending. Multiple existing players and new entrants in the value adding wholesale FMCG business will increase competition. In case the government permits or relaxes entry norms for global players having a significant advantage of scale and capital can pose a stiff competition to the Company.

The Company faces competition from multiplexes and single screen theatres located in the same catchment area. As the business matures, the Company, is likely to face competition from other exhibition companies. Piracy of films and early release of DVD prints affect the overall footfalls for cinemas / multiplexes. Multiplexes, especially those in Tier II and III cities, face pricing competition from single screen cinemas.

Within the food & beverage service industry and the quick service restaurants sector, competitors include international and domestic chains operating in India. The competition is on the basis of product and service quality and price, location, brand image and supply costs. As the number of dine-in stores increases, the Company may face increasing competition from established fine dining restaurants. The industry is often also affected by changes in consumer tastes, economic conditions, demographic trends and consumers' disposable income.

Jewellery is a highly competitive industry. The locations at which the Company has presence, has well established players who already have a strong foot hold in the market. In addition to the 4-5 large organized players, the market is also fragmented with large section of small and unorganized players. The Company faces stiff competition from organised as well as small and unorganized players in view of the prevailing status of the established players in the locations, where the company operates.

Consumer spending and general economic and market conditions

The business of the Company to a significant extent depends on consumer confidence and spending, which is influenced by general economic conditions and discretionary spending of income. The consumer confidence and their discretionary spending are also related to general economic and market conditions. In case of recessionary trends, the discretionary spending is significantly reduced, whereas during the buoyant market conditions the discretionary spending goes up.

Borrowing Costs

The Company borrows loans from banks for its capital expenditure including acquiring of fixed assets as well as for the working capital requirements. The Company capitalizes the interest cost during the construction period or the setting up period and is included as part of the project cost. Interest rates vary from time to time and if there is substantial increase in the interest cost, the overall cost of setting up of the units / projects could go up and the same could become un-viable.

Inventories

The Company's businesses, specifically the retail, cash & carry business, jewellery retail & whole-sale business require maintaining of high levels of inventory of FMCG, grocery, apparels and high value item like gold. Hence, Proper management and control of inventory is an essential requirement. In case the inventory levels are not managed properly, the cost of maintaining the inventory could increase and could adversely affect the financial performance of the Company.

CRITICAL ACCOUNTING POLICIES

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 (AS) referred to in sub-section (3C) of Section 211 of the said Act. The accounting policies, except otherwise stated, have been consistently applied by the Company.

Use of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles (GAAP), which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

Revenue Recognition

- a) Revenue from sale is recognized when the significant risk and rewards in respect of ownership of the goods are transferred to customer.
- b) Revenue from theatre business is recognized on the basis of tickets sold for the period under accounting.
- c) Entertainment tax collection in respect of its multiplex put up in Uttar Pradesh (U.P.) has been recognised as revenue on the sale of tickets, considering the exemption from payment of entertainment tax upto a specified period in terms of the scheme of UP state government. Since the collection is dependent on sale of tickets been uncertain and collection of aforesaid tax is normal

trading transaction, it has not been recognised as grant in terms of Accounting Standard-12 “Accounting for Government Grants”.

- d) Revenue from Lease Rent, Common Area Maintenance (CAM) Charges and Interest is recognized on a time proportion basis.
- e) Advertisement revenue is recognized as and when advertisement is displayed.
- f) Sale of land, plots and other properties is recognised in the financial year in which the transfer is made by agreement to sell / registration of sale deed or otherwise in favour of parties.

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 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 (AS)-26 “Intangible Assets” and recorded at the consideration paid for acquisition.

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 of the Companies Act, 1956, on pro rata basis.

Depreciation on fixed assets costing upto Rs.5,000/- is provided @100% over a period of one (1) year.

Intangible Assets are amortized over the useful life of the assets or ten (10) years, whichever is earlier.

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

Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of Assets. 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 it was incurred.

Impairment of Assets

An asset is impaired if there is 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.

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.

Inventories

Raw materials are valued at lower of Cost and Net Realizable Value.

Finished goods are valued at lower of Cost (raw material and appropriate proportion of overheads) and Net Realizable Value.

Goods held for Resale are valued at lower of cost and net realizable value.

Costs of inventories 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.

Foreign Exchange Transaction

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognized as income or as expenses for the year.
- c) Non-monetary items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized and is reflected separately in the Profit & Loss Account.

Taxations

Current Tax:

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

Minimum Alternate Tax (MAT) Credit:

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement under Loans & Advances. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

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.

Employee Benefits

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.

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.

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.

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.

Earning Per Share

Earning Per Share (EPS) 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 is divided by the Weighted Average Number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares.

Miscellaneous Expenditure

Share issue expenses will be adjusted from Securities Premium Account at the time of issue of respective Shares.

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.

SUMMARY OF THE RESULTS OF OPERATION

SRS Jewells became a subsidiary of the Company on March 31, 2010, thereby, requiring consolidation only for a single day for the fiscal year 2010 and one year for the fiscal year 2011. Therefore, the comparison has been done only on the basis for standalone audited restated financial statements.

The following table sets forth select financial data from standalone restated profit and loss accounts for Fiscal Year 2011, 2010, 2009 and 2008 and the components of which are also expressed as a percentage of total income for such periods.

(In Rs. mn.)

Particulars	For the year ended March 31, 2011							
	FY 2011 (In Rs. mn.)	% of total income	FY 2010 (In Rs. mn.)	% of total income	FY 2009 (In Rs. mn.)	% of total income	FY 2008 (In Rs. mn.)	% of total income
Revenue:								
Cinemas	368.81	1.80%	218.79	1.67%	182.37	3.64%	137.56	7.72%
Food & Beverages	212.50	1.04%	170.29	1.30%	133.96	2.67%	43.02	2.42%
Retail and Cash & Carry	5,212.53	25.52%	4,439.25	33.94%	4,479.64	89.32%	1,291.01	72.50%
Jewellery	14,579.91	71.38%	8,213.45	62.79%	157.89	3.15%	0.00	0.00%
Other income	52.68	0.26%	39.44	0.30%	61.58	1.23%	309.13	17.36%
Total Income	20,426.43	100.00 %	13,081.22	100.00 %	5,015.44	100.00 %	1,780.72	100.00 %
Cost of goods sold	18,663.81	91.37%	11,771.61	89.99%	4,154.22	82.83%	1,242.42	69.77%
Staff cost	178.38	0.87%	128.90	0.98%	138.6	2.77%	58.67	3.29%

Particulars	For the year ended March 31, 2011							
	FY 2011 (In Rs.)	% of total	FY 2010	% of total	FY 2009	% of total	FY 2008 (In Rs.)	% of total
Other manufacturing / Operational expenses	219.76	1.08%	139.30	1.06%	151.62	3.02%	85.23	4.79%
Administrative expenses	377.84	1.85%	329.60	2.52%	284.95	5.68%	134.98	7.58%
Selling and distribution expenses	53.64	0.26%	37.44	0.29%	38.66	0.77%	14.72	0.83%
Depreciation	119.97	0.59%	82.11	0.63%	64.85	1.29%	28.39	1.59%
Finance Cost	245.27	1.20%	167.13	1.28%	103.60	2.07%	52.84	2.97%
Total Expenses	19,858.67	97.22%	12,656.09	96.75%	4,936.50	98.43%	1,617.25	90.82%
Net Profit before Tax and extraordinary items	567.76	2.78%	425.13	3.25%	78.94	1.57%	163.47	9.18%
Taxations	193.88	0.95%	163.56	1.25%	23.03	0.46%	58.72	3.30%
Net Profit before extraordinary Items	373.88	1.83%	261.57	2.00%	55.91	1.11%	104.75	5.88%
Extraordinary items (net of tax)	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Net Profit after extraordinary Items, as restated	373.88	1.83%	261.57	2.00%	55.91	1.11%	104.75	5.88%

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2011 WITH FISCAL 2010

Revenue

The total income of the Company comprises of (i) income from cinema exhibition business; (ii) income from food & beverages business; (iii) Income from retail and cash & carry business; (iv) income from jewellery business; and (v) other income

Income from Cinema Exhibition Business

Income in this segment is mainly derived from box office collections and food and beverages sale in cinemas and advertisement income. In Fiscal 2011 the Company derived Rs. 368.81 mn. (1.80% of the total income) as compared to Rs. 218.79 (1.67% of total income) in Fiscal 2010. Income in this segment has witnessed an increase of 68.57% from Fiscal 2010, on account of expansion in the recent years.

Income from Food & Beverages Business

Income in this segment is mainly derived from the sale of food items from food courts and fine dining restaurants and packaged snack food sale. In Fiscal 2011 the Company derived Rs. 212.50 mn. (1.04% of total income) as compared to Rs. 170.29 mn. (1.30% of total income) in Fiscal 2010. Income in this segment has increased by 24.79% from Fiscal 2010 to Fiscal 2011, on a year-on-year basis on account of expansion in the recent year.

Income from Retail and Cash & Carry Business

Income in this segment is mainly derived from retail and cash & carry sales of FMCG products, grocery items and apparels. In Fiscal 2011, the income from this segment was Rs. 5,212.53 mn. (25.52% of the total income) as compared to Rs. 4,439.25 mn. (33.94% of the total income) in Fiscal 2010. Though trading of FMCG, Grocery, Apparels have increased by 17.42% from Fiscal 2010 to Fiscal 2011, there is fall in its percentage contribution to total income because of increase in contribution from other divisions.

Income from Jewellery Business

Income in this segment is derived from retail and wholesale trading of jewellery. In Fiscal 2011 the Company derived Rs. 14,579.91 mn. (71.38% of the total income) as compared to Rs. 8,213.45 mn. (62.79% of the total income) in Fiscal 2010 i.e., an increase of 77.51% on a year-on-year basis. Such increase has been on account of the increase in the scale of business operations.

Other Income

Income in this segment is derived from interest income, rentals, advertisements and Common Area Maintenance charges. Most of the income generated in this segment comes from the operations in SRS Mall. In Fiscal 2011, the Company derived Rs. 52.68 mn. (0.26% of the total income) as compared to Rs. 39.44 mn. (0.30% of the total income) in Fiscal 2010. Although the contribution to total income from this segment has reduced in Fiscal 2011 as compared to Fiscal 2010, Income in absolute terms has increased by 33.57%.

Expenditure

The expenses comprises of (i) Cost of goods sold; (ii) Staff cost; (iii) Other Operational Expenses; (iv) Administrative expenses; (v) Selling & Distribution Expenses; (vi) Depreciation; and (vii) Finance Cost.

Cost of Goods Sold

Cost of goods sold for the Fiscal 2011 was Rs. 18,663.81 mn. and Rs. 11,771.61 mn. in Fiscal 2010. Cost of goods sold as a percent of total income in Fiscal 2011 was 91.37% as compared to 89.99% in Fiscal 2010. Cost of goods sold include, cost of food & beverages in cinemas exhibition division, food & beverages, packaged snack food in food & beverages division, gold in jewellery division, FMCG products, grocery items and apparel in retail and cash & carry division. The reason for increase in cost of goods sold is because of increase in the prices of goods.

Staff Cost

Staff Cost for the Fiscal 2011 was Rs. 178.38 mn. and Rs. 128.90 mn. in Fiscal 2010. Staff cost as a percent of total income was 0.87% in Fiscal 2011 as compared to 0.98% in Fiscal 2010. Staff cost comprises of salaries, wages, bonus, director's remuneration, contribution to provident fund and other funds, staff welfare expenses and provision for employees benefits. Staff cost as a percent of total income in Fiscal 2010 has reduced in fiscal 2011 because of increase in operational efficiency of the existing business operations.

Other Operational Expenses

Other operational expense for the Fiscal 2011 was Rs. 219.76 mn. and Rs. 139.30 mn. in Fiscal 2010. Other operational expense as a percent of total income was 1.08% in Fiscal 2011 as compared to 1.06% in Fiscal 2010. Other operational expenses include security & house-keeping, packaging expenses, distributors share, commission paid, freight, unloading charges, consumables, fuel & gas, cable charges etc.

Administrative Expenses

Administrative expense for the Fiscal 2011 & Fiscal 2010 were Rs. 377.84 mn. and Rs. 329.60 mn., respectively. Administrative expense as a percent of total income was 1.85% in Fiscal 2011 as compared to 2.52% in Fiscal 2010. Administrative expenses include lease rentals paid, electricity and water expenses, insurance expenses, repair & maintenance, rates & taxes, auditors expense, legal & professional expense, miscellaneous expense, loss on sale of capital assets, fixed assets & capital WIP written off, premium of forward contracts, traveling & conveyance expense and bad debts. In Fiscal 2011, administrative expenses as a percent of total income has decreased because of economies of scale.

Selling & Distribution Expenses

Selling & Distribution expenses for the Fiscal 2011 & Fiscal 2010 were Rs. 53.64 mn. and Rs. 37.44 mn., respectively. Selling & Distribution expense as a percent of total income was 0.26% in Fiscal 2011 as compared to 0.29% in Fiscal 2010. Selling & distribution expense include marketing cost, commission paid and advertisement expenses. The amount of Selling & Distribution expense has increased in absolute terms in Fiscal 2011 from Fiscal 2010, due to increase in marketing related expenditure by the Company. However, in terms of percentage of total income it has marginally reduced due to higher total income in Fiscal 2011.

Depreciation

Depreciation for the Fiscal 2011 & Fiscal 2010 were Rs. 119.97 mn. and Rs. 82.11 mn., respectively. Depreciation as a percent of total income was 0.59% in Fiscal 2011 as compared to 0.63% in Fiscal 2010. Depreciation is charged on capital assets like building, lease-hold improvements, plant & machinery, furniture & fixtures, computers, vehicles and intangibles assets. The absolute increase in depreciation costs in Fiscal 2011 from Fiscal 2010 is due to purchase of fixed assets in Fiscal 2011.

Finance Cost

Finance cost for the Fiscal 2011 & Fiscal 2010 were Rs. 245.27 mn. and Rs. 167.13 mn., respectively. Finance cost as a percent of total income was 1.20% in Fiscal 2011 as compared to 1.28% in Fiscal 2010. Finance cost includes interest charges paid on interest on term loan, interest on cash credit, interest on unsecured loan, bank charges and financial expenses. The finance cost in absolute terms has increased due to higher borrowings in Fiscal 2011 as compared to Fiscal 2010. However, in percentage terms of total income the interest costs has reduced due to higher total income.

Total Expenditure

Total expense for Fiscal 2011 & Fiscal 2010 were Rs. 19,858.67 mn. and Rs. 12,656.09 mn., respectively. Total expense as a percentage of total income was 97.22% and 96.75% in Fiscal 2011 and Fiscal 2010, respectively. The increase in total expenditure in absolute and percentage term was due to increased expansion and business activity by the company in Fiscal 2011 as compared to Fiscal 2010.

Net Profit before Tax and Extra Ordinary Items

Net Profit before Tax and Extra Ordinary Items for Fiscal 2011 was Rs. 567.76 mn. or 2.78% of total income as compared to Rs. 425.13 mn. or 3.25% of total income in Fiscal 2010. Net profit before tax and extra ordinary items of the Company has decreased due to reduced margins.

Tax

Total tax for Fiscal 2011 was Rs. 193.88 mn. as compared to Rs. 163.56 mn. in Fiscal 2010.

Profit after Tax and Extra Ordinary Items

Net profit for Fiscal 2011 was Rs. 373.88 mn. or 1.83% of total income as compared to Rs. 261. 57 mn. or 2.00% of total income in Fiscal 2010. Profit after Tax of the Company has decreased due to expansion in business activity and increase in the raw material costs.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2010 WITH FISCAL 2009
Revenue

Total income of the Company comprises of (i) income from cinema exhibition business; (ii) income from food & beverages business; (iii) Income from retail and cash & carry business; (iv) income from jewellery business; and (v) other income

Income from Cinema Exhibition Business

Income in this segment is derived from box office collections and food and beverages sale in cinemas and advertisement income. In Fiscal 2010 the Company derived Rs. 218.79 mn. (1.67% of the total income) as compared to Rs. 182.37 (3.64% of total income) in Fiscal 2009. Though income in this segment has increased by 19.97% from Fiscal 2009 to Fiscal 2010, on a year-on-year basis, there is fall in its percentage contribution to total income because of the substantial increase in percentage contribution of Income from Jewellery business.

Income from Food & Beverages Business

Income in this segment is derived from the sale of food items from food courts and fine dining restaurants and packaged snack food sale. In Fiscal 2010 the Company derived Rs. 170.29 mn. (1.30% of total income) as compared to Rs. 133.96 mn. (2.67% of total income) in Fiscal 2009. Income in this segment has increased by 27.12% from Fiscal 2009 to Fiscal 2010, on a year-on-year basis.

Income from Retail and Cash & Carry Business

Income in this segment is derived from retail and cash & carry sales of FMCG products, grocery items and apparels. In Fiscal 2010, the income from this segment was Rs. 4,439.25 mn. (33.94% of the total income) as compared to Rs. 4,479.64 mn. (89.32% of total income) in Fiscal 2009. In Fiscal 2009 the Company has generated sales through trading in steel, glass and cement which amounted to Rs. 1,363.50 mn. and trading in FMCG, grocery & apparels of Rs. 3,081.39 mn. However, trading in business of Steel, Glass and Cement has been discontinued in Fiscal 2009. Though trading of FMCG, Grocery, Apparels have increased by 44.07% from Fiscal 2009 to Fiscal 2010, there is a fall in the percentage contribution to total income.

The abovementioned reduction of income contribution to 'total income' on a year-on-year basis in Cinema, food & beverage and retail and cash & carry business have reduced due the substantial increase in percentage contribution of Income from Jewellery business.

Income from Jewellery Business

Income in this segment is derived from retail and wholesale trading of jewellery. In Fiscal 2010 the Company derived Rs. 8,213.45 mn. (62.79% of the total income) as compared to Rs. 157.89 mn. (3.15% of total income) in Fiscal 2009 i.e., an increase of 5,102%. The reason for such increase is because the operations of the jewellery business commenced in March 2009 and hence, in Fiscal 2009 the revenues recorded are for one month only.

Operating Income

Income in this segment is derived from interest income, rentals, advertisements and Common Area Maintenance charges, profit on sale of capital assets and sale of commercial space. Most of the income generated in this segment comes from the operations of SRS Mall. In Fiscal 2010 the Company derived Rs. 39.44 mn. (0.30% of the total income) as compared to Rs. 61.58 mn. (1.23% of total income) in Fiscal 2009. Income in this segment reduced by 35.95% in Fiscal 2010. Other income in Fiscal 2009 includes profit on sale of fixed assets, income from health club. Health club business has been discontinued in Fiscal 2009. Furthermore, the CAM charges and lease rentals and interest income have reduced in the Fiscal 2010.

Expenditure

The expenses comprises of (i) Cost of goods sold; (ii) Staff cost; (iii) Other Operational Expenses; (iv) Administrative expenses; (v) Selling & Distribution Expenses; (vi) Depreciation; and (vii) Finance Cost.

Cost of Goods Sold

Cost of goods sold for the Fiscal 2010 was Rs. 11,771.61 mn. and Rs. 4,154.22 mn. in Fiscal 2009. Cost of goods sold as a percent of total income in Fiscal 2010 was 89.99% as compared to 82.83% in Fiscal 2009. Cost of goods sold include cost of food & beverages in cinemas exhibition division, food & beverages and packaged snack food in food & beverages division, gold in jewellery division and FMCG products, grocery items and apparel in retail and cash & carry division. The reason for increase in cost of goods sold is because of the reductions in margins in the cash & carry segment. In Fiscal 2009 the cost of goods sold also include cost of steel, glass and cement.

Staff Cost

Staff Cost for the Fiscal 2010 was Rs. 128.90 mn. and Rs. 138.60 mn. in Fiscal 2009. Staff cost as a percent of total income was 0.98% as compared to 2.77% in Fiscal 2009. Staff cost comprises of salaries, wages, bonus, director's remuneration, contribution to provident fund and other funds, staff welfare expenses and provision for employees benefits. Staff cost in Fiscal 2010 has reduced because of changes in plans with respect to expansion in mid Fiscal 2009.

Other Operational Expenses

Other operational expense for the Fiscal 2010 was Rs. 139.30 mn. and Rs. 151.62 mn. in Fiscal 2009. Other operational expense as a percent of total income was 1.06% in Fiscal 2010 as compared to 3.02% in Fiscal 2009. Other operational expenses include security & house-keeping, packaging expenses, distributors share, commission paid, freight, unloading charges, consumables, fuel & gas, cable charges. Other Operational expenses in Fiscal 2010 have reduced because of economies of scale on account of increase in volumes of business and better utilization of resources.

Administrative Expenses

Administrative expense for the Fiscal 2010 & Fiscal 2009 were Rs. 329.60 mn. and Rs. 284.95 mn., respectively. Administrative expense as a percent of total income was 2.52% in Fiscal 2010 as compared to 5.68% in Fiscal 2009. Administrative expenses include lease rentals paid, electricity and water expenses, insurance expenses, repair & maintenance, rates & taxes, auditors expense, legal & professional expense, miscellaneous expense, loss on sale of capital assets, fixed assets & capital WIP written off, donation, premium of forward contracts, foreign exchange fluctuation, traveling & conveyance expense and bad debts. In Fiscal 2010, administrative expenses mainly increased as security deposit and capital assets were written-off which was primarily because of closure of underperforming units.

Selling & Distribution Expenses

Selling & Distribution expenses for the Fiscal 2010 & Fiscal 2009 were Rs. 37.44 mn. and Rs. 38.66 mn., respectively. Selling & Distribution expense as a percent of total income was 0.29% in Fiscal 2010 as compared to 0.77% in Fiscal 2009. Selling & distribution expense include marketing cost, commission paid and advertisement expenses.

Depreciation

Depreciation for the Fiscal 2010 & Fiscal 2009 were Rs. 82.11 mn. and Rs. 64.85 mn., respectively. Depreciation as a percent of total income was 0.63% in Fiscal 2010 as compared to 1.29% in Fiscal 2009. Depreciation is charged on capital assets like building, lease-hold improvements, plant & machinery, furniture & fixtures, computers, vehicles and intangibles assets.

Finance Cost

Finance cost for the Fiscal 2010 & Fiscal 2009 were Rs. 167.13 mn. and Rs. 103.60 mn., respectively. Finance cost as a percent of total income was 1.28% in Fiscal 2010 as compared to 2.07% in Fiscal 2009. Finance cost includes interest charges paid on interest on term loan, interest on cash credit, interest on unsecured loan, bank charges and financial expenses. The reason for increase of finance cost in Fiscal 2010 is due to increase in short term borrowing towards working capital loan.

Total Expenditure

Total expense for Fiscal 2010 & Fiscal 2009 were Rs. 12,656.09 mn. and Rs. 4,936.50 mn., respectively. Total expense as a percentage of total income was 96.75% and 98.43% in Fiscal 2010 and Fiscal 2009, respectively. The increase in total expenditure in absolute term was due to high turnover in Fiscal 2010 as compared to Fiscal 2009.

Net Profit before Tax and Extra Ordinary Items

Net Profit before Tax and Extra Ordinary Items for Fiscal 2010 was Rs. 425.13 mn. or 3.25% of total income as compared to Rs. 78.94 mn. or 1.57% of total income in Fiscal 2009. Net profit of the Company has increased due to new activity of jewellery division undertaken by the Company.

Tax

Total tax for Fiscal 2010 was Rs. 163.56 mn. as compared to Rs. 23.03 mn. in Fiscal 2009, due to higher profit in Fiscal 2010.

Profit after Tax and Extra Ordinary Items

Net profit for Fiscal 2010 was Rs. 261.57 mn. or 2.00% of total income as compared to Rs. 55.91 mn. or 1.11% of total income in Fiscal 2009. Profit after Tax of the Company has increased due to new activity of jewellery division undertaken by the Company.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2009 WITH FISCAL 2008**Revenue**

Total income of the Company comprises of (i) Income from Cinema Exhibition Business; (ii) Income from Food & Beverages Business; (iii) Income from Retail and Cash & Carry Business; (iv) Income from Jewellery Business; and (v) Other income.

Income from Cinema Exhibition Business

Income in this segment is derived from Box office collections and food and beverages sale. During the Fiscal 2009 revenues from cinema division increased by 32.57% to Rs. 182.37 mn. (3.64% of total income) from Rs. 137.56 mn. (7.72% of total income) in Fiscal 2008. This increase in absolute terms was primarily on account of opening up of new cinemas.

Income from Food & Beverages Business

Income in this segment is derived from sale of food and beverages. During the Fiscal 2009 revenues from food & beverages division increased by 211.39% to Rs. 133.96 mn. (2.67% of total income) from Rs. 43.02 mn. (2.42% of total income) in Fiscal 2008. This increase was primarily on account of expansion of food courts and fine dining restaurants.

Income from Retail and Cash & Carry Business

Income in this segment is derived from retail and cash & carry sales of FMCG, grocery and apparels. During the Fiscal 2009 revenues from retail and cash & carry division increased by 246.99% to Rs. 4,479.64 mn. (89.32% of total income) from Rs. 1,291.01 mn. (72.5% of total income) in Fiscal 2008. This increase was primarily because the Company for the first time entered into retail and cash & carry business and the Company also traded in products such as steel, cement and glass.

Income from Jewellery Business

In the Fiscal 2009 the Company entered into the business of jewellery. During the Fiscal 2009 revenues from jewellery division stood at Rs. 157.89 mn. (3.15% of total income).

Income from other income

During the Fiscal 2009, other income reduced from Rs. 309.13 mn. (17.36% of total income) in Fiscal 2008 to Rs. 61.58 mn. (1.23% of total income). In Fiscal 2008 other income included profit on sale of capital assets of Rs. 37.31 mn., sale of commercial space of Rs. 187.03 mn., parking income of Rs. 11.91 mn. and commission income of Rs. 25.00 mn. Due to the said reason, the other income is lower in Fiscal 2009 as compared to Fiscal 2008.

Expenditure

Cost of Goods Sold

During the Fiscal 2009, the cost of goods sold increased by 234.37% to Rs. 4,154.22 mn. (82.83% of total income) from Rs. 1,242.42 mn. (69.77% of total income) in Fiscal 2008. Cost of goods sold include cost of food & beverages in cinemas division, food, beverages and packaged snack food in food & beverages division, gold in jewellery division and FMCG products, grocery items, apparel, cement, glass and steel in retail and cash & carry division. This increase in expenses was due to increase in the volume of operations of the Company in terms of procurement of goods and raw material traded.

Staff Cost

During the Fiscal 2009, staff cost increased by 136.24% to Rs. 138.60 mn. (2.77% of total income) from Rs. 58.67 mn. (3.29% of total income), in Fiscal 2008. Staff cost comprises of salaries, wages, bonus, director's remuneration, contribution to provident fund and other funds, staff welfare expenses and provision for employees benefits. Although the expense in absolute terms have increased on account of increase in volume of operations, but, in percentage terms the operations have reduced because of economies of scale.

Other Operational Expenses

During the Fiscal 2009, other operational expenses increased by 77.90% to Rs. 151.62 mn. (3.02% of total income) from Rs. 85.23 mn. (4.79% of total income), in Fiscal 2008. Other operational expenses include security & house-keeping, packaging expenses, distributors share, commission paid, freight, unloading charges, consumables, fuel & gas, cable charges. Although the expense in absolute terms have increased on account of increase in volume of operations, but, in percentage terms the operations have reduced because of economies of scale.

Administrative Expenses

During the Fiscal 2009, administrative expenses increased by 111.11% to Rs. 284.95 mn. (5.68% of total income) from Rs. 134.98 mn. (7.58% of total income), in Fiscal 2008. Administrative expenses include lease rentals paid, electricity and water expenses, insurance expenses, repair & maintenance, rates & taxes, auditors expense, legal & professional expense, miscellaneous expense, loss on sale of capital assets, fixed assets & capital WIP written off, donation, premium of forward contracts, foreign exchange fluctuation, travelling & conveyance expense and bad debts. Although, the expense in absolute terms have increased on account of increase in volume of operations, but, in percentage terms the operations have reduced because of economies of scale.

Selling & Distribution Expenses

During the Fiscal 2009, selling & distribution expenses increased by 162.64% to Rs. 38.66 mn. (0.77% of total income) from Rs. 14.72 mn. (0.83% of total income), in Fiscal 2008. Selling & distribution expenses include marketing cost, commission paid and advertisement expenses. This increase in expenses was due to increase in marketing cost due to increase in the marketing activities of the Company.

Depreciation

During the Fiscal 2009, depreciation increased by 128.43% to Rs. 64.85 mn. (1.29% of total income) from Rs. 28.39 mn. (1.59% of total income), in Fiscal 2008. Depreciation is charged on capital assets on building, leasehold improvements, plant & machinery, furniture & fixtures, computers, vehicles and intangibles assets. Increase in depreciation was due to increase in fixed assets by Rs. 661.51 mn. during the year.

Finance Cost

During the Fiscal 2009, finance cost increased by 96.06% to Rs. 103.60 mn. (2.07% of total income) from Rs. 52.84 mn. (2.97% of total income), in Fiscal 2008. Finance cost incurred includes interest charges paid on interest on term loan, interest on cash credit, interest on unsecured loan, bank charges and financial expenses. This increase in expenses was due to loan taken for expansion purpose.

Total Expenditure

Total expense increased by 205.24% to Rs. 4,936.50 mn. in Fiscal 2009 from Rs. 1,617.25 mn., in Fiscal 2008. The increase in total expenditure was due to purchase of increased raw material upon expansion of business in the Company.

Net Profit before Tax and Extra Ordinary Items

Net Profit before Tax and Extra Ordinary Items for Fiscal 2009 was Rs. 78.94 mn. or 1.57% of total income as compared to Rs. 163.47 mn. or 9.18% of total income in Fiscal 2008. This decline was due to significant increase in cost of goods sold in Fiscal 2009, which was 82.83% of total income in fiscal 2009 as compared to 69.77% in Fiscal 2008 due to economic slowdown.

Tax

Total tax for Fiscal 2009 was Rs. 23.03 mn. as compared to Rs. 58.72 mn. in Fiscal 2008.

Profit after Tax and Extra Ordinary Items

Net profit for Fiscal 2009 declined by 46.63% to Rs. 55.91 mn. from Rs. 104.75 mn., in Fiscal 2008. This decline was due to significant increase in cost of goods sold in Fiscal 2009 as compared to Fiscal 2008 and due to economic slowdown.

Liquidity, Capital Resources and Cash Flows

The primary sources of liquidity are funds generated from operations, cash credit, short-term loan and term loans with banks and Non-Bank Finance Companies in India. Primary use of cash is for expansion and inventory procurement. The Company believes that the present sources of liquidity are sufficient to satisfy the present level of business requirements.

The Company intends to utilize a major portion of the proceeds from the Issue for expansion in cinema, food & beverages, retail, jewellery business and balance for General Corporate Purposes. Please see "Requirement of Funds" for a more detailed description of the intended use of the proceeds of the Issue.

The following table sets forth certain information about the cash flows of the Company for Fiscal 2011, 2010, 2009 and 2008:

(in Rs. million)

Particulars	For the year ended March 31,			
	FY 2011	FY 2010	FY 2009	FY 2008
Net Profit Before Tax and Extraordinary Items, as restated	567.76	425.13	78.94	163.47
Net cash from Operating Activities (A)	-471.80	-955.85	-240.71	144.65
Net cash used in Investing Activities (B)	-271.85	919.79	-507.49	-1,674.83
Net cash used in Financing Activities (C)	863.53	194.27	672.42	1,543.83
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	119.88	158.21	-75.78	13.65
Cash and Cash equivalents at beginning of the year	184.02	25.81	101.59	87.94
Cash and Cash equivalents at end of the year	303.90	184.02	25.81	101.59

Fiscal 2011

Net cash used in operating activities for the Fiscal 2011 amounted to Rs. 471.80 mn. of which Rs. 567.76 mn. was generated from pre-tax profit. Adjustments to cash flow included finance cost of Rs. 245.27 mn. and depreciation of Rs.119.97 mn. Working capital adjustments included decrease in inventories of Rs. 210.48 mn. which was on account of the Company optimizing its inventory levels and increase in trade and other receivable of Rs.1,702.37 mn., due to nature of the businesses in jewellery, retail and cash & carry wherein, the transactions are carried out on credit basis. Further, increase in business in the stated business divisions has resulted in higher trade and other receivables.

Net cash used in investing activities for the Fiscal 2011 totaled Rs. 271.85 mn., of which Rs. 360.57 mn. was used in purchase of fixed assets.

Net cash generated from financing activities for the Fiscal 2011 totaled Rs. 863.53 mn. In Fiscal 2011 the Company had proceeds from Short Term Borrowings of Rs. 1,367.31 mn. and repaid long term borrowings to the extent of Rs 266.29 mn.

As a result of the above, in the Fiscal 2011, cash and cash equivalents increased by Rs. 119.88 mn. i.e., from Rs. 184.02 mn. as on April 1, 2010 to Rs. 303.90 mn. as on March 31, 2011.

Fiscal 2010

Net cash used in operating activities for the Fiscal 2010 amounted to Rs. 955.85 mn. of which Rs. 425.13 mn. was generated from pre-tax profit. Adjustments to cash flow included finance cost of Rs. 167.13 mn. and depreciation of Rs. 82.11 mn. Working capital adjustments included increase in inventories of Rs. 970.25 mn. and trade and other receivable of Rs. 708.38 mn., due to requirement to maintain stocks and receivables in jewellery, retail and cash & carry business.

Net cash used in investing activities for the Fiscal 2010 totaled Rs. 919.79 mn., of which Rs. 811.64 mn. was from refund (back) of capital advances for projects.

Net cash used in financing activities for the Fiscal 2010 totaled Rs. 194.27 mn., even though Rs. 499.48 mn. was used for repayment of long term borrowing.

As a result of the above, in this Fiscal, cash and cash equivalents increased by Rs. 158.21 mn. i.e., from Rs. 25.81 mn. as on April 1, 2009 to Rs. 184.02 mn. as on March 31, 2010.

Fiscal 2009

Net cash used in operating activities for the Fiscal 2009 amounting to Rs. 240.71 mn. out of which Rs. 78.94 mn. was generated from pre-tax profit. Adjustments to cash flow included finance cost of Rs. 103.60 mn. and depreciation of Rs. 64.85 mn. Working capital adjustments included increase in inventories of Rs. 129.14 mn. mainly on account of maintaining stocks for retail business and an increase in trade and other receivable of Rs. 411.68 mn.

Net cash used in investing activities for the Fiscal 2009 totaled Rs. 507.49 mn., of which Rs. 520.86 mn. was on account of purchase of fixed assets.

Net cash used financing activities for the Fiscal 2009 totaled Rs. 672.42 mn., of which Rs. 516.08 mn. were proceeds from issue of shares.

As a result of the above, in this Fiscal cash and cash equivalents decreased by Rs. 75.78 mn. i.e., from Rs. 101.59 mn. as on April 1, 2008 to Rs. 25.81 mn. as on March 31, 2009.

Fiscal 2008

Net cash generated in operating activities for the Fiscal 2008 amounted to Rs.144.65 mn. of which Rs. 163.47 mn. was generated from pre-tax profit. Adjustments to cash flow included finance cost of Rs. 52.84 mn. and depreciation of Rs. 28.39 mn. Working capital adjustments included, increase in inventories of Rs. 97.23 mn., mainly on account of maintaining stocks for retail business and an increase in trade and other receivable of Rs. 19.20 mn.

Net cash used in investing activities for the Fiscal 2008 totaled Rs. 1,674.83 mn., of which Rs. 2,105.42 mn. was on account of purchase of fixed assets and Rs. 366.73 mn. was generated due to refund (back) of capital advances for projects.

Net cash generated used in financing activities for the Fiscal 2009 totaled Rs. 1,543.83 mn. of which Rs. 1,042.26 mn. was generated from long-term borrowings. During the year, Rs. 241.48 mn. was paid towards repayment of long-term borrowings and Rs. 788.28 mn. was generated from proceeds of issue of shares.

As a result of the above in this Fiscal, cash and cash equivalents increased by Rs. 13.65 mn. i.e., from Rs. 87.94 mn. as on April 1, 2007 to Rs. 101.59 mn. as on March 31, 2008.

Financial Condition

The Net worth of the Company has increased by 13.12% from Rs. 2,767.36 mn. as on March 31, 2010 to Rs. 3,130.53 mn. as on March 31, 2011 as reserves increased from Rs. 1,726.36 mn. in Fiscal 2010 to Rs. 2,100.24 mn. in Fiscal 2011.

Assets

The fixed assets increased by 22.91% from Rs. 1,870.12 mn. as on March 31, 2010 to Rs. 2,298.61 mn. as on March 31, 2011, mainly because of expansion. Inventories reduced by 17.06 % from Rs. 1,234.03 mn. as on March 31, 2010 to Rs. 1,023.55 mn. as on March 31, 2011 as the Company optimized their inventory levels. Cash and bank balances increased from Rs. 184.02 mn. as on March 31, 2010 to Rs. 303.90 mn. as on March 31, 2011, which was largely due to additional business revenues being generated from jewellery business. Sundry Debtors increased from Rs. 999.78 mn. as on March 31, 2010 to Rs. 2,709.46 mn. as on March 31, 2011, mainly because of expansions in jewellery business.

Liabilities and Provisions

Liabilities and provisions increased by 68.51% from Rs. 2,059.61 mn. as on March 31, 2010 to Rs. 3,470.60 mn. as on March 31, 2011. Secured loans increased from Rs. 1,610.46 mn. as on March 31, 2010 to Rs. 2,735.22 mn. as on March 31, 2011, because of increase in borrowing.

Increase in Sundry Debtors

Sales of the Company have grown from Rs.1,543.63 mn in 2007-08 to Rs.4,787.56 mn. in the year 2008-09 and further to Rs.12,851.18 mn. in 2009-10. Amongst the business segments, the Cash & Carry Business and Wholesale Jewellery Business have grown significantly. These business segments majorly operate on credit sales, consequent to which, during the years ended on March 31, 2008; 2009 and 2010 there has been sharp increase in Sundry Debtors.

Increase in Unsecured Loan

Details of Unsecured loans as on March 31, 2008, 2009, 2010 and 2011 are as follow:

(Rs. in mn.)

Particulars	As on 31.3.2008	As on 31.3.2009	As on 31.3.2010	As on 31.3.2011
Zero % Fully Convertible Debenture	NIL	75	NIL	NIL
Unsecured Loan	17.91	26.04	12.40	2.50

The Company has signed a Debenture Subscription Agreement with HT Media Limited (HT) on 14th January 2009 pursuant to which HT has invested Rs.75 Million in the Company in the year 2008-09 as Zero Percent Fully Convertible Debentures. The amount received by the Company is being reflected as unsecured loan in the Balance Sheet of the year 2008-09 and hence the amount of unsecured loans has increased.

The Zero Percent Fully Convertible Debentures were converted into 760,279 Equity shares on September 15, 2009. The amount of unsecured loans has decreased accordingly in the Financial Year 2009-10. The details of the agreement have been provided on page 130 of the RHP.

Off-Balance Sheet Arrangements and Financial Instruments

The Company does not have any off balance sheet arrangements or obligations.

Capital Expenditures

As on March 31, 2011, the Company has capital expenditure commitments (net of advance) of Rs 0.83 mn,

Contractual Obligations and Commitments

The following table summarizes payment obligations and commitments as on March 31, 2011:

(In Rs. mn.)

Particulars	Payment due by period end			
	Total	Not longer than 1 year	1 to 5 years	> 5 years
Short-term bank and other loans	2381.93	2381.93	-	-
Long-term bank and other loans	355.79	-	349.10	6.69

Particulars	Payment due by period end			
		Not longer	1 to 5 years	> 5 years
Finance lease obligations	-	-	-	-
Trade payables (Current Liabilities)	499.72	499.72	-	-
Operating lease commitments (Future Commitment for minimum lease payments)	1257.03	214.31	722.04	320.68
Purchase Commitments	-	-	-	-

Quantitative and Qualitative Disclosure about Market Risk

Interest Rate Risk

The Company may be subject to market risk due to fluctuations in interest rates. As on date of this Red Herring Prospectus the existing loans have floating interest rate which can increase in the near future. Increases in interest rates will increase the cost of present and new borrowings and could have a material adverse effect on the financial position. Please refer to “**Financial Indebtedness**” on page 269 for details of the borrowings under floating interest rates.

Commodity Risk

The Company is presently into the business of jewellery where the Company has to keep the inventory of gold. The Company bears the risk of fluctuation in gold prices. Such fluctuations may impact the financial position of the Company.

Foreign Exchange Risk

The Company’s foreign currency exposure due to its Noida SEZ operations gives rise to market risk associated with exchange rate movements against the Rupee, which is the reporting currency. Gains or losses resulting from the settlement of foreign currency transactions and from the translation of foreign currency monetary liabilities / assets are recognized in the profit & loss account. These balances are translated at period-end exchange rates.

Information required as per Item (2)(IX)(E)(5) of Part A of Schedule VIII of the ICDR Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

Except as described in this Red Herring Prospectus, there have been no events or transactions over the course of the preceding years which may be described as “unusual” or “infrequent”.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Except as described in this Red Herring Prospectus, there are no such economic changes over the course of the preceding years which are likely to affect income from continuing operations.

3.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the sections titled “**Risk Factors**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” in this Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income from continuing operations.

4. Future changes in relationship between costs and income

Other than as described in the sections titled “**Risk Factors**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” in this Red Herring Prospectus, there are no known factors which will have a material adverse impact on the operation and finances.

5. New Product or Business Segment

Other than as described in the section titled “**Business Overview**” beginning on page 85 of this Red Herring Prospectus, there are no new products or business segments.

6. Total turnover of each major industry segment in which the Company operates

Please refer to the Net Sales discussions based on operating segment reporting in section titled “**Financial Information**” of this Red Herring Prospectus. The Company reports operating segment under segment reporting as part of Notes to Accounts.

7. Status of any publicly announced new products or business segment

Other than as described in this Red Herring Prospectus, the Company does not have any new products or business segments.

8. Seasonality of Business

Since the Company is into diversified business, each business division experience seasonal fluctuations in sales but for the Company as a whole the seasonal fluctuations smoothens and has a minimal impact on sales.

9. Any significant dependence on a single or few suppliers or customers

The Company sources the raw material from a number of suppliers, though it still has some dependence on few suppliers and customers. However, the Company still has a significant number of customers and suppliers and the dependence on any single customer / supplier is low.

10. Competitive Conditions

The Company may face stiff competition from existing players as well as new players across all business segments. For more details, please refer to the discussions of the competition in the section titled “**Risk Factors**” and “**Business Overview**” beginning on pages xii and 85, respectively, in this Red Herring Prospectus.

SECTION VI - LEGAL AND REGULATORY INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as detailed below, there are no outstanding litigations, suits, criminal or civil prosecutions, potential disputes, labour disputes, bargains and demands, investigations, central / state government claims or inquiries, proceedings or tax liabilities against the Company, Directors, Promoters and Group entities and there are no defaults, non-payment of statutory dues, over-dues to banks / financial institutions, defaults against banks / financial institutions, defaults in dues payable to holders of any debentures, bonds and fixed deposit issued by the Company, proceedings initiated for economic / civil / any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part I of Schedule XIII of the Companies Act, 1956) other than unclaimed liabilities of the Company or its Subsidiaries or its Promoter Group Companies or its promoter or its director. Other than as detailed below, there are no defaults of non-payment of statutory dues against the Company including under the excise, customs, sales tax, income tax and service tax and no disciplinary action has been taken by SEBI or any stock exchanges against the Company, its subsidiary, Promoters Directors and group entities.

Contingent liabilities

As of March 31, 2011, the Company has the following contingent liabilities

Particulars	(Rs. in Mn.)
Legal Cases	5.16
Total Contingent Liabilities	5.16

I. CASES FILED AGAINST THE COMPANY

I (A). Litigations involving Criminal Offences:

1.	Case No.	Criminal Complaint No. 2020/2009
	Plaintiff / Complainant	Department of Prevention of Food Adulteration
	Defendant / Accused	1. Mr. Hari Shankar Sharma (Vendor-cum-Manager) of M/s SRS Entertainment Ltd. (now M/s SRS Limited) 2. Mr. Sunil Kumar Jindal, Director of M/s SRS Entertainment Ltd. (now M/s SRS Limited) 3. Mr. Raju Bansal, Director of M/s SRS Entertainment Ltd. (now M/s SRS Limited) 4. Dr. Anil Kumar Jindal, Director of M/s SRS Entertainment Ltd. (now M/s SRS Limited) 5. M/s. SRS Entertainment Ltd. (now M/s SRS Limited)
	Nature of Case / Brief Facts of the Case	Violation of Prevention Of Food Adulteration Act, 1954, under Section 7 and 16 on account of misbranding of Masur Dal packet being sold from Company's daily bazaar store at Maujpur. It is alleged that there is violation of Rule 32 (e) as the sample was without declaration of the Batch Number.
	Court / Forum	Metropolitan Magistrate, Patiala House.
	Amount Involved	No Amount involved.
	Present Status of the Case and next date of hearing	Next date of hearing is August 17, 2011 for statement of accused under section 313 of the code of criminal procedure.
	Implication	Under Section 16 of the Prevention of Food Adulteration Act, 1974, penalty for misbranding of any article is imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than one thousand rupees.

I (B). Litigations involving Civil Offences

1.	Case No.	Suit No. 464 of 2009
	Plaintiff / Complainant	M/s. Subham Associates
	Defendant / Accused	1. M/s SRS Entertainment Ltd. (now M/s SRS Limited) 2. Mr. Bishan Bansal (Director, M/s SRS Entertainment Ltd.) 3. Mr. B.D. Gupta, Director, M/s SRS Entertainment Ltd. 4. Mr. D.P. Singh, General Manager, M/s SRS Entertainment Ltd.
	Nature of Case / Brief Facts of the Case	Suit for recovery of amount of Rs. 1,599,359/- on account of works allegedly done by M/s Subham Associates at the instance of the Company at Ansal Mall, Palam Vihar, Gurgaon.
	Court / Forum	Additional District Judge, Patiala House Courts, New Delhi
	Amount Involved	Rs. 1,599,359
	Present Status of the Case and next date of hearing	Examination of Plaintiff evidence Next date of hearing is August 16, 2011
2.	Case No.	Consumer Complaint No. 290 of 2007
	Plaintiff / Complainant	Mr. Virender Pal Singh
	Defendant / Accused	1. M/s. SRS Multiplex City Centre (a Unit of M/s SRS Limited) 2. Mr. J.B.S. Dahiya, Incharge Parking
	Nature of Case / Brief Facts of the Case	Complaint's motorcycle was stolen from the parking outside M/s SRS Multiplex City Centre. He has filed this complaint under Section 12 of the Consumer Protection Act, 1986, for the cost of motorcycle along with damages on account of mental harassment. Total amount claimed is Rs. 95,500/-. The Company is defending this case on the ground that the Company is not liable for security of his Motor Cycle as parking was un-paid parking.
	Court / Forum	District Consumer Disputes Redressal Forum, Faridabad
	Amount Involved	Rs. 95,500
	Present Status of the Case and next date of hearing	The Company has filed its reply. Next date of hearing is September 16, 2011 for final arguments.
3.	Case No.	Company Petition No 362 of 2009
	Plaintiff / Complainant	Mr. Dinesh Malik
	Defendant / Accused	a. M/s. SRS Retail Ltd. b. M/s. SRS Entertainment Limited c. Mr. Rajesh Singla d. Mr. Sunil Jindal and e. Dr. Anil Jindal
	Nature of Case / Brief Facts of the Case	<u>Demand Notice Under Section 434 (1) (a) of the Companies Act, 1956</u> On April 20, 2009, M/s. Mangla & Mangla, Law Offices, acting on behalf of Mr. Dinesh Malik, Son of Mr. J. K. Malik, resident of D2/146, Sector 10, DLF Faridabad, gave statutory notice under Section 434 (1) (a) of the Companies Act, 1956, whereby demanding a sum of Rs. 3,240,000/- from M/s. SRS Retail Ltd., M/s. SRS Entertainment Limited and their Directors i.e., Mr. Rajesh Singla, Mr. Sunil Jindal and Dr. Anil Jindal, towards the alleged unpaid rent of 18 months as per the terms of lease deed dated October 23, 2007. Further, Mr. Dinesh Malik has filed a petition against the Company bearing Company Petition No. 362 of 2009 before the High Court of Delhi. However, the Company has not received any notice or summons from the Court regarding any legal case instituted by Mr. Dinesh Malik.

	Court / Forum	High Court of Delhi
	Amount Involved	Rs. 3,240,000
	Present Status of the Case and next date of hearing	The Company is yet to file its reply. The next date of hearing is fixed for July 26, 2011.

I (C). Litigations Involving Labour related offence:

1.	Applicant / Workman	Mr. Rajneesh Kumar Srivastav
	Respondent	M/s. SRS Limited
	Forum	Labour cum Conciliation Officer, Circle-IV, Gurgaon
	Nature of dispute	Demand Notice Under Section 2A of Industrial Dispute Act, 1947 to reinstate the applicant with full back wages and continuity of service along with other monetary benefits. The applicant was appointed as electrician in the Company with effect from May 19, 2008. The Applicant has alleged that he was terminated with <i>malafide</i> intention on February 26, 2010. He has further alleged that he was not given any notice or any wages as required under section 25N of Industrial Dispute Act, 1947. Further, he has alleged that the Company has not followed the principle of '<i>last come first go</i>' and he has not been given any opportunity of employment is violation of section 25 G and section 25 H of Industrial Dispute Act, 1947. The applicant has prayed to be taken on duty with continuity of service and full wages. The Company has replied to the above demand notice wherein the Company has stated that the applicant has himself voluntarily tendered his resignation to the Management of the Company.
	Amount involved	Rs. 110,114 (back wages upto June 30, 2011)
	Present Status of the Case	The matter is for filing of Statement of claim by the Applicant. Next date of hearing is August 11, 2011
2.	Applicant / Workman	Mr. Gajan
	Respondent	M/s. SRS Limited
	Forum	Industrial Tribunal cum Labour Court, Faridabad
	Nature of dispute	Demand Notice Under Section 2A of Industrial Dispute Act, 1947 to reinstate the applicant with full back wages and continuity of service along with other monetary benefits. The applicant was appointed as an Assistant in the Company on May 9, 2007. He was confirmed as customer care executive by management with employee code no. 436 on November 9, 2007. The applicant has alleged that he was terminated from the services in arbitrary and illegal manner without giving any reason. Further, he has alleged that he was not given any opportunity of hearing nor paid any retrenchment benefits. He has further alleged that he was terminated from service without compliance of the mandatory provisions of Industrial Dispute Act, 1947.
	Amount involved	Rs. 152,681 (Back wages upto June 30, 2011)
	Present Status of the Case and next date of hearing	The matter is for filing of reply by the Company. Next date of hearing is September 19, 2011

I (D). Litigations involving matter relating to revenue authorities - Customs, Income Tax, Sales Tax, Excise Act, Service Tax:
a) Litigations under the Income Tax Act, 1961

1	Arrear Recovery proceedings for Assessment Year -2006-07
	The Company received a letter dated April 16, 2010 from Income Tax Department for recovery of Rs. 96,250/-. Earlier an intimation u/s 143 (1) during March 2008 has been issued to the Company, in which arrear of Rs. 17,42,401/- has been shown for AY 2006-07 due to non-allowance of credit of TDS deposited on-line by the customers. In this regard the Company filed its reply vide letter dated April 28, 2008 with the proof of TDS Certificate and requested the Income Tax Department to rectify the same u/s 154 and 155. Now again Company has filed reply on May 25, 2010 and thereafter, no correspondence is received by the Company.
2	Notice under 143 (2) Of Income Tax, 1961
	A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 13, 2009 for the Assessment Year 2008-09. Queries have been received from the department on May 19, 2011, and the Company is in process of replying the same..
3	Application u/s 154 against intimation u/s 143(1) of Income Tax Act, 1961
	The Company has received an intimation u/s 143(1) dated 13.03.2011 whereby a refund of Rs. 9,58,860/- has been computed & released. In this matter, the Company has moved an Application u/s 154 of Income Tax Act, 1961 dated April 11, 2011 for processing of balance refund of Rs. 1,095,637/- on the basis that the TDS amount claimed was Rs. 1,04,07,274 but department while processing the refund only considered the amount of Rs. 93,11,637/-. In this regard, the Company has submitted all the requested documents with the department on the said date The matter is still pending on the part of department.

b) Litigations under the Central Excise Act, 1944- NIL
c) Litigations under the Sales Tax Laws-

1	Notice under section 48 of U.P. Vat Act
	The Company has deposited the demand of Rs. 112,500/- under protest with the Sales Tax authority for the release of the vehicle which was impounded by the Noida Sales Tax Authority as the vehicle which was carrying the old office furniture & equipment to Company's Faridabad office from Ashok Nagar, Ghaziabad was not having the challan. The said deposited amount will be adjusted / refunded at the time of Assessment.
2	Notice from Sales Tax Authority, Ahmedabad for Assessment
	Notice dated July 2, 2009 was received by the Company for assessment due to closure of its business at Ahmedabad. The Company was asked to produce all the books of account and records. Company's sales tax consultant is representing the Company before sales tax authority. Date of hearing is yet to be fixed.
3	Notice under section 48 of U.P. Vat Act
	The Company has deposited the demand of Rs. 82,800/- under protest with the Sales Tax authority for the release of the vehicle which was impounded by the Ghaziabad Sales Tax Authority as the vehicle, which was carrying the Grocery & Disposable goods to Company's Muradabad Restaurant branch, was not having the proper filled entry challan. In this matter, the department has issued order against Company under section 54(1)(14) of the UP VAT Act dated September 25, 2010 received by Company dated January 25, 2011 & Company has filed appeal U/s 55 (1) dated February 14, 2011.

4	Notice from Sales Tax Authority, Haryana for Assessment
	A Notice dated February 17, 2011 under Section 15 of the Haryana Value Added Tax Act, 2003 was received by the Company for assessment of SRS Value Bazaar. The Company was asked to produce all the books of accounts and statutory declaration forms. The Company has produced all the relevant documents before the department and is waiting for any further intimation from the department. The matter is not yet closed nor settled.
5	Notice from Dy. Commissioner, Commercial Tax Department, UP for Assessment
	A Notice dated March 01, 2011 under section 28 (9)(2) of the UP VAT Act, 2008 was received by the Company for the assessment of SRS Ltd. The Company was asked to give clarification with regard to annual return filed for the period Jan,08 to March,08 The Company has submitted the clarification for the same on March 30, 2011 & waiting for reply from the department.

d) Litigations under the Service Tax Laws-

1	Intimation for conducting Service Tax Audit
	An Intimation from department has been received for conducting Service Tax Audit in terms of Rule 5A of the Service Tax Rules 1994 during the period August 12, 2011 to August 17, 2011 for the period from 2006-07 to 2010-11. In this regard Department has asked the Company to submit some documents by June 20, 2011. In response of the same, the Company has filed its reply on July 6, 2011.

I (E). Litigations involving Intellectual Property Related (IPR) matters: NIL

I (F) There are no Litigations involving customers / suppliers / agents except the cases as stated above.

I (G). No litigations involving Statutory and other offences, including penalties imposed by any regulatory authority in India or abroad (Present or past).

I (H). There are no Litigations in the nature of winding up petition / liquidation/ bankruptcy / closure filed by / against the Company except as stated above.

I (I). Threatened litigation / Notices against the Company

(i) Complaint in the name of Mr. D K Jain

A complaint against the Company and its Promoter Group was made in the name of Mr. D.K. Jain, resident of Faridabad. The BRLMs carried out an independent verification of the allegations made in the said complaint and found that the complaint had not actually been made by the person named in the said complaint. Further, Mr. D.K. Jain also executed an affidavit confirming not having made any such complaint. The copy of complaint received from SEBI, alongwith the replies filed with them, are included as part of material documents and is available for inspection.

(ii) Trade Mark Notice

On March 28, 2006, M/s. Lall & Sethi, Advocates acting on behalf of M/s. SRS Labs Inc., USA gave notice to the Company, whereby they claimed that M/s. SRS Labs Inc is owner of Trade Mark "SRS" and called upon the Company to cease and desist from using trade mark "SRS Cinemas" & "SRS World".

SRS Limited gave reply to said notice and simultaneously filed caveat petitions in Delhi High Court and District Courts of Delhi in order to protect itself from any ex-parte orders in case SRS Labs institutes any passing off or infringement suit. Till date SRS Labs Inc. has not filed any suit or any other legal proceedings against SRS Limited.

II. LITIGATIONS AGAINST PROMOTERS

II (A). Litigations involving Criminal Offences

1.	Case No.	FIR 93/09
	Complainant / Informant	District Town Planner Enforcement, Faridabad
	Defendant / Accused	1. Mr. Jeet Singh 2. Mr. Rinko 3. Mr. Raju Bansal (Promoter and Director)
	Nature of Case / Brief Facts of the Case	Mr. Jeet Singh and Mr. Rinko are owner of land situated at village Sikari, Tehsil Ballabgarh. They have sub-divided the land into plots for residential / industrial / commercial purposes without obtaining a licence from Director, Town & Company Planning, Haryana in violation of Section 3 of Haryana Development and Regulation of Urban Act, 1975 (HUDA) and have sold plots in contravention of Section 7 (i) of HUDA Act, 1975. Under Section 154 of Code of Criminal Procedure, First Information Report (FIR) No. 93 dated April 14, 2009 is registered at Police Station Ballabgarh, Faridabad under Section 10 of HUDA Act 1975. Section 10 of the HUDA Act 1975 provides that any person who contravenes any of the provisions of this Act or the rules made thereunder or any of the conditions of a licence granted under section 3 shall be punishable with imprisonment of either description for a term which may extend to three years and shall also be liable to fine.
	Present Status of the Case	Police has filed the charge sheet and the matter is now listed before ACJM, Faridabad on September 9, 2011 for consideration of charge.
	Implication	Section 10 of the HUDA Act 1975 provides that any person who contravenes any of the provisions of this Act or the rules made thereunder or any of the conditions of a licence granted under section 3 shall be punishable with imprisonment of either description for a term which may extend to three years and shall also be liable to fine.
2.	Case No.	Criminal Complaint No. 67/2004
	Plaintiff / Complainant	Department of Prevention of Food Adulteration
	Defendant / Accused	1. Mr. Vijay Kumar, Vendor-cum-Proprietor 2. Mr. Manoj Kumar, Proprietor-cum-Supplier 3. Mr. Khem Chand, Director/Nominee of M/s. BTL Industries Ltd 4. M/s. BTL Industries Ltd, Manufacturer (Promoter Group Company)
	Nature of Case / Brief Facts of the Case	Violation of Prevention Of Food Adulteration Act, 1954, under Section 7 and 16 on account of misbranding of Mustard Oil Packet as 'Cholesterol Free'. The aforesaid Mustard Oil was sold by M/s. BTL Industries Ltd. Mr. Khem Chand, Director of M/s. BTL Industries Ltd., was nominee under Section 17 (2) of the Food Adulteration Act, 1954 and rules framed thereunder. It is alleged that there is violation of Rule 37 D as 'Cholesterol Free' was written on the Mustard Oil Packet,

		exaggerating the quality of the product.
	Court / Forum	Metropolitan Magistrate, Patiala House
	Present Status of the Case and next date of hearing	Next date of hearing is September 30, 2011 for statement of accused under Section 313 of the Code of Criminal Procedure.
	Implication	Under Section 16 of the Prevention of Food Adulteration Act, 1974, penalty for misbranding of any article is imprisonment for a term which shall not be less than six months but which may extend to three years and with fine which shall not be less than one thousand rupees.

3.	Criminal complaint filed by Department of Prevention of Food Adulteration against M/s. SRS Entertainment Ltd. (now M/s SRS Limited) and Dr. Anil Jindal and Mr. Raju Bansal being Directors and Mr. Hari Shankar being Nominee under Violation of Prevention of Food Adulteration Act, 1954 under Section 7 and 16 on account misbranding of Masur Dal packet being sold from Company's daily bazaar store at Maujpur. The details of this case are already included under Suit No. 2020/2009 mentioned as under head I (A) of 'Cases filed against the Company' in this Section.	

II (B). Litigations involving Civil Offences:

1.	Case No.	Consumer Complaint - 76/10
	Plaintiff / Complainant	Mr. Tushar Gupta
	Respondent/ Defendant / Accused	1. M/s. SRS Real Estate Limited 2. Dr. Anil Jindal, Chairman of M/s. SRS Real Estate Limited
	Nature of Case / Brief Facts of the Case	Complaint under Consumer Protection Act, 1986 for failure to hand over the possession of the flat by stipulated time.
	Court / Forum	District Consumer Dispute Redressal Forum, Faridabad
	Amount Involved	Rs. 261,000/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 05, 2011 for Final Arguments.

2.	Case No.	Consumer Complaint - 326/10
	Plaintiff / Complainant	Mr. Balbir
	Respondent/ Defendant / Accused	1. M/s. SRS Real Estate Limited 2. Dr. Anil Jindal, Chairman of M/s. SRS Real Estate Limited
	Nature of Case / Brief Facts of the Case	Complaint under Consumer Protection Act, 1986 for failure to hand over the possession of the flat by stipulated time.
	Court / Forum	District Consumer Disputes Redressal Forum, Faridabad
	Amount Involved	Rs. 300,000/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 18, 2011 for Examination of Respondent's Witnesses.

3.	Case No.	Consumer Complaint - 327/10
	Plaintiff / Complainant	Mr. Gyander
	Respondent/ Defendant / Accused	1. M/s. SRS Real Estate Limited 2. Dr. Anil Jindal, Chairman of M/s. SRS Real Estate Limited
	Nature of Case / Brief Facts of the Case	Complaint under Consumer Protection Act, 1986 for failure to hand over the possession of the flat by stipulated time.
	Court / Forum	District Consumer Disputes Redressal Forum, Faridabad
	Amount Involved	Rs. 600,000/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 18, 2011 for Examination of Respondent's Witnesses.

4.	Case No.	Consumer Complaint - 328/10
	Plaintiff / Complainant	Mr. Jitender
	Respondent/ Defendant / Accused	3. M/s. SRS Real Estate Limited 4. Dr. Anil Jindal, Chairman of M/s. SRS Real Estate Limited
	Nature of Case / Brief Facts of the Case	Complaint under Consumer Protection Act, 1986 for failure to hand over the possession of the flat by stipulated time.
	Court / Forum	District Consumer Disputes Redressal Forum, Faridabad
	Amount Involved	Rs. 300,000/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 18, 2011 for Examination of Respondent's Witnesses.

5.	Case No.	Consumer Complaint - 262/11
	Plaintiff / Complainant	Mr. Deepak Jain
	Respondent/ Defendant / Accused	1. M/s. SRS Real Estate Limited 2. Mr. Anil Jindal, Chairman of M/s. SRS Real Estate Limited 3. Mr. Naresh Goel
	Nature of Case / Brief Facts of the Case	Complaint under Consumer Protection Act, 1986 for failure to hand over the possession of the flat by stipulated time.
	Court / Forum	District Consumer Disputes Redressal Forum, K. G. Marg, New Delhi
	Amount Involved	Rs. 715,000/-
	Present Status of the Case and next date of hearing	Next date of hearing is September 30, 2011 for filing of written submission.

6.	Civil suit filed by M/s. Subham Associates against M/s. SRS Limited, Mr. Bishan Bansal being Director of the Company that that time and others for recovery of amount of Rs. 1,599,359/- on account of works allegedly done by M/s Subham Associates at the instance of the Company at Ansal Mall, Palam Vihar, Gurgaon. The details of this case are already included under Suit No. 464 of 2009 mentioned as under head I (A) of 'Cases filed against the Company' in this Section.	

II (C). Litigations involving matter related revenue authorities - Customs, Income Tax, Sales Tax, Excise Act, Service Tax:

1.	Dr. Anil Jindal
	Block Assessment An assessment under Section 158BC of Income Tax Act, 1961 was framed in the case of Dr. Anil Jindal. It was completed on March 31, 2006 where in a demand of Rs. 1,0 01,635/- was raised. This amount is deposited by Dr. Anil Jindal under protest and the matter is pending in appeal before Hon'ble Income Tax Appellate Tribunal, New Delhi, wherein the whole assessment is in dispute.

2.	M/s. BTL Industries Limited
	Notice under section 143 (2) Of Income Tax, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 23, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Detailed questionnaire is yet to be issued by the department.

3.	M/s. BTL Portfolio Limited
	Notice under section 143 (2) Of Income Tax, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on September 23, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Queries have been received from the department on July 15, 2011. The Company is in the process of replying to the queries of the department

III. LITIGATIONS AGAINST PROMOTER GROUP COMPANIES

III (A). Litigations involving Criminal Offences

(i) M/s. SRS Real Estate Limited

1.	FIR No. 111 of 2011 at Police Station Central Faridabad	
	Complainant	Sushila Sharma
	Defendant / Accused	1. Mr. Ravinder Goyal, Sr. Accounts Executive 2. Mr. Rajesh Singla, Director of M/s. SRS Real Estate Ltd. 3. Mr Naveen Goyal 4. Mr Vinod Jindal, Director of M/s. SRS Real Estate Ltd.
	Nature of Case / Brief Facts of the Case	Mrs. Sushila Sharma has lodged an FIR dated March 4, 2011 under section 156 (3) Cr.P.C against the accused. It is alleged that she deposited Rs. 200,000/- as trust money booking amount and got booked the proposed residential unit in the proposed project by the accused i.e. Palwal Housing Society in Palwal, Haryana. She has alleged that despite issuing a provisional registration proposed, nothing has been done to materialize the project by the accused. Further, the complainant has alleged that she came across information that the accused were not even granted license for the said project by the government as on 10.10.2006. The complainant subsequently cancelled her booking by a separate letter dated 19.2.2009 and reminder dated 10.3.2010, the accused have not released the booking amount paid by the complainant. The complainant has further alleged that despite a legal notice to the aforementioned senior accounts executive, the money was not refunded to her and, in fact, she was threatened of dire consequences if the complainant persisted to claim the amount in question. Hence the complainant has lodged an FIR against all the accused and prayed that the accused may be summoned u/s 420,406,467,468,471,120B,506 IPC by issuing harsh process against the accused and accused be prosecuted tried punished as per law.
	Present Status of the Case and next date of hearing	The matter is at the stage of investigation by the police.

(ii) M/s. SRS Finance Limited

1.	Case No.	Criminal Complaint No. 693 of 2010
	Plaintiff / Complainant	Mr. Kishan Kumar
	Defendant / Accused	1. M/s. BTL Investments Limited (Now M/s. SRS Finance Ltd.) 2. Mr. Dheeraj Kumar Gupta, DGM, M/s. BTL Investments Limited (Now M/s. SRS Finance Ltd.) 3. Mr. Ajay Kumar, Manager, M/s. BTL Investments Limited (Now M/s. SRS Finance Ltd.) 4. Mr. Rajeev Kumar, Authorised Representative, M/s. BTL Investments Limited (Now M/s. SRS Finance Ltd.)
	Nature of Case / Brief Facts of the Case	The Complainant has alleged that he wanted to get two old Three Wheelers financed by the Accused. Further, it is alleged that Mr. Dheeraj Kumar, Mr. Ajay Kumar and Mr. Rajiv Kumar, officers of M/s. BTL Investments Limited asked complainant to pay Rs. 20,000/-, which the complainant paid. It is further alleged that in the process of granting loan, the accused have also taken seven blank cheques from complainant. It is also alleged by the Complainant that despite receipt of Rs. 20,500/- M/s. BTL Investments Limited has not given the Three wheelers to complainant and have also not returned the money. Furthermore, the Complainant has alleged that the Accused have wrongly filed complaint under section 138 of Negotiable Instruments Act for bouncing of complainant's cheque. Hence the complainant has lodged an FIR against all the accused and prayed that the accused may be summoned under Section 420, 467, 468, 409, 506, 34 IPC by issuing harsh process against the accused and accused be prosecuted tried punished as per law.
	Court / Forum	Judicial Magistrate, 1 st Class, Faridabad
	Amount Involved	-
	Present Status of the Case and next date of hearing	The next date of hearing is on August 5, 2011 for pre-charge evidence.
2.	Criminal Appeal No.	29 of 2011
	Appellant/Accused	Mr. Chander Pal
	Respondent /Complainant	1. M/s BTL Investments Ltd. (now known as M/s. SRS Finance Ltd.) 2. State of Haryana
	Nature of Case / Brief Facts of the Case	This is a criminal appeal filed against the judgement of conviction dated 17.03.2011 and order of sentence dated 18.03.2011 passed by the Hon'ble Court of Sh. Lokesh Gupta, Judicial Magistrate, 1st Class, Faridabad read with Section 147 of the Negotiable Instrument Act, 1881 to compound the offence. The judgement is challenged on the grounds of violation of principles of natural justice and equity. The said judgement is also challenged on ground of being perverse, not based on evidence and it is based on evidence of complainant only.
	Court / Forum	Additional Sessions Judge, Faridabad
	Amount Involved	Rs. 65,660/-
	Present Status of the Case and next date of hearing	Next date of hearing on August 26, 2011

III (B). Litigations involving Civil Offences

(i) M/s SRS Real Estate Ltd.

1.	Case No.	Motor Vehicle Petition No. 286/09
	Plaintiff / Complainant / Claimant	Mrs. Sehnaz and Others
	Defendant / Accused	1. Mr. Baljeet Singh, Owner of the Vehicle 2. Mr. Naseem, Driver of the Vehicle 3. M/s SRS Real Estate Ltd.
	Nature of Case / Brief Facts of the Case	It is a Motor Vehicle Claim petition under Section 166 of the Motor Vehicles Act, 1988, wherein Mrs. Sehnaz has claimed a sum of Rs. 1,000,000/- as compensation on account of death of her husband Mr. Juber, in a motor vehicle accident caused due to the rash and negligent driving of Mr. Naseem. M/s SRS Real Estate was not a party earlier. It has been added as a respondent as the offending vehicle stands registered in the name of the Company.
	Court / Forum	Motor Accident Claims Tribunal Nuhu (Mawat)
	Amount Involved	Rs. 1,000,000/-
	Present Status of the Case and next date of Hearing	Next date of hearing is September 21, 2011 for Examination of Prosecution Witnesses.

2.	Case No.	422 of 2009
	Plaintiff / Complainant	Mr. Yogesh Singhal
	Defendant / Accused	M/s. SRS Real Estate Ltd.
	Nature of Case / Brief Facts of the Case	Civil Suit for Recovery of Rs. 4,00,000/-. The plaintiff has alleged that he had advanced a friendly loan of Rs. 4,00,000/- through Cheque No.044479 dated 05.10.2006 drawn on Central Bank of India, Sector-15, Faridabad to SRS Real Estate Limited i.e., the defendant, for the expansion of the business of the defendant at a promised interest @ 24% per annum. The plaintiff has alleged that even on the expiry of two and a half years (2.5 years) the defendant has neither refunded the principal amount, nor the interest thereon. Hence, the plaintiff has instituted a Civil Suit against SRS Real Estate Limited and prays for decree for the recovery of the said amount together with costs charges and incidental expenses incurred on the suit and interest @ 24% p.a. from the date of institution of suit till the realization of the decretal amount as a whole.
	Court / Forum	Civil Judge, Senior Division, Faridabad
	Amount Involved	Rs. 400,000/-.
	Present Status of the Case and next date of Hearing	Next date of hearing is August 19, 2011 for Examination of Plaintiff's Evidence.

3.	Case No.	Writ Petition (C) 20401 of 2010
	Petitioner	Mr. Babu Ram
	Respondent	1. Financial Commissioner, Revenue, Haryana, Civil Secretariat, Chandigarh 2. Deputy Commissioner, Palwal 3. Sub Divisional Officer (Civil), Palwal 4. M/s Wizard Buildwell India Pvt.

		5. M/s Endemic Buildwell Pvt. Ltd. 6. M/s. SRS Real Estate Ltd. 7. M/s SRC Builders Pvt. Ltd.
	Nature of Case / Brief Facts of the Case	Mr. Babu Ram has filed a writ petition of mandamus before the Hon'ble Court of Punjab & Haryana, Chandigarh for getting requisite mutation of land in his favour and prays to the Court for issue of interim order to the respondent for not to create any third party rights in the disputed land during the pendency of the writ petition. Mr. Babu Ram has alleged that he was allotted 45 kanals 10 marlas of land from the Sub Divisional Officer (Civil), Palwal as he was eligible under the Haryana Utilization of Surplus Area and Other Areas Scheme, 1976. He had paid compensation to the various persons in possession of the crops on part of the land. The collector-cum-sub divisional officer (civil) Palwal, on May 4, 2009 made an order certifying that the petitioner had fulfilled all the conditions of the allotment and has deposited the full amount of compensation for the land amounting to Rs. 35,583/-. He got the certificate of allotment in Form US 4 under the Scheme by the allotment authority on 15.12.2008. The petitioner has alleged that the respondent builders including M/s SRS Real Estate Limited got the illegal mutations in their respective names on the basis of fraudulent transfers.
	Court / Forum	High Court of Punjab & Haryana at Chandigarh
	Amount Involved	Rs.22,906,686/- [Being the proportionate cost price / book value of the piece of land / property in dispute]
	Present Status of the Case and next date of Hearing	Next date of hearing is July 27, 2011 for filing of Counter affidavit and reply.

4.	Case/Suit No.	35 of 2011
	Plaintiff / Complainant	Mr. Dhirender Kumar
	Defendant / Accused	M/s. SRS Real Estate Ltd.
	Nature of Case / Brief Facts of the Case	Civil Suit for Recovery of Rs. 2,00,000/-. The plaintiff has alleged that he had deposited with the defendant a sum of Rs. 200,00/- (Rupees Two Lakhs only) vide cheque bearing no. 187004 dated 12.10.2006 drawn on HDFC Bank Ltd. New Delhi on account of provisional registration for proposed residential unit at Palwal @ Rs. 1350/- sq feet. The plaintiff has further alleged that the plaintiff had a meeting with the representative of defendant wherein plaintiff was informed that the project could not be commenced by the defendant due to their problem and defendant offered adjustment of the deposited amount for some other project on a very high rate. The plaintiff claims that he contacted the defendant to avail refund of the deposited amount on a number of occasions but the defendant has not refunded the deposited amount. Hence, the plaintiff has instituted a Civil Suit against SRS Real Estate Limited and prays for decree for the recovery of the said amount and interest @ 18% p.a. along with pendent-lite interest. The plaintiff has also claimed for the costs of the suit.

Court / Forum	Commercial Civil Judge, Patiala House Courts, New Delhi
Amount Involved	Rs. 200,000/-.
Present Status of the Case and next date of Hearing	Next date of hearing is July 27, 2011 for filing of Written Statement

Apart from the above mentioned cases, there are total 37 complaints filed against one of the promoter group company M/s. SRS Real Estate Ltd. under section 12 of Consumer Protection Act, 1986. The total amount involved is Rs. 16.74 Mn. These cases have been primarily filed by individuals for delay in construction of the proposed residential Housing Colony. The details of the same are as follows:

Defendant / Accused			M/s. SRS Real Estate Ltd.		
Name of the Court			District Consumer Forum(s), Delhi, Faridabad and Palwal		
Nature of Case			Complaint under section 12 of Consumer Protection Act, 1986		
Sr. No.	Case No.	Plaintiff / Complainant	Amt. Involved (In Rs.)	Next date of hearing	Status
1	CC/1362/09	Mr. Nand Kishore Sharma	750,000	November 24, 2011	For final argument
2	CC/1366/09	Mr. Surender Arora	750,000	November 24, 2011	For final argument
3	CC/1388/09	Mr. Hem Raj Singh	400,000	September 19, 2011	Examination of Respondent's Witnesses
4	CC/1383/09	Mr. Gaurish Sachdeva	400,000	September 19, 2011	Examination of Respondent's Witnesses
5	CC/878/09	Mrs. Gayatri Garg	261,000	October 7, 2011	For final argument
6	CC/877/09	Mrs. Anuradha Mittal	261,000	October 7, 2011	For final argument
7	CC/876/09	Mr. Gian Chand Garg	261,000	October 7, 2011	For final argument
8	CC/894/09	Mrs. Gayatri Devi	261,000	October 7, 2011	For final argument
9	CC/646/07	Mr. Kaptan singh	305,500	September 30, 2011	For reporting compromise / final argument
10	CC/1047/08	Mr. Vinit Kumar	105,000*	November 17, 2011	For Final Arguments
11	CC/104/08	Mr. Sumit Narang	105,000*	November 17, 2011	For Final Arguments
12	CC/853/09	Ms. Premwati	525,000	September 13, 2011	Examination of Respondent's Witnesses
13	CC/292/09	Mr. Pankaj Aggarwal & Mr. Vinod Kumar Singhal	400,000	August 23, 2011	For Final Arguments
14	CC/76/10	Mr. Tushar Gupta	261,000	August 5, 2011	for final arguments
15	CC/59/11	Mrs. Pushpa	6,80,000	August 4, 2011	For Complainant's evidence
16	CC/240/10	Mr. Ajay Yadav	255,500	September 9, 2011	For Respondent's evidence
17	CC/326/10	Mr. Balbir	3,00,000	August 18, 2011	Examination of Respondent's Witnesses
18	CC/327/10	Mr. Gyander	6,00,000	August 18, 2011	Examination of Respondent's Witnesses
19	CC/328/10	Mr. Jitender	3,00,000	August 18, 2011	Examination of Respondent's Witnesses

Defendant / Accused			M/s. SRS Real Estate Ltd.		
Name of the Court			District Consumer Forum(s), Delhi, Faridabad and Palwal		
Nature of Case			Complaint under section 12 of Consumer Protection Act, 1986		
Sr. No.	Case No.	Plaintiff / Complainant	Amt. Involved (In Rs.)	Next date of hearing	Status
20	CC/353/10	Mr. Arvind Kumar	4,00,000	July 28, 2011	For evidence Respondent's
21	CC/356/10	Mrs. Renu	2,72,000	August 30, 2011	For evidence Respondent's
22	CC/355/10	Mr. Sanjeev Kumar Singla	2,72,000	August 30, 2011	For evidence Respondent's
23	402 of 2010	Mr. Rajender Kumar	2,61,000	September 2, 2011	Examination of Respondent Witnesses
24	400 of 2010	Ms. Neha Kaushik	4,11,000	July 28, 2011	Examination of Respondent Witnesses
25	88 of 2010	Mr. Manoj Kumar	7,25,000	August 19, 2011	Examination of Complainant Witnesses
26	447 of 2010	Ms. Rachna Gupta	3,72,000	August 26, 2011	Examination of Complainant Witnesses
27	448 of 2010	Mr. Raj Kumar	3,72,000	August 26, 2011	Examination of Complainant Witnesses
28	547 of 2010^	Mr. Manish Sachdeva	2,55,500	August 17, 2011	Examination of Complainant Witnesses
29	424 of 2010	Mr. Anil Kumar	3,61,000	August 19, 2011	Examination of Complainant Witnesses
30	413 of 2010	Ms. Sushila Sharma	4,61,000	August 19, 2011	Examination of Complainant Witnesses
31	25 of 2011	Mr. Sankalp Gautam	522,605	September 6, 2011	For Written Submission
32	225 of 2011	Mr. H. P. Jindal	311,000	July 27, 2011	For Written Submission
33	262 of 2011	Mr. Deepak Jain#	715,000	September 30, 2011	For Written Submission
34	237 of 2011'	Mr. Jai Dayal Singh Bamel & Mr. Jogender Singh Bamel	2,221,520	August 17, 2011	For Written Submission
35	CC/506/11	Mr. Gurpreet Singh	696,000	August 30, 2011	For Written Statement
36	CC/283/2011	Mr. P. K. Jain	475,000	July 27, 2011	For further Proceedings
37	CC/550/2011	Mr. Mohd. Rafat Khan	463,000	September 23, 2011	For Written Statement
Total :			16,747,625		

* Prayer mainly states not to claim extra charges for parking, power back up, fire fighting, extra utility charges and other miscellaneous charges.

^ Also covered under IV of this section

Dr. Anil Jindal and Mr. Naresh Goel are also defendant in the said case.

' Interest calculated till July 6, 2011

IV. LITIGATIONS AGAINST DIRECTOR

There are no pending litigations against the Directors involving violation of statutory regulations or alleging criminal offence or any civil prosecution except as covered under head Litigations against Promoters and Promoter companies under this Section.

1.	Case No.	Consumer Complaint - 547/10*
	Plaintiff / Complainant	Mr. Manish Sachdeva
	Respondent/ Defendant / Accused	1. M/s. SRS Real Estate Limited 2. Mr. J.K. Garg, Director of M/s. SRS Real Estate Limited
	Nature of Case / Brief Facts of the Case	Complaint under Consumer Protection Act, 1986 for failure to hand over the possession of the flat by stipulated time and refund of amount paid by the Complainant.
	Court / Forum	District Consumer Disputes Redressal Forum, Faridabad
	Amount Involved	Rs. 255,500/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 17, 2011 for Examination of Complainant Witnesses.

* Also covered under III(B) of this section

IV (A) Litigations against directors for towards tax liabilities:

Apart from the cases mentioned the Litigations against Directors, following are the additional matters related to Income Tax Act, 1961.

1.	Mr. Praveen Kumar Kapoor
	Block Assessment An assessment under Section 158BC of Income Tax Act, 1961 was framed in the case of Mr. Praveen Kumar Kapoor in which a demand of Rs. 547,080/- was raised. This amount is deposited by Mr. Praveen Kumar Kapoor under protest and the matter is pending in appeal before Hon'ble Income Tax Appellate Tribunal, New Delhi, wherein the whole assessment is in dispute.
2.	Mr. Jitender Kumar
	Block Assessment An assessment under Section 158BC of Income Tax Act, 1961 was framed in the case of Mr. Jitender Kumar in which a demand of Rs. 674,811/- was raised. During the course of search conducted by the Department, a cash amount of Rs. 550,000/- was seized and retained for adjustment of liability under Section 158BC (d) of the income Tax Act. 1961 as the tax liability was more than the assets seized. The matter is pending in appeal before Hon'ble Income Tax Appellate Tribunal, New Delhi., wherein the whole assessment is in dispute.

IV (B) There are no pending proceedings initiated for economic offences against the Director.

V There are no past cases in which penalties were imposed by the concerned authorities on the Company or its Director.

VI There are no pending litigations, defaults, non payment of statutory dues, proceedings initiated for economic offences/ civil offences (including the past cases, if found guilty), any disciplinary action taken by the SEBI / stock exchanges against the Company or its Director except one past order of Supreme Court as stated in para XVII below.

VII Further, there are no litigations / defaults / suits etc. pertaining to the Company, promoters, Director, all other Ventures of Promoters including ventures with which the promoters were formerly associated during the last 5 years, except as stated above.

VIII The promoters, their relatives (as per Companies Act, 1956), the Company, promoter group companies, associate companies are not detained as willful defaulters by RBI/ government authorities and there are no violations of securities laws committed by them in the past or pending against them.

IX. CASES FILED BY THE COMPANY

IX (A). Litigations Involving Criminal Offences

1.	Case No.	Criminal Complaint No. 1172/1 of 2009
	Plaintiff / Complainant	M/s. SRS Limited
	Defendant / Accused	M/s. Saraf Projects (P) Ltd. And Mr. V.N. Saraf
	Nature of Case / Brief Facts of the Case	It is alleged that the Company entered into Memorandum of Understanding with M/s. Saraf Projects (P) Ltd. and paid said amount for buying space in Saraf Mall, Panipat. However, M/s. Saraf Projects (P) Ltd. failed to give possession to the Company by the date, represented and promised by them. Hence, criminal complaint filed on account of cheating, false representations and misappropriation under sections 406, 420, 467, 468, 471, 501 of the Indian Penal Code.
	Court / Forum	Metropolitan Magistrate, Patiala House Courts, New Delhi
	Amount Involved	Rs. 2,324,417/-
	Present Status of the Case and next date of hearing	The said case is under consideration and the next date of hearing is August 9, 2011

2.	Case No.	145 of 2010
	Plaintiff / Complainant	M/s. SRS Limited
	Defendant / Accused	1. M/s Shital Builders 2. Mr. Arun Bhai Popatlala Thakkar 3. Mr. Rasik A Sheth
	Nature of Case / Brief Facts of the Case	Cheque worth Rs. 3,507,000/- issued by M/s. Shital Builders accused to company, due to cancellation of Memorandum of Understanding dated May 06, 2009, was dishonored. Hence this complaint under Section 138 of Negotiable Instruments Act, 1881 was filed by the Company.
	Court / Forum	Judicial Magistrate Ist Class, Faridabad
	Amount Involved	Rs. 3,507,000/-
	Present Status of the Case and next date of hearing	Bailable Warrant issued against Accused; Next date of hearing is July 27, 2011

IX (B). Litigations involving Civil Offences

1.	Case No.	Suit No. 533 of 2009
	Plaintiff / Complainant	M/s. SRS Ltd. (earlier known as M/s. SRS Entertainment Limited)
	Defendant / Accused	1. Ms. Tejbir Kaur Sahni 2. Ms. Manleen Kaur Sahni 3. Ms. Amarjeet Kaur Sahni 4. Ms. Dilpreet Kaur Sahni
	Nature of Case / Brief Facts of the Case	Suit filed for recovery of Rs. 21,000/- which was paid against letter of intend executed in month of September 2007 and become payable when property was not leased out.
	Court / Forum	Civil Judge, Tis Hazari, Delhi
	Amount Involved	Rs. 21,000/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 24, 2011 for Plaintiff's evidence.

2.	Case No.	Civil Writ Petition No. 4757 of 2010
	Petitioner	M/s. SRS Ltd.
	Respondents	Union of India & Others
	Nature of Case / Brief Facts of the Case	The petitioner i.e., SRS Limited has filed a writ petition in the High Court of Delhi against the Union of India and others

		challenging the constitutional validity and vires of section 65 (90a), section 65 (105) (zzzz) and section 66 of the Finance Act, 2008 and Finance Act, 2010 in so far as they relate to the levy of service tax on renting of immovable property for use in the course of or furtherance of business of commerce, retrospectively with respect from June 1, 2007. The petitioner company, for carrying out its business, has taken several commercial properties for a long period on lease or license of revenue sharing agreement in various parts of the country. However only those landowners/ property owners who claim service tax from the renting of the commercial property from the complainant have been included as respondents.
	Court / Forum	High Court of Delhi, New Delhi
	Amount Involved	Not ascertainable
	Present Status of the Case and next date of hearing	On July 20, 2010 the High Court directed that till further orders, there shall be no recovery of service tax in respect of renting of the immovable properties which are the subject-matter of this petition provided that either the property is situated in Delhi or in respect of which service tax is assessable in Delhi. The court further stated that in the event of the writ petition being dismissed, the petitioner will be liable to pay service tax along with other liability, if any, as a result of the demand of service tax. The Court specifically stated that there will be no stay in respect of service tax levied for the services other than renting of immovable property. The Court has reserved the case for final orders.

3.	Case No.	Writ Tax No. 1417 of 2010
	Petitioner	M/s. SRS Ltd.
	Respondents	Union of India & Others
	Nature of Case / Brief Facts of the Case	The petitioner i.e. SRS Limited has filed a writ petition in the High Court of Uttar Pradesh at Allahabad against the Union of India and others challenging the constitutional validity and vires of section 65 (90a), section 65 (105) (zzzz) and section 66 of the Finance Act, 2008 and Finance Act, 2010 in so far as they relate to the levy of service tax on renting of immovable property for use in the course of or furtherance of business of commerce, retrospectively with respect from June 1, 2007. The petitioner company, for carrying out its business, has taken several commercial properties for a long period on lease or license of revenue sharing agreement in Uttar Pradesh. However only those landowners/ property owners who claim service tax from the renting of the commercial property from the complainant or the properties in respect of which the service tax has been assessed in UP have been included as respondents.
	Court / Forum	High Court of Uttar Pradesh, Allahabad
	Amount Involved	Not ascertainable
	Present Status of the Case and next date of hearing	The instant tax writ was clubbed with other identical writ petitions and on 9.11.2010 the court ordered that till further orders of the court the retrospective operation of the levy of service tax on renting of property shall only remain stayed. However, it will be open to the respondents to assess and levy the service tax with

		prospective effect.
		The next date of Hearing is to be fixed by the Court.

4.	Case No.	Suit No. 22 of 2011
	Plaintiff / Complainant	M/s. SRS Ltd.
	Defendant / Accused	M/s. Saraf Projects (P) Ltd.
	Nature of Case / Brief Facts of the Case	It is alleged by SRS Limited that it has paid Rs. 1,121,621 to M/s. Saraf Projects Private Limited vide Cheque No. 755276 dated 03.02.2006 drawn on Union Bank of India as a refundable security for the taking lease of space measuring 36,181.32 sq. ft. on lower ground floor in the proposed mall to be developed by M/s Saraf Projects Private Limited for running its Super/Hyper Market. It is also alleged by SRS Limited that the space was not allotted to it and the defendant by virtue of its letter dated 22.12.2008, treated the letter dated 25.11.2008 by the plaintiff as termination of the MoU signed between the two in this regard and expressed its willingness to refund the security amount. The Company has further alleged that the defendant falsely represented that the construction of the mall was complete and continued to make the same false representation in the communications that succeeded this. The Company has claimed that the security amount was not refunded. SRS Limited has filed a Civil Suit in the Court of District Judge, New Delhi praying the Court to pass a money decree of Rs.1,794,594/- which includes the principal amount of Rs. 1,121,621/- along with interest @ 12% per annum since 03.02.2006. The plaintiff has also prayed that the defendant be further ordered to pay pendent-lite and future interest @ 12% p.a. on the decretal amount.
	Court / Forum	Additional District Judge, Patiala house Courts, Delhi
	Amount Involved	Rs. 1,794,594/-
	Present Status of the Case and next date of hearing	Listed for defendant's evidence. Next date of hearing is August 23, 2011.

5.	Case No.	Suit No. 24 of 2011
	Plaintiff / Complainant	M/s. SRS Ltd.
	Defendant / Accused	M/s. Saraf Projects (P) Ltd.
	Nature of Case / Brief Facts of the Case	It is claimed by SRS Limited that it has paid Rs.735,820 to M/s. Saraf Projects Private Limited vide Cheque No.755274 dated 03.02.2006 drawn on Union Bank of India as a refundable security for the taking lease of space measuring 18,395.50 sq. ft. on second floor in the proposed mall to be developed by M/s Saraf Projects Private Limited for being used as a Multiplex. It is alleged by SRS Limited that the space was not allotted to SRS Limited and that the defendant by virtue of its letter dated 22.12.2008, treated the letter dated 25.11.2008 by the plaintiff as termination of the MoU signed between the two in this regard and expressed its willingness to refund the security amount. The Company has further alleged that the defendant falsely represented that the construction of the mall was complete and continued to make the same false representation in the communications that succeeded this. The Company has claimed that the security amount was not refunded.

		SRS Limited has filed a Civil Suit in the Court of District Judge, New Delhi praying that the Court to pass a money decree of Rs.1,177,312/- which includes the principal amount of Rs. 735,820/- and Rs. 441,492/- as interest since 03.02. 2006 till 02.02.2011 i.e. interest @ 12% per annum and may be ordered to pay pendent-lite and future interest @ 18% p.a. on the decreetal amount.
	Court / Forum	Additional District Judge, Patiala house Courts, Delhi
	Amount Involved	Rs. 1,177,312/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 23, 2011, for defendant's evidence.

6.	Case No.	Suit No. 23 of 2011
	Plaintiff / Complainant	M/s. SRS Ltd.
	Defendant / Accused	M/s. Saraf Projects (P) Ltd.
	Nature of Case / Brief Facts of the Case	It is alleged by SRS Limited that it has paid Rs.4,66,976 to M/s. Saraf Projects Private Limited vide Cheque No.755275 dated 03.02.2006 drawn on Union Bank of India as a refundable security for the taking lease of space measuring 11,674.41 sq. ft. on second floor in the proposed mall to be developed by M/s. Saraf Projects Private Limited for being used as a Food Court. It is further claimed by the Company that the space was not allotted to SRS Limited and the defendant by virtue of its letter dated 22.12.2008, treated the letter dated 25.11.2008 by the plaintiff as termination of the MoU signed between the two in this regard and expressed its willingness to refund the security amount. The Company also claims that the defendant falsely represented that the construction of the mall was complete and continued to make the same false representation in the communications that succeeded this. It also alleged that the security amount was not refunded. SRS Limited has filed a Civil Suit in the Court of District Judge, New Delhi praying the Court to pass a money decree of Rs.747,162/- which includes a principal amount of Rs. 466,976/- and interest of Rs. 280,186/- as interest since 03.02.2006 till 02.02.2011 and may be ordered to pay pendent-lite and future interest @ 12% p.a. on the decreetal amount.
	Court / Forum	Additional District Judge, Patiala house Courts, Delhi
	Amount Involved	Rs. 747,162/-
	Present Status of the Case and next date of hearing	Next date of hearing is August 23, 2011 for defendant's evidence.

7.	Case No.	Suit No. 39 of 2011
	Plaintiff / Complainant	M/s. SRS Ltd.
	Defendant / Accused	Mr. Manjeet Singh
	Nature of Case / Brief Facts of the Case	It is alleged by SRS Limited that it has paid Rs.98,280 to Mr. Manjeet Singh vide Cheque No.124352 dated 22.04.2008 drawn on Union Bank of India as a refundable security for the taking lease of ground floor the property bearing No. WZ-K-6, Mahavir Nagar, Main Nazafgarh Road, New Delhi and a lease deed dated 22.04.2008 was duly executed between the parties to this effect. Further, it is alleged by the Company that the defendant was under obligation to deliver possession of the said premises to the plaintiff latest by 20.05.2008. but the space was not allotted to SRS Limited despite repeated requests to this effect. The Plaintiff has alleged that it by virtue of its letter dated 07.10.2008 terminated the said lease agreement and demanded the refund of Rs. 98,280/-. SRS Limited has filed a Civil Suit in the Court of District Judge, New Delhi praying the Court to pass a money decree of Rs.145,898/- which includes Rs. 98,280 as premium and Rs. 47,618 as interest and may be ordered to pay pendent-lite and future interest @ 18% p.a. on the decretal amount. The Defendant has also filed a counter claim for recovery of Rs. 291,796/- against the Company. It is alleged by the Defendant that the Company, through its authorized signatory Mr. Nitin Goyal, was given possession of the property to start fit out work. It is claimed that Mr. Nitin Goyal requested major changes in accordance with Vastu-Shastra and the same were not acceptable to the defendant as it would have been detrimental to the strength and utility of the building. It is further alleged that the Company abandoned the property of the defendant without any information and without any termination of the lease deed. Accordingly, it is alleged that as the Company has not given three month notice required for termination of the lease deed, the advance rent of Rs. 98, 280 stands forfeited and the defendant is entitled to get 3 months' rent as agreed between the Company and the defendant. It is claimed that the Company is liable to pay two months' rent plus interest, which comes up to Rs. 291,796/-.
	Court / Forum	Civil Judge, Tis Hazari, Delhi
	Amount Involved	Rs. 145,898/-
	Present Status of the Case and next date of hearing	Written Statement and counter claim filed by Defendant. Next date of hearing is August 2, 2011

X. LITIGATIONS BY PROMOTERS

X (A). Litigations involving Criminal Offences: NIL

X (B). Litigations involving Civil Offences: NIL

X (C) Further, no defaults were made to the financial institutions / banks, non-payment of statutory dues and dues towards instrument holders like debenture holders, fixed deposits and arrears on cumulative preference shares by the promoters, promoter group companies and the companies / firms promoted by the promoters.

X (D) Further, there are no cases of pending litigations, defaults, etc. in respect of companies / firms / ventures with which the promoters are associated except as stated above.

X (E) Further, there are no litigations against the promoters and promoter group companies involving violation of statutory regulations, civil prosecutions or alleging criminal offence except as stated above.

X (F) There are no pending proceedings initiated for economic offences against the promoters, promoter group companies and firms promoted by the promoter.

X (G) Further, there are no cases of pending litigations, defaults, etc. in respect of companies / firms / ventures with which the promoters were associated in the past but are no longer associated.

X (H) There are no pending litigations, defaults, non-payment of statutory dues, proceedings initiated for economic offences / civil offences (including the past cases, if found guilty). Further, no disciplinary action was taken by the SEBI / stock exchanges against the promoters, firms promoted by the promoters and their other business ventures (irrespective of the fact whether they are companies under the same management with the Company as per section 370 (1B) of the Companies Act, 1956) except as stated in the para XVII below.

X (J) Further, there are no pending litigations, defaults, etc. in respect of any other companies / firms / ventures promoted by the promoters.

XI. LITIGATIONS BY PROMOTER GROUP COMPANIES AGAINST OTHER PARTIES:

XI (A). Litigations Involving Criminal Offences

(i) M/s. BTL Impex (India) Ltd.

Plaintiff / Complainant		M/s BTL Home Finvest Ltd. (now known as BTL Impex (India) Limited)			
Name of the Court		Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad			
Nature of Case		Section 138 of Negotiable Instruments Act, 1881			
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next Date	Status
1	658/03	Mr. Hari Kishan	3,838	No Date	Accused has been declared Proclaimed offender on May 01, 2010
2	378/03	Mr. Bal Ram & Mr. Hari Kishan	36,028	No Date	Declared Proclaimed offender on July 1, 2010
3	489/03	Mr. Hari Kishan	36,028	No Date	Accused has been declared Proclaimed offender on May 01, 2010
4	488/07	Mr. Lokesh Kumar	37,889	No date	Accused has been declared Proclaimed offender on March 12, 2010
5	1032/04	Mr. Naval & Mr. Vikesh Gupta	30,591	No date	Accused has been declared Proclaimed offender on November 12, 2010
6	1245/04	Mr. Netram	64,918	August 18, 2011	Accused has been declared Proclaimed offender on May 04, 2011
7	618/04	Mr. Shyam Sunder & Mr. Vinod Kumar	46,326	No date	Non-Bailable Warrant issued against Accused
8	408/04	Mr. Hari Chand	164,095	September 24, 2011	For examination of complainant's evidence.
9	2464/04	Mr. Mahmood Khan & Mr. Rafiq	30,650	No date	Accused has been declared Proclaimed offender on July 8, 2010
10	820/04	Mr. Sunil Kumar	22,515	No date	Accused has been declared

Plaintiff / Complainant			M/s BTL Home Finvest Ltd. (now known as BTL Impex (India) Limited)		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next Date	Status
					Proclaimed offender on November 30, 2010
11	3206/04	Mr. Sunil Kumar	7230	No date	Case was adjourned sine die by the court vide orders dated November 12, 2010
12	1981/04	Mr. Naveen Kumar	23,945	No date	Accused has been declared Proclaimed offender on November 12, 2010
13	900/04	Mr. Sanjay Nagar	22,090	No date	Accused has been declared Proclaimed Offender on April 8, 2010
14	89/05	Mr. Sahdrudeen	24,420	No date	Accused has been declared Proclaimed offender on March 25, 2011
Total:			550,563	-	

In addition to the above, there are 8 cases under Section 138 of filed by Negotiable Instruments Act, 1881 by M/s. BTL Home Finvest Ltd., wherein accused have been declared as Proclaimed offender and the total amount involved is Rs. 1,128,481/-.

(ii) M/s. SRS Global Securities Limited (formerly known as SRS Housing Finance Ltd.)

Plaintiff / Complainant			M/s. BTL Commercial Ltd. and M/s. Manu Commercial Ltd (now known as SRS Global Securities Limited)		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next Date	Status
1	1299/04	Mr. Narender Vashishth	34,000	No Date	Case was adjourned sine die by the court vide order dated August 30, 2010
2	2462/04	Mr. Ram Chand Dhingra	550,000	No Date	Declared Proclaimed Offender on July 8, 2010
3	1065/04	Mr. Garg Trading Company	406,920	No Date	Proclaimed Offender declared on April 6, 2010
4	330/04	Mr. Leela Dhar Gupta	10,000	No Date	Accused has been declared Proclaimed offender on December 21, 2010
5	3382/04	Mr. Narender Vashishth	50,000	No Date	Accused has been declared Proclaimed offender on September 14, 2010
6	975/04	Mr. Leela Dhar Gupta	140,000	No Date	Case was adjourned sine die by the court vide order dated August 30, 2010
7	2863/04	Mr. Narender Vashishth	35,000	No Date	Case was adjourned sine die.
8	4953/03	Mr. Sanjay Gambhir	46,370	No Date	Accused has been declared Proclaimed offender on December

					03, 2010
	Total:		1,272,290	-	

(iii) BTL Investments & Securities Ltd.

Plaintiff / Complainant			M/s North Delhi Credit and Investments Ltd. (now known as BTL Investments & Securities Ltd.)		
Name of the Court			Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next Date	Status
1	2971/05	Mr. Salim	164,258	No date	Case was adjourned sine die by the court vide order dated September 17, 2010
2	217/04	Mr. Chattar Lal	110,000	No Date	Accused has been declared Proclaimed Offender on May 31, 2010
3	416/05	Mr. Pratap Attosh	46,861	No Date	Case was adjourned sine die by the court vide orders dated November 16, 2009
	Total:		321,119	-	

(iv) M/s SRS Finance Limited

Plaintiff / Complainant			M/s Bansla Finlease Ltd. (merged with SRS Finance Limited)		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next Date	Status
1	4991/04	Mr. Mubin	27,600	No date	Accused has been declared Proclaimed offender on February 25, 2010.
2	1107/04	Mr. Sunil Sharma	82,475	No Date	Accused has been declared Proclaimed offender on February 23, 2010.
3	5245/04	Mr. Harish Kumar	32,511	No Date	Accused has been declared Proclaimed offender on January 27, 2011.
4	5211/04	Mr. Rati Ram	249,471	No date	Case was adjourned sine die by the court vide orders dated October 04, 2010
5	4307/04	Mr. Mahender Kumar	43,130	No date	Case was adjourned sine die by the court vide orders dated August 30, 2010
6	08/04	Mr. Fazru	141,660	No date	Case was adjourned sine die by the court vide orders dated October 21, 2010
7	136/05	Mr. Shamsher Singh	13,025	No date	Case was adjourned sine die by the court vide orders dated October 30, 2010
8	2466/05	Mr. Irshiyad Khan	20,000	No date	Accused has been declared Proclaimed offender on February 5, 2011
9	192/05	Mr. Ajay Kumar	25,000	No date	Case was adjourned sine die by the court vide orders

Plaintiff / Complainant			M/s Bansla Finlease Ltd. (merged with SRS Finance Limited)		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
					dated May 20, 2011
10	142/05	Mr. Shamsher Singh	10,420	No date	Case was adjourned sine die by the court vide orders dated October 30, 2010
11	1935/05	Mr. Wasim Jamshed	20,000	No date	Case was adjourned sine die by the court vide orders dated December 14, 2010
12	852/06	Mr. Bhiken Lal	93,750	September 12, 2011	For Statement of accused under Section 313 of Code of Criminal Procedure
13	72/07	Mr. Jile Singh	17,970	October 07, 2011	Notice issued to Accused
14	74A/07	Mr. Jai Parkash	20,841	October 07, 2011	Notice issued to Accused
15	74/07	Mr. Jaibeer Singh	20,395	September 16, 2011	Bailable Warrant issued against Accused
16	68/07	Mr. Tej Ram	12,714	September 27, 2011	Notice issued to Accused
17	575/08	Mr. Juber & Mr. Farukh	70,902	No date	Accused has been declared Proclaimed offender on May 17, 2011
Total:			901,864	-	

In addition to the above, there are nine cases under Section 138 of Negotiable Instruments Act, 1881 filed by M/s. Bansla Finlease Ltd., wherein accused have been declared as Proclaimed offender and the total amount involved is Rs. 669,831/-.

Apart from above, there are total 167 cases filed by M/s. BTL Investments Limited under section 138 of Negotiable Instruments Act, 1881, against various parties. Details of the same are as follows:

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
1	1288/08	Mr. Satish Kumar Sharma	22,964	No date	Accused has been declared Proclaimed Offender on March 6, 2010
2	131/02	Mr. Hasan Mohmed	24,685	No date	Accused has been declared Proclaimed Offender on March 22, 2010
3	570/02	Mr. Kamal Singh	40,629	No date	Adjourned sine die on July 6, 2010
4	1507/03	Mr. Kishor Kant Tiwari	3,935	No date	Case was adjourned sine die by the court vide orders dated December 4, 2010
5	724/03	Mr. Pankaj Kaushik	22,354	No date	Accused has been declared Proclaimed Offender on March 20, 2010
6	649/03	Mr. Bijender	34,643	No date	Accused has been declared Proclaimed Offender on October 23, 2010
7	370/04	Mr. Raghubir Singh	59,920	No Date	Accused has been declared Proclaimed Offender on

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
					October 13, 2009
8	1007/04	Mr. Netar Pal	24,700	No date	Accused has been declared Proclaimed Offender on April 29, 2010
9	3994/04	Mr. Ganga Lal	37,365	No date	Accused has been declared Proclaimed Offender on August 09, 2010
10	2770/04	Mr. Rakesh Kumar	22,991	No date	Accused has been declared Proclaimed Offender on August 28, 2010
11	5046/04	Mr. Maha Singh Pardhan	130,000	No date	Case was adjourned sine die by the court vide orders dated January 31, 2011
12	968/04	Mr. Girish & Mr. Tarun Kumar	39,000	No date	Accused has been declared Proclaimed Offender on February 22, 2010
13	554/07	Mr. Kuldeep & Mr. Shyambir	44,436	No date	Accused has been declared Proclaimed Offender on March 6, 2010
14	2642/04	Mr. Lal Singh	28,570	No date	Accused has been declared Proclaimed Offender on July 10, 2010
15	1238/04	Mr. Bhim Singh	33,040	No date	Accused has been declared Proclaimed Offender on July 10, 2010
16	649/04	Mr. M.K. Sharma & Mr. Gajender	68,000	No date	Accused has been declared Proclaimed Offender on June 8, 2010
17	460/04	Mr. Veer Pal and Mr. Sunder Singh	31,620	No date	Accused has been declared Proclaimed Offender on March 5, 2010
18	3993/04	Mr. Sunil Kumar Raghav & Mrs. Sunita Devi	22,310	No date	Case was adjourned sine die by the court vide orders dated September 22, 2010
19	3681/04	Mr. Surjit Singh	27,967	No date	Case was adjourned sine die by the court vide orders dated March 12, 2011
20	6306/04	Mr. Kartar Singh & Mr. Rati Ram Kasana	10,760	No date	Accused has been declared Proclaimed Offender on December 11, 2010
21	4356/09	Mr. Bal Mukund	52,121	No date	Case was adjourned sine die by the court vide orders dated October 25, 2010
22	748/09	Mr. Anil Kumar	46,560	No date	Accused has been declared Proclaimed Offender on November 29, 2010
23	708/04	Mr. Israr Ahmed	21,035	No date	Accused has been declared Proclaimed Offender on October 23, 2010
24	458/04	Mr. Surjit Singh	43,090	No date	Accused has been declared Proclaimed Offender on March 5, 2010

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
25	837/05	Mr. Chander Pal	32,480	No Date	Accused has been declared Proclaimed Offender on March 5, 2010
26	445/04	Mr. Des Raj Nagar	5,850	No date	Accused has been declared Proclaimed Offender on November 17, 2010
27	838/04	Mr. Het Ram	49,560	No date	Accused has been declared Proclaimed Offender on March 5, 2010
28	1311/04	Mr. Banwari	47,816	August 9, 2011	Charges to be framed against Accused
29	4844 of 2005	Mr. Sachinder Kumar	107,083	No date	Case was adjourned sine die by the court vide orders dated December 13, 2010
30	4691/05	Mr. Jamil	31,205	No date	Accused has been declared Proclaimed Offender on October 25, 2010
31	566/05	Mr. Harun	60,000	No date	Accused has been declared Proclaimed Offender on August 28, 2010
32	3548/05	Mr. Prem Chand	32,410	No date	Case was adjourned sine die by the court vide orders dated October 04, 2010
33	649/05	Mr. Hari Chand	225,600	No Date	Accused has been declared Proclaimed Offender on May 03, 2010
34	2796/05	Mr. Bhopal Singh	28,290	No date	Accused has been declared Proclaimed Offender on August 17, 2010
35	879/05	Mr. Tota Ram	33,276	No date	Accused has been declared Proclaimed Offender on April 16, 2010
36	2795/05	Mr. Ishwar Singh	12,617	No date	Accused has been declared Proclaimed Offender on August 17, 2010
37	1302/09	Mr. Zile Singh & Mr. Krishn Pal	15,915	September 21, 2011	For Proclaimed Offender Proceedings
38	635/05	Mr. Harun	54,737	September 9, 2011	Notice issued to Accused
39	638/05	Mr. Ghanshyam	65,535	September 26, 2011	Summons issued to Accused
40	899/05	Mr. Leela Ram	80,000	July 29, 2011	For proclaimed offender proceeding.
41	900/05	Mr. Prem Chand Saini	50,000	August 9, 2011	Examination of Evidence of Accused
42	1602/05	Mr. Suresh Chand Goswami	268,000	No date	Accused has been declared Proclaimed Offender on May 01, 2010
43	881/05	Mr. Sharif	26,800	No date	Accused has been declared Proclaimed Offender on June 02, 2011
44	514/02	Mr. Harjeet & Mr. Gyan Singh	83,000	September 23, 2011	Non-Bailable Warrant issued against Accused

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
45	1515/02	Mr. Manoj Kumar	4,900	September 24, 2011	Non-Bailable Warrant issued against Accused
46	1489/20 05	Mr. Ganga Lal	58,915	August 27, 2011	For framing of charge against accused
47	895/05	Mr. Mahender Dalal	26,239	August 6, 2011	Examination of Defense Witnesses
48	722/06	Mr. Devender	16,000	No date	Accused has been declared Proclaimed Offender dated September 28, 2010
49	6434/06	Mr. Gajraj Singh	29,000	No date	Accused has been declared Proclaimed Offender dated February 8, 2011
50	723/06	Mr. Hem Raj & Mr. Ranbir	26,000	No date	Accused has been declared Proclaimed Offender dated September 28, 2010
51	751/06	Mr. Manoj Kumar	35,120	No date	Accused has been declared Proclaimed Offender dated October 23, 2010
52	16/06	Mr. Rishi Verma	30,000	No Date	Accused has been declared Proclaimed Offender dated April 10, 2010
53	864/05	Mr. Veer Pal & Mr. Sunder Singh	50,165	August 04, 2011	Non-Bailable Warrant issued against Accused
54	47/06	Mr. Chander Bhan	45,615	No Date	Accused has been declared Proclaimed Offender on April 29, 2010
55	559/06	Mr. Sher Mohd.	39,550	August 04, 2011	Bailable Warrant issued against Accused
56	1365/06	Mr. Ashish	67,500	No Date	Case was adjourned sine die by the court vide orders dated March 22, 2011
57	3383/06	Mr. Hassan Mohd. & Mr. Parvej	25,372	No date	Accused has been declared Proclaimed Offender dated September 14, 2010
58	2041/06	Mr. Mahaveer Singh	71,325	No date	Accused has been declared Proclaimed Offender dated February 02, 2011
59	1284/06	Mr. Asharam	46,256	August 17, 2011	Non-Bailable Warrant issued against Accused
60	388/06	Mr. Prem Chand & Mr. Kunwar Pal	55,670	No date	Accused has been declared Proclaimed Offender dated December 16, 2010
61	2095/06	Mr. Naresh Sharma & Mr. Raju	26,234	No date	Case was adjourned sine die by the court vide orders dated September 18, 2010
62	257/06	Mr. Girdhari & Mr. Satender Singh	23,000	No date	Case was adjourned sine die by the court vide orders dated November 01, 2010
63	181/06	Mr. Rohtash	24,750	No Date	Accused has been declared Proclaimed Offender on April 29, 2010
64	302/06	Mr. Parveen	47,649	August 12, 2011	Non-Bailable Warrant issued

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
		Kumar			against Accused
65	303/06	Mr. Hira Lal & Mr. Hari Chand	61,723	September 24, 2011	Examination of Prosecution Witnesses
66	314/06	Mr. Jakir	245,263	No Date	Accused has been declared Proclaimed Offender on August 26, 2010
67	782/06	Mr. Jamil	268,658	No Date	Accused has been declared Proclaimed Offender on February 12, 2011
68	316/06	Mr. Aabid	250,697	September 08, 2011	Non bailable warrant issued against accused.
69	315/06	Mr. Hannu	500,186	No date	Accused has been declared Proclaimed Offender on May 09, 2011
70	317/06	Mr. Hakam	398,467	No date	Accused has been declared Proclaimed Offender on May 09, 2011
71	262/06	Mr. Nanak Chand & Mr. Narender	27,551	No date	Accused has been declared Proclaimed Offender on August 02, 2010
72	736/09	Mr. Bhim Singh	210,406	No date	Accused has been declared Proclaimed Offender on January 31, 2011
73	318/06	Mr. Jakir	97,080	No date	Accused has been declared Proclaimed Offender on June 06, 2011
74	340/06	Mr. Jumma	92,864	No date	Accused has been declared Proclaimed Offender on August 27, 2010
75	263/06	Mr. Iklas	68,725	No date	Accused has been declared Proclaimed Offender on August 02, 2010
76	2911/06	Mr. Ashu	90,810	No date	Accused has been declared Proclaimed Offender on August 27, 2010
77	367/06	Mr. Kamruddin	46,350	September 16, 2011	Bailable Warrant issued against Accused
78	368/06	Mr. Aamin	63,783	September 16, 2011	Bailable Warrant issued against Accused
79	366/06	Mr. Jakir	305,863	September 16, 2011	Bailable Warrant issued against Accused
80	370/06	Mr. Jakir	492,654	September 16, 2011	Bailable Warrant issued against Accused
81	369/06	Mr. Jakir	252,905	September 23, 2011	Bailable Warrant issued against Accused
82	305/06	Mr. Angoor Singh	29,788	September 09, 2011	Non-Bailable Warrant issued against Accused
83	600/06	Mr. Mohan Shyam	12,022	September 24, 2011	Non-Bailable Warrant issued against Accused
84	387/06	Mr. Kumar Pal	267,180	No date	Accused has been declared Proclaimed Offender on September 25, 2010

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
85	385/06	Mr. Veer Pal & Mr. Bijender	34,368	No Date	Declared Proclaimed Offender on July 5, 2010
86	2349/06	Mr. Irfan	19,545	No date	Accused has been declared Proclaimed Offender on August 21, 2010
87	382/06	Mr. Jafar	81,096	July 09, 2011	Non-Bailable Warrant issued against Accused
88	5071/09	Mr. Shahun	54,024	No date	Accused has been declared Proclaimed Offender on October 7, 2010
89	411/06	Mr. Kunwar Pal Singh	12,445	August 20, 2011	Notice issued to the Accused
90	1499/06	Mr. Ali Mohd. & Mr. Farak	113,830	No date	Accused has been declared Proclaimed Offender on February 25, 2011
91	413/06	Mr. Suresh Kumar	33,215	September 12, 2011	Notice issued to Accused
92	412/06	Mr. Jamshed Khan	40,400	No Date	Accused has been declared proclaimed offender on July 12, 2011
93	513/07	Mr. Angoor Singh	35,488	September 12, 2011	For Proclaimed Offender Proceedings
94	1461/07	Mr. Vijay Kumar	71,575	September 21, 2011	Non-Bailable Warrant issued against Accused
95	1516/07	Mr. Shiv Shankar	73,335	No date	Case was adjourned sine die by the court vide orders dated October 16, 2010
96	1298/09	Mr. Dhiraj Singh & Mr. Suresh Kumar	45,380	No date	Accused has been declared Proclaimed Offender on June 6, 2011
97	1297/09	Mr. Ram Dhan	20,321	No date	Accused has been declared Proclaimed Offender on April 16, 2011
98	2625/09	Mr. Deepak	72,542	No date	Case was adjourned sine die by the court vide orders dated December 24, 2010
99	6349/06	Mr. Leelu Ram	25,075	No date	Accused has been declared Proclaimed Offender on November 1, 2010
100	357/06	Mr. Rohtash	51,684	No date	Accused has been declared Proclaimed Offender on October 28, 2010
101	448/08	Mr. Praveen Kumar	84,323	September 14, 2011	Bailable Warrant issued against Accused
102	1289/06	Mr. Naresh Kumar	39,288	September 24, 2011	Bailable Warrant issued against Accused
103	1230/06	Mr. Jai Kumar	35,910	No date	Case was adjourned sine die by the court vide orders dated March 22, 2011
104	1450/06	Mr. Sunil Kumar	29,100	No date	Accused has been declared Proclaimed Offender on October 11, 2010

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
105	444/04	Mr. Naresh Kumar	30,710	September 27, 2011	Bailable Warrant issued against Accused
106	1307/06	Mr. Ashok Kumar	245,136	September 09, 2011	Non-Bailable Warrant issued against Accused
107	603/06	Mr. Gajraj	14,464	No date	Accused has been declared Proclaimed Offender on April 22, 2011
108	2026/06	Mr. Tinkesh Bhardwaj	23,673	No Date	Case was adjourned sine die by the court vide orders dated March 10, 2011
109	286/07	Mr. Sanjay Singh & Mr. Abdul Vahid	45,080	September 05, 2011	Notice issued to Accused
110	565/07	Mr. Samim	104,673	No date	Case was adjourned sine die by the court vide orders dated March 25, 2011
111	264/07	Mr. Anil Kumar	27,875	September 22, 2011	Non-Bailable Warrant issued against Accused
112	221/07	Mr. Hira Lal	69,283	August 20, 2011	Non-Bailable Warrant issued against Accused
113	224/07	Mrs. Urmila & Mr. Uma Shankar	38,820	No date	Case was adjourned sine die by the court vide orders dated August 31, 2010
114	1298/07	Mr. Mukesh Kumar	5,520	September 24, 2011	Non-Bailable Warrant issued against Accused
115	502/07	Mr. Raj Kumar Parashar	9,314	September 20, 2011	Non-Bailable Warrant issued against Accused
116	588/07	Mr. Raj Kumar	67,027	September 27, 2011	Non-Bailable Warrant issued against Accused
117	1324/07	Mr. Ahdul Wahid	137,817	September 24, 2011	For Proclaimed Offender Proceedings
118	566/07	Mrs. Asha Rani	62,457	September 13, 2011	Non-Bailable Warrant issued against Accused
119	532/09	Mr. R.S. Moorthy	12,750	No date	Accused has been declared Proclaimed Offender on March 18, 2010
120	1318/07	Mr. Devender Kumar Jha	55,735	September 24, 2011	Non-Bailable Warrant issued against Accused
121	290/05	Mrs. Seema Nagpal	14,835	No date	Case was adjourned sine die by the court vide orders dated December 14, 2010
122	1317/07	Mr. Surender Kumar & Jagat Singh	59,850	August 20, 2011	Non-Bailable Warrant issued against Accused
123	1177/07	Mr. Kosar	13,935	September 20, 2011	Non-Bailable Warrant issued against Accused
124	375/07	Mrs. Asru & Mr. Sahabudeen	30,175	September 20, 2011	Non-Bailable Warrant issued against Accused
125	5227/07	Mr. Jakir & Mr. Ismail	26,768	No date	Case was adjourned sine die by the court vide orders dated September 20, 2010

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
126	179/07	Mr. Jitender Kumar & Mrs. Sudha Kumari	39,575	No date	Accused has been declared Proclaimed Offender on September 28, 2010
127	581/07	Mr. Hakmuddin Khan	146,170	No date	Accused has been declared Proclaimed Offender on June 6, 2011
128	604/07	Mr. Kamrudeen	36,592	No date	Accused has been declared Proclaimed Offender on May 9, 2011
129	4989/07	Mr. Sunil Kumar	63,280	No date	Case was adjourned sine die by the court vide orders dated February 25, 2011
130	601/08	Mr. Ashok Kumar	322,868	September 10, 2011	Non-Bailable Warrant issued against Accused
131	602/07	Mr. Harun Khan	43,061	No date	Accused has been declared Proclaimed Offender on June 06, 2011
132	867/07	Mr. Manoj	28,890	No date	Accused has been declared Proclaimed Offender on May 25, 2011
133	4670/09	Mr. Israr Ahmed	11,035	No date	Case was adjourned sine die by the court vide orders dated October 14, 2010
134	648/07	Mr. Dharam Pal Bhati	60,974	September 08, 2011	Non-Bailable Warrant issued against Accused
135	858/07	Mr. Om Parkash	113,902	September 01, 2011	Non-Bailable Warrant issued against Accused
136	857/07	Mr. Om Parkash	30,283	September 01, 2011	Non-Bailable Warrant issued against Accused
137	700/07	Mr. Ashok Kumar & Mr. Pawan Kumar	41,400	September 09, 2011	Notice issued to the Accused
138	1444/07	Mr. Jitender Kumar & Mr. Braj Bhushan	38,174	October 17, 2011	Charges to be framed against Accused
139	1996/20 09	Mr. Dinesh Kumar & Mr. Rajender Garg	28,891	September 10, 2011	Bailable Warrant issued against Accused
140	793/07	Mrs. Suman Sharma	30,695	September 15, 2011	Summons issued to the Accused
141	794/07	Mr. Yogender	23,500	September 10, 2011	For Proclaimed Offender Proceeding
142	5225/07	Mr. Shiv Raj Singh & Mr. Rajbir Singh	50,541	No date	Accused has been declared Proclaimed Offender on January 10, 2011
143	1321/07	Mr. Om Parkash & Mr. Partap	19,315	September 5, 2011	Non-Bailable Warrant issued against the Accused
144	1257/07	Mrs. Rinki & Mr. Kishan Kumar	29,604	August 09, 2011	Examination of Complainant's Witnesses
145	1256/07	Mr. Kishan Kumar & Mrs. Rinki	50,450	August 09, 2011	Examination of Complainant's Witnesses

Plaintiff / Complainant			M/s BTL Investments Ltd.		
Name of the Court			Additional Chief Judicial Magistrate, Faridabad and Judicial Magistrate Ist Class, Faridabad		
Nature of Case			Section 138 of Negotiable Instruments Act, 1881		
Sr. No.	Case No.	Defendant/ Accused	Amt. Involved (Rs.)	Next date	Status
146	1260/07	Mr. Rashid & Mr. Shiv Kumar	29,340	September 1, 2011	Non-Bailable Warrant issued against the Accused
147	6289/07	Mr. Akbar	36,588	No date	Accused has been declared Proclaimed Offender on December 13, 2010
148	1025/07	Mr. Sonu	49,742	September 24, 2011	Bailable Warrant issued against the Accused Bailable Warrant issued against Accused
149	005/008	Mrs. Asha Kashyap	34,450	October 5, 2011	Examination of Prosecution Witnesses
150	50/08	Mr. Balraj Singh	31,383	September 24, 2011	Summons issued to the Accused
151	51/08	Mr. Sat Parkash & Mr. Jagdish	231,695	September 29, 2011	Bailable Warrant issued against the Accused
152	1259/08	Mr. Samay Singh	32,650	August 18, 2011	Bailable Warrant issued against the Accused
153	1260/08	Mrs. Seema Devi	27,998	August 18, 2011	Bailable Warrant issued against the Accused
154	176/08	Mr. Vinod Kumar & Mr. Moolchand	25,362	December 1, 2011	Bailable Warrant issued against the Accused
155	272/08	Mr. Ravinder Nagar	21,237	September 21, 2011	Notice issued to the Accused
156	271/08	Mr. Manish Dev Sharma & Mrs. Samitu Sharma	23,910	October 11, 2011	Non-Bailable Warrant issued against the Accused
157	270/09	Mrs. Bala Devi & Mr. Parvesh Kumar	31,701	August 26, 2011	Bailable Warrant issued against the Accused
158	267/08	Mr. Abdul Kadir	52,007	August 17, 2011	Non-Bailable Warrant issued against the Accused
159	383/08	Mr. Vijay Pal	7,075	No date	Accused is declared as Proclaimed Offender on March 09, 2011.
160	399/08	Mr. Abhishek	33,567	October 18, 2011	Notice issued to the Accused
161	402/08	Mr. Anil Kumar	120,000	September 28, 2011	Non-Bailable Warrant issued against the Accused
162	1277/08	Mr. Krishan	37,220	September 24, 2011	Notice issued to the Accused
163	879/08	Mr. Sanjay Nagar	76,670	September 24, 2011	Examination of Complainant's Witnesses
164	494/08	Mr. Prahlad	25,880	September 24, 2011	Bailable Warrant issued against the Accused
165	493/08	Mr. Balraj Sharma & Mr. Yogesh Sharma	36,530	December 5, 2011	Bailable Warrant issued against the Accused
166	1251/09	Mr. Hans Raj & Mr. Niranjana	25,955	September 24, 2011	Notice issued to the Accused
167	795/06	Mr. Vinod Kumar	24,658	September 15, 2011	For Proclaimed offender proceedings
Total:			11,026,015		

In addition to the above, there are 55 cases under Section 138 of Negotiable Instruments Act, 1881 filed by M/s. BTL Investments Ltd., wherein accused have been declared as Proclaimed offender and the total amount involved is Rs. 26,40,503/-.

XI (B). Litigations involving Civil Offences: NIL

XI (C). There are no outstanding labour related litigations in any of the promoter group companies.

XI (D). Matters Pertaining to Securities Exchange Board of India

There are no other matters pertaining to SEBI involving Promoter Group companies except as stated in para XVII below.

XI (E). Litigations involving matter related revenue authorities - Customs, Income Tax, Sales Tax, Excise Act, Service Tax

1.	M/s SRS Finance Limited (Earlier known as Skytone Capital Services Limited) Block Assessment An assessment under Section 158 BD of Income Tax Act, 1961 was framed in the case of M/s Skytone Capital Services Ltd., where in a demand of Rs. 2,377,572/- was raised for the Block Period pending August 14, 1996. M/s Skytone Capital Services Ltd. has deposited Rs. 1,200,000/- under protest and the matter is pending in appeal before Hon'ble Income Tax Appellate Tribunal, New Delhi, wherein the whole assessment is in dispute.
2.	M/s. SRS Finance Limited Notice under Section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 19, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before assessing officer. Queries have been received from the department on May 20, 2011, which is in process of being replied to the department.
3.	M/s. SRS Real Estate Limited (a) Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 19, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before assessing officer. Queries have been received from the department on May 20, 2011, which is in process of being replied to the department.
4.	M/s. SRS Infracon Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on September 23, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before assessing officer. Detailed questionnaire is yet to be issued by the department.
5.	M/s. SRS Modern Sales Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 19, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before assessing officer. Queries have been received from the department on May 19, 2011 which is in process of being replied to the department.

6.	M/s. SRS Real Infrastructure Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 19, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before assessing officer. Queries have been received from the department on May 19, 2011, which is in process of being replied to the department.
7.	M/s. MadhavTech India Private Limited Litigation against M/s. MadhavTech India Private Limited towards Tax liabilities Notice under Section 143 (1) of Income Tax Act, 1961 The Income Tax return of M/s MadhavTech (India) Private Limited for the Assessment Year 2007-08, was processed under Section 143 (1) on May 15, 2008 and subsequently, it was selected for scrutiny under Section 143 (2). On December 04, 2009, Assessment order under Section 143 (3) of Income Tax Act has been passed in which a demand of Rs. 444,262/- was raised. The Company has deposited the said amount and filed appeal against this order to CIT (Appeals) New Delhi. The case is still pending for final order.
8.	M/s. SRS Housing Finance Limited (now known as SRS Global Securities Limited) Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 18, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Queries have been received from the department on February 1, 2011 which is in process of being replied to the department.
9.	M/s. SRS International Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on September 23, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Detailed questionnaire is yet to be issued by the department.
10.	M/s. SRS Mines & Minerals Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on September 23, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Queries have been received from the department on July 15, 2011. The company is in process of replying to the queries of the department.
11.	M/s. SRS Buildcon Private Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 19, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Detailed questionnaire is yet to be issued by the department.
12.	M/s. BTL Impex (India) Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on August 23, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Detailed questionnaire is yet to be issued by the department.
13.	M/s. SRS IT Solutions Private Limited Notice under section 143 (2) of Income Tax Act, 1961 A notice under Section 143(2) has been issued by Assistant Commissioner of Income Tax on September 23, 2010 for the Assessment Year 2009-10. The assessment proceedings are pending before the assessing officer. Detailed questionnaire is yet to be issued by the department.

XII. Other than those mentioned above, there is no other litigations against SRS Limited.

XIII. There are no pending statutory dues or dues to Banks / Institutions and there is no overdue interest / principal as on date.

XIV. There have been no defaults and there are no overdues in respect of bonds debentures and fixed deposits (placed through public or private placement) and arrears in respect of cumulative preference shares or any other liabilities as on current date.

XV. Further, there are no litigations / disputes / penalties or any proceedings known to be contemplated by government authorities.

XVI. Further, there are no cases in which penalties were imposed by the concerned authorities on the Company and its subsidiaries or its Director or Promoters or any Promoter Group company.

XVII. No disciplinary action / investigation has been taken by the Securities and Exchange Board of India (SEBI) / Stock Exchanges against the Company, its Director, Promoters and their other business ventures (irrespective of the fact whether or not they fall under the purview of Sec 370(1B) of the Companies Act, 1956) except the following:

Present Matters:

1. M/s. SRS Housing Finance Limited (now known as SRS Global Securities Limited)

M/s SRS Housing Finance Limited (now known as SRS Global Securities Limited) received a letter dated 24.09.2009 from SEBI regarding investigation into trading activities of Ms. Pooja Menghani for the period 01.06.2008 to 31.01.2009. The letter enquired about information relating to trading in stocks of Amtek Auto Ltd., Amtek India Ltd and Ahmednagar Forging Ltd by the SRS Housing Finance Limited and price sensitive information with the SRS Housing Finance Limited. The letter further queried about the relationship of Ms. Pooja Menghani with the SRS Housing Finance Limited or its Directors or any employee of the SRS Housing Finance Limited.

SRS Housing Finance Limited (now known as SRS Global Securities Limited) has filed its reply dated 08.10.2009 wherein it has stated that that the transactions were conducted in a routine manner and further stated that Ms. Pooja Menghani is not connected with the Company or its Directors or any employee of the Company.

Summons under Section 11 C (3) & C (5) of SEBI Act, 1992 dated 07.06.2010

SRS Housing Finance Limited (now known as SRS Global Securities Limited) received summons under Section 11 C (3) & C (5) on 8.06.2010 in connection with the investigation instituted by SEBI in the case of trading activities of Pooja Menghani, wherein the Director of the Company was required to appear before the investigation authority along with books of account and enquired about price sensitive information with the SRS Housing Finance Limited (now known as SRS Global Securities Limited) relating to trading in stocks of Amtek Auto Ltd., Amtek India Ltd and Ahmednagar Forging Ltd.

SRS Housing Finance Limited (now known as SRS Global Securities Limited) has replied to above summons on 16.06.2010, along with supported documents wherein it has stated that the Company was not in possession of any price sensitive information relating to the investment in Amtek Auto Ltd., Amtek India Ltd, Ahmednagar Forging Ltd. and Monnet Ispat Ltd. SRS Housing Finance Limited has also stated in its reply that M/s SRS Portfolio is a sister concern. It has further stated that the transactions were conducted in a routine manner and it is not associated with Ms. Pooja Menghani, Ms. Pratiksha Shrivasta, Ms. Vivha Sood, Mr.Om Prakash Chopra, Mr. Amit Upadhyay and Mr. Uday Partap Singh.

2. **M/s. SRS Portfolio Limited**

M/s SRS Portfolio Limited received a letter dated September 24, 2009 from SEBI regarding investigation into trading activities of Ms. Pooja Menghani for the period June 1, 2008 to January 31, 2009. The letter enquired about information relating to trading in stocks of Amtek Auto Ltd., Amtek India Ltd and Ahmednagar Forging Ltd by M/s SRS Portfolio Limited and price sensitive information with M/s SRS Portfolio Limited. The letter further queried about the relationship of Ms. Pooja Menghani with M/s SRS Portfolio Limited or its Directors or any employee of M/s SRS Portfolio Limited.

M/s. SRS Portfolio Limited has filed its reply dated October 8, 2009 wherein it has stated that the transactions were conducted in a routine manner and further stated that Ms. Pooja Menghani is not connected with M/s SRS Portfolio Limited or its Directors or any employee of M/s SRS Portfolio Limited.

Summons under Section 11 C (3) & C (5) of SEBI Act, 1992 dated 07.06.2010

SRS Portfolio Limited received summons under Section 11 C (3) & C (5) on June 8, 2010 in connection with the investigation instituted by SEBI in the case of trading activities of Ms. Pooja Menghani, wherein the Director of M/s SRS Portfolio Limited was required to appear before the investigation authority along with books of account and enquired about price sensitive information with M/s SRS Portfolio Limited relating to trading in stocks of Amtek Auto Ltd., Amtek India Ltd and Ahmednagar Forging Ltd.

SRS Portfolio Limited has replied to above summons on June 18, 2010, along with supported documents wherein it has stated that M/s SRS Housing Finance Limited (formerly known as M/s BTL Commercial Ltd.) is a sister concern under the SRS Group of Companies. M/s SRS Portfolio Limited has also stated in its reply that M/s SRS Portfolio Limited was not in possession of any price sensitive information relating to the investment in Amtek Auto Ltd., Amtek India Ltd. and Ahmednagar Forging Ltd. M/s SRS Portfolio Limited has further stated that the transactions were conducted in a routine manner and it is not associated with Ms. Pooja Menghani, Ms. Pratiksha Shrivasta, Mr. Om Prakash Chopra, Ms. Vivha Sood, Mr. Amit Upadhyay and Mr. Uday Partap Singh.

Past Matter:

M/s. SRS Real Infrastructure Ltd.

One of the Promoter Group Companies, namely SRS Real Infrastructure Limited (earlier known as Manu Finlease Limited) came with an IPO in the year 1995. After the public issue, Securities and Exchange Board of India (SEBI), on the grounds of alleged malpractices in the public issue ordered investigations to be conducted to ascertain the truth of allegations. The Chairman of SEBI passed an order dated November 29, 2002, whereby M/s. Manu Finlease Limited, Mr. Anil Kumar Jindal, Mr. J.K. Garg, Mr. P.K. Kapoor and Mrs. Ritu Garg were debarred from accessing and being associated with the capital market for a period of 5 years (i.e., upto November 28, 2007). In this regard, an appeal was filed against the said order before the Securities Appellate Tribunal (SAT) in 2003. The appeal was dismissed by the SAT vide order dated October 27, 2003. Further, an appeal was filed before the Supreme Court. The Supreme Court vide its order dated April 18, 2006 reduced the period of debarment by approximately one year and one month (i.e. upto October 31, 2006). The relevant extracts of the said Supreme Court order are as follows:

“Without expressing any view regarding the merits of the respective contentions of the respective parties as to the correctness of the order and leaving the questions of law open, the Court directs that in the facts and circumstances of this case M/s. Manu Finlease Limited, Anil Kumar Jindal, J.K. Garg and P.K. Kapoor and Ritu Garg will not access or be associated with the capital market upto 31st October, 2006. The civil appeals are disposed of accordingly. No order as to costs.”

Presently, none of the Promoters or the Promoter group entities is debarred from accessing and being associated with the capital markets. For further details please refer “Other Regulatory & Statutory Disclosures” on page 411 of this Red Herring Prospectus.

XVIII. The Company, promoters, Director or any of the Company’s associates or Promoter Group companies or other ventures of the promoters and companies with which the Director of SRS Ltd are associated as Director or promoters have not been prohibited from accessing the capital markets under any order or direction passed by SEBI and no penalty has been imposed at any time by any of the regulators in India or abroad except as stated in para VIII above.

XIX. No penalties were imposed by SEBI or any other regulatory body in India or abroad on the Company.

XX. There are no pending proceedings initiated for economic offences against the Company.

XXI. The Company does not owe any amount exceeding Rs. 1 lac to any micro, small and medium enterprises or other creditors which is outstanding for more than 30 days except in the ordinary course of business.

XXII. There are no outstanding litigations, defaults, pertaining to matters likely to affect operations and finances of the Company, including disputed tax liabilities, prosecution under any enactment in respect as of Schedule XIII to the Companies Act, 1956 (1 of 1956) against Company’s or its subsidiary SRS Jewells Limited.

XXIII. There are no adverse findings in respect of persons / entities connected with the Company / Promoter / Promoter Group companies as regards compliance with the securities law except as stated, if any, in the Group Companies litigation mentioned in this section.

XXIV. There are no litigations against the Company or any other Promoter Group Company whose outcome could have materially adversely effect on the financial position of the Company.

Material Developments

A fire broke-out at the Company’s Retail outlet and Food Court operating at Jind, Haryana on May 24, 2011. The Company is in the process of claiming insurance for these properties.

Further the Company has received approval for setting up its jewellery manufacturing unit on 645 sq. mts. at Noida Special Economic Zone and has started commercial operations in April 2011.

Except as stated above in the Opinion of the Board Of Directors, there has not arisen, since the date of the last Financial Statements disclosed in this Red Herring Prospectus, any circumstance that materially or adversely affect or are likely to affect the profitability of the Company and its Subsidiaries taken as a whole or the value of their Consolidated Assets or their ability to pay their material liabilities within the next twelve months.

GOVERNMENT AND OTHER APPROVALS

Licences / Approval Obtained

The Company is required to obtain various statutory and regulatory licences / approvals from the Central and State authorities for the purposes of its business.

The approvals obtained by the Company are arranged in the following order:

GENERAL APPROVALS

The Company has the following licences under the said category:

Sr. No.	Nature of Registration/ Licence	Issuing Authority Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Incorporation	Govt. of India – Ministry of Corporate Affairs The Companies Act, 1956	U74999HR2000P LC040183	March 5, 2010	Until Cancelled / Surrendered
2	Certificate for Commencement of Business	Govt. of India – Ministry of Corporate Affairs The Companies Act, 1956	55-107484	October 16, 2000	Until Cancelled / Surrendered
3	Permanent Account Number(PAN)	Income Tax Department Income Tax Act, 1961	AAGCS8846R	August 29, 2000	Until Cancelled / Surrendered
4	Tax Deduction Account Number(TAN) Delhi	Income Tax Department Income Tax Act, 1961	RTKS04931D	February 14, 2009	Until Cancelled / Surrendered
5	Tax Deduction Account Number(TAN) (Haryana)	Income Tax Department Income Tax Act, 1961	RTKS13829E	May 22, 2010	Until Cancelled / Surrendered
6	Service Tax Code	Service Tax Authority Sec. 69 of the Finance Act, 1994	AAGCS8846RS T001	Last amended on May 19, 2011	Until Cancelled / Surrendered
7	Importer Exporter Code	Joint Director General of Foreign Trade Import-Export Policy	0502064625	January 15, 2003	Until Cancelled / Surrendered
8	Tax Deduction No. (Works Contract Tax)	Designated Officer, Ludhiana Value Added Tax Act	Tax Deduction No.0063	May 17, 2010	Until Cancelled / Surrendered
9	Registration of Establishment	Labour Inspector The Punjab Shops and Commercial Establishments	Form - F, R.N. FBD/L.1-11/955/8-10-2009	October 8, 2009	March 31, 2012

Sr. No.	Nature of Registration/ Licence	Issuing Authority Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		Act, 1958			
10	ISO Certificate	BSCIC Certifications for quality management system under ISO 9001:2008	BU0351/0162:12 09	December 21, 2009	December 20, 2012.
11	Registration of Lifts and Escalators	Inspector of Lifts cum Executive Engineer, Haryana Lifts and Escalators Act, 2008	F/ 40173-74-75 for escalator and F/ 40176 for lift	October 6, 2010	October 5, 2013
12	No Objection Letter For Fire Safety (For SRS Mall)	Assistant Divisional Fire Officer	Memo No. MCF/ADFO/15A /2011/7	March 18, 2011	March 17, 2012
13	Contractor Licence (Registration of Establishment under the Contract Labour Act)	The Contract Labour (Regulation and Abolition) Act, 1970	CLA/ ALC/ GGN/ 36/529	February 16, 2011	December 31, 2011
14	Full Occupation Certificate (For SRS Mall)	Estate Officer, Haryana Urban Development Authority	Memo No. 970	August 11, 2004	Application for name change made on December 7, 2009
Value Added Tax (VAT)					
15	SRS Multiplex City Center, Sec 12, Faridabad	Assessing Authority Haryana Value Added Tax Act, 2003	TIN 06111220009	January 10, 2007	Until Cancelled / Surrendered
16	Jaipuria's Sunrise Plaza, Indirapuram, Ghaziabad, UP	Astt. Value Added Tax Officer UP Value Added Tax Act, 2007	TIN 09588805529	January 10, 2008	Until Cancelled / Surrendered
17	3 rd Floor, C 21 Mall, A. B. Road, Indore	Assistant Commissioner Madhya Pradesh VAT Act, 2002	TIN 23591205060	December 17, 2009	Until Cancelled / Surrendered
18	Westend Mall, Firozpur Road, Ludhiana, Punjab	Excise & Taxation Commissioner Punjab VAT Act, 2005	TIN 03072039779	December 11, 2007	Until Cancelled / Surrendered
19	202, New Delhi House, Barakhamba Road, New , Delhi	Astt. Value Added Tax Officer Delhi Value Added Tax Act,	TIN 07980328957	June 15, 2007	Until Cancelled / Surrendered

Sr. No.	Nature of Registration/ Licence	Issuing Authority Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		2004			
20	Tax Deduction No. (Works Contract Tax) 202, New Delhi House, Barakhamba Road,, Delhi	Astt. Value Added Tax Officer Delhi Value Added Tax Act, 2004	Tax Deduction No.07563002702	May 11, 2008	Until Cancelled / Surrendered
Central Sales Tax (CST)					
21	SRS Multiplex City Center, Sec 12, Faridabad	Notified Authority The Central Sale Tax, 1956	TIN 06111220009	January 10, 2007	Until Cancelled / Surrendered
22	Jaipuria's Sunrise Plaza, Indirapuram, Ghaziabad, UP	Designated Officer The Central Sale Tax, 1956	TIN 09588805529	January 10, 2008	Until Cancelled / Surrendered
23	3 rd Floor, C 21 Mall, A.B. Road, Indore	Assistant Commissioner	TIN 23591205060 The Central Sales Tax, 1956	December 17, 2009	Until Cancelled / Surrendered
24	Westend Mall, Firozpur Road, Ludhiana, Punjab	Excise & Taxation Commissioner The Central Sale Tax, 1956	TIN 03072039779	December 11, 2007	Until Cancelled / Surrendered
25	202, New Delhi House, Barakhamba Road, New , Delhi	Designated Officer The Central Sale Tax, 1956	TIN 07980328957	June 28, 2007	Until Cancelled / Surrendered
Provident Fund (PF)					
26	SRS Multiplex City Center, Sec 12, Faridabad	Regional Provident Fund Commissioner Employees Provident Funds & Misc Provisions Act, 1952	HR/ FBD/ 11731	September 15, 2004	Until Cancelled / Surrendered
27	Omaxe Plaza, Sohna Road Gurgaon	Regional Provident Fund Commissioner Employees Provident Funds & Misc Provisions Act, 1952	HR/GGN/ 28093	July 1, 2006	Until Cancelled / Surrendered
Employees' State Insurance (ESI) under State Employee Insurance Scheme Act, 1948					
28	SRS Multiplex City Center, Sec 12, Faridabad.	Regional Director	No. 13/ 29777/ 101	September 6, 2004.	Until Cancelled / Surrendered

Sr. No.	Nature of Registration/ Licence	Issuing Authority Governing Act / Law	Registration Licence No.	Validity From	Validity Till
29	Omaxe Plaza, Sohna Road Gurgaon	Regional Director	No. 13/ 32987/ 101	August 1, 2006	Until Cancelled / Surrendered
30	Value Bazar & SRS Seven Dayz Restaurant, Gandhi Nagar, Jind.	Regional Director	Sub-Code No – 13/29777-101/H-1688	June 1, 2008	Until Cancelled / Surrendered
31	SRS Cinema & SRS Seven Dayz Restaurant, 3rd floor, City Plaza, Galgarh, Gorakhpur	Asst. Director	Sub-Code No – 13-29777-101/ UP-4673/Gorakhpur	June 20, 2008	Until Cancelled / Surrendered
32	SRS Seven Dayz Restaurant, Western Mall, Ramganga Vihar, Phase II, Muradabad	Asst. Director	Sub-Code No – 13-29777-101/UP-4579/Moradabad	March 17, 2008	Until Cancelled / Surrendered
33	SRS Value Bazaar, B-1A/22, Sector 51, Noida	Asst. Director	Sub-Code No – 67-13-029777-002-1102	November 1, 2009	Until Cancelled / Surrendered
34	SRS Seven Days Restaurant, 2 nd Floor, Ansal Plaza, Near Pari Chowk, Greater Noida	Asst. Director	Sub-Code No – 67-13-029777-001-1102	November 1, 2009	Until Cancelled / Surrendered
35	SRS Cinemas, 3 rd Floor, Aditya City Centre, Vaibhav Khand, Indrapuram, Ghaziabad	Asst. Director	Sub-Code No – 67-13-029777-003-1001	December 3, 2009	Until Cancelled / Surrendered
36	4 th Floor, Westend Mall, Firozpur Road, Ludhiana	Regional Director	Sub-Code No – 12/13/29777/101/408/PB	February 1, 2008	Until Cancelled / Surrendered
37	SRS Seven Dayz Restaurant, 3 rd Floor, C-21 Mall, Opposite Pakiza, Vijay Nagar, Indore (MP)	Asst. Director	Sub-Code No.- 18-13-029777-001-1001	June 14, 2010	Until Cancelled
38	SRS Cinemas 2 nd Floor, Omaxe Mall, Patiala (Pb)	Dy. Director	12130297770021 002	September 10, 2010	Untill Cancelled
39	SRS Value Bazaar Celebration Mall, Atrium Ground Floor Batala Road Amritsar (Pb)	Asstt. Director	12130297770011 002	May 01, 2010	Untill Cancelled

Sr. No.	Nature of Registration/ Licence	Issuing Authority Governing Act / Law	Registration Licence No.	Validity From	Validity Till
Manufacturing unit at NSEZ					
40	Approval for setting up a unit in NSEZ	Assistant Development Commissioner, NSEZ	07/05/2010-PROJ/5364	July 19, 2010	April 14, 2016 (i.e. five years from the date of commencement of production)

LOCATION / BUSINESS SPECIFIC LICENCES AND APPROVALS

CINEMAS

1. SRS Mall, Sector 12, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	*No Objection Letter for DG Sets Installation	Executive Engineer, Electrical Inspectorate	4077	October 7, 2010	October 6, 2011
2	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer	Memo No. MCF/ADFO, Sec-15A/2011/9	March 18, 2011	March 17, 2012
3	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishments Act, 1958	Form F, R.N. 947/L.1-11/FBD/15/09/09	April 1, 2009	March 31, 2012
4	Clearance/ Licence from the Health Officer	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	Endst-2010/674	April 30, 2010	Until Cancelled / Surrendered
5	Certificate for supply of approved films (for three screens)	Indo vision Media under information to the District Collector, Theatre Branch, Faridabad, Haryana	I.V.M./N.R./2011-2012	April 1, 2011	March 31, 2012
6	*Public Performance Licence	Phonographic Performance Limited Copyrights Act, 1957	25/D/30786/1	September 1, 2010	August 31, 2011
7	Permission for differential pricing of tickets	Intimation given to the Deputy Excise & Tax Commissioner, Entertainment Office,	-	January 22, 2010	Upto further intimation

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		Faridabad, Haryana Punjab Entertainment Duty Act, 1955			
8	Cinema Licence	District Magistrate, Faridabad Punjab Cinema Regulation Act, 1952	No. 126/ MB – 1	Ferbruary 2, 2011	August 1, 2011 The Company has also applied for further renewal for next one year on July 13, 2011.
9	Grant of permission for computerization of tickets	Joint Excise & Taxation Commissioner, Haryana under information to Deputy Excise & taxation Commissioner, Faridabad Punjab Entertainment Duty Act, 1955	Memo No. 2570/ST/X/06	September 28, 2006	-
10	Air (Prevention and Control of Pollution) Act, 1981	Haryana State Pollution Control Board	HSPCB: 2010/ 791	April 01, 2010	March 31, 2011 Application dated May 18, 2011 made for renewal and to obtain licence in new name
11	Water (Prevention and Control of Pollution) Act, 1974	Haryana State Pollution Control Board	HSPCB: 2010/ 789	April 01, 2010	March 31, 2011 Application dated May 18, 2011 made for renewal and to obtain licence in new name

*The said licences has been issued in the name of SRS Cinemas.

2. SRS Cinema, Om Shubham Tower, Neelam Chowk, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer, Fire Station N.I.T, Faridabad, Haryana Fire Service Ordinance, 2009	MCF/ADFO/T/2 010/67	November 26, 2010	November 25, 2011
2	Registration of	Labour Inspector	Form F, R. No.	February 25,	March 31, 2013

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
	Establishment	Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-2-4/0045555	2011	
3	Clearance/ Licence from the Health Officer	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	Endst-2010/674	April 30, 2010	Until cancelled
4	Certificate for supply of approved films (for one screen)	Indo vision Media under information to the District Collector, Theatre Branch, Faridabad, Haryana	– I.V.M./N.R./2011 - 2012	April 1, 2011	March 31, 2012
5	*Public Performance license / Certificate	Phonographic Performance Limited Copyrights Act, 1957	25/D/30786/3	September 1, 2010	August 31, 2011
6	Permission for differential pricing of tickets	Intimation given to the Deputy Excise & Tax Commissioner, Entertainment Office, Faridabad, Haryana Punjab Entertainment Duty Act, 1955	-	January 22, 2010	Upto further intimation
7	Cinema Licence	District Magistrate The Punjab Entertainments Duty Act, 1955	26683/MB-1	September 26, 2010	March 25, 2011 Applied for renewal on January 28, 2011.
8	Grant of permission for computerization of tickets	Joint Excise & Taxation Commissioner, Haryana under information to Deputy Excise & taxation Commissioner, Faridabad Punjab Entertainment Duty Act, 1955	Memo No. 1460/ST3	June 12, 2008	-

*The said licences has been issued in the name of SRS Cinemas.

3. SRS Cinema, Pristine Mall, Sector 31, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	No Objection Letter For Fire Safety	Asstt. Divisional Fire Officer, Municipal Corporation, Faridabad	MCF/ADFO/15A /2011/10	March 18, 2011	March 17, 2012
2	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishments Act, 1958	Form F, R. No. PSA/REG/FBD/L I-FBD-4-10/0032803	August 2, 2010	March 31, 2012
3	Clearance/ Licence from the Health Officer	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	Endst-2010/674	April 30, 2010	Until cancelled
4	Certificate for supply of approved films (for 3 screens)	Indo vision Media under information to the District Collector, Theatre Branch, Faridabad, Haryana	I.V.M./N.R./2011 -2012	April 1, 2011	March 31, 2012
5	*Public Performance Certificate	Phonographic Performance Limited Copyrights Act, 1957	25/D/30786/4	September 1, 2010	August 31, 2011
6	Permission for differential pricing of tickets	Intimation given to the Deputy Excise & Tax Commissioner, Entertainment Office, Faridabad, Haryana Punjab Entertainment Duty Act, 1955	-	May 21, 2010	Upto further intimation
7	Cinema Licence	District Magistrate The Punjab Entertainments Duty Act, 1955	117/MB-1	February 4, 2011	August 3, 2011 The Company has also applied for further renewal for next one year on July 13, 2011
8	Grant of permission for computerization of tickets	Additional Excise & Taxation Commissioner, Haryana under information to Deputy Excise & taxation	Memo No. 2616/ST3	October 18, 2007	-

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		Commissioner, Faridabad Punjab Entertainment Duty Act, 1955			

*The said licences has been issued in the name of SRS Cinemas.

4. SRS Cinema, 3rd floor, Eldeco station One Mall, Site No. 1, Sector 12, Faridabad, Haryana

Sr. No.	Nature of Registration/ License	Issuing Authority/ Governing Act / Law	Registration License No.	Validity From	Validity Till
1	No Objection Letter For Fire Safety	Asstt. Divisional Fire Officer, Municipal Corporation, Faridabad	MCF/ADFO/15 A/2010/506	November 29, 2010	November 28, 2011
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishments Act, 1958	PSA/REG/FBD/ LI-FBD-4-11/0045589	February 25, 2011	March 31, 2013
3	Clearance/ License from the Health Officer	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	Endst/ N- 2011/ 119	February 1, 2011	Until cancelled.
4	Certificate for supply of approved films (for 3 screens)	Indo vision Media under information to the District Collector, Theatre Branch, Faridabad, Haryana	I.V.M/ N.R./2011-2012	April 1, 2011	March 31, 2012
5	Public Performance Certificate	Phonographic Performance Limited Copyrights Act, 1957	-	-	The Company vide letter dated April 20, 2011 applied for issuance of the said certificate
6	Permission for differential pricing of tickets	Intimation given to the Deputy Excise & Tax Commissioner, Entertainment Office, Faridabad, Haryana Punjab Entertainment Duty Act, 1955	-	February 14, 2011	Untill further intimation
7	Cinema License	District Magistrate The Punjab Entertainments	25110-19/ MB - 1	Janauary 19, 2011	July 18, 2011 Applied for renewal on June

Sr. No.	Nature of Registration/ License	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		Duty Act, 1955			28, 2011
8	Grant of permission for computerization of tickets	Entertainment Tax Officer, Faridabad (East) under information to Deputy Excise & taxation Commissioner, Faridabad Punjab Entertainment Duty Act, 1955	1523/ NRP/ Entt/ FBD (E)	January 21, 2011	-

5. SRS Cinema, Omaxe Plaza Mall, Sector 49, Gurgaon, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishments Act	Form F, R.No. PSA/REG/GGN/ L-I-GGN/-4-11/0029527	July 2, 2010	March 31, 2012
2	Clearance/ Licence from the Health Officer	Civil Surgeon, Gurgaon Prevention of Food Adulteration Act, 1954	PFA/2010/513	October 29, 2010	Until cancelled
3	Certificate for supply of approved films (for two screens)	Indo vision Media under information to the District Magistrate, Theatre Branch, Gurgaon, Haryana	I.V.M./N.R./2011-2012	April 1, 2011	March 31, 2012
4	*Public Performance Certificate	Phonographic Performance Limited Copyrights Act, 1957	25/D/30786/2	September 1, 2010	August 31, 2011
5	Permission for differential pricing of tickets	Intimation given to the Entertainment Tax Office, Gurgaon, Haryana Punjab Entertainment Duty Act, 1955	-	January 22, 2010	Upto further intimation
6	Cinema Licence	Office of the	325/30/LP	November 28,	November 29,

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
	(Provisional)	District Magistrate, Gurgaon		2010	2011
7	Grant of permission for computerization of tickets	Entertainment Tax Dept, Gurgaon, Haryana Punjab Entertainment Duty Act, 1955	Intimation/ application made to the Entertainment Tax Dept, Gurgaon, Haryana for permission for grant of NOC for computerized tickets duly acknowledged on December 1, 2006.		

*The said licences has been issued in the name of SRS Cinemas.

6. SRS Cinemas, Omaxe Wedding Mall, Sector 49, Gurgaon, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishments Act, 1958	Form F, R.No. GGN/10/LI.XI/2009	January 5, 2010	March 31, 2012
2	Clearance/ Licence from the Health Officer	Civil Surgeon, Gurgaon Prevention of Food Adulteration Act, 1954	PFA/2010/513	October 29, 2010	Until cancelled
3	Certificate for supply of approved films (For two screens)	Indo vision Media under information to the District Magistrate, Theatre Branch, Gurgaon, Haryana	I.V.M./N.R./2011-2012	April 1, 2011	March 31, 2012
4	Public Performance Certificate	Phonographic Performance Limited Copyrights Act, 1957	25/D/30785/2	October 26, 2010	October 25, 2011
5	Permission for differential pricing of tickets	Intimation given to the Entertainment Tax Office, Gurgaon, Haryana Punjab Entertainment Duty Act, 1955	-	January 19, 2010	Upto further intimation
6	Cinema Licence (Provisional)	District Magistrate Punjab Cinemas	724-29	November 18, 2009	October 17, 2011

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		(Regulations) Act, 1952			
7	Grant of permission for computerization of tickets	Entertainment Tax Dept, Gurgaon, Haryana Punjab Entertainment Duty Act, 1955	Intimation/ application made to the Entertainment Tax Dept, Gurgaon, Haryana for permission for grant of NOC for computerized tickets.		

7. SRS Cinema, City Mall, Park Road, Civil Lines, Gorakhpur, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	Form L - 2054/08	2008-09	March 31, 2013
2	Clearance/ Licence from the Health Officer	Chief Medical Officer, Gorakhpur Prevention of Food Adulteration Act, 1954	-	June 12, 2008	Until cancelled
3	Certificate for supply of approved films (three screens)	Indo vision Media under information to the District Magistrate, Theatre Branch, Faridabad, Haryana	I.V.M./N.R./2011-2012	April 1, 2011	March 31, 2012
4	*Public Performance Licence	Phonographic Performance Limited Copyrights Act, 1957	25/D/30786/5	September 1, 2010	August 31, 2011
5	Permission for differential pricing of tickets	Intimation given to the District Magistrate, Gorakhpur	-	October 15, 2009	Upto further intimation
6	Cinema Licence	District Magistrate, Gorakhpur Cinematograph Act, 1918	170/M.K/2008-09 – Audi 1 172/M.K/2008-09 – Audi 2 174/M.K./2008-09 – Audi 3	June 14, 2008	March 31, 2014
7	Grant of permission for	District Magistrate,	M.K./2008-09	June 14, 2008	-

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
	computerization of tickets	Gorakhpur			
8	Exemption in Entertainment Tax	District Magistrate, Gorakhpur Uttar Pradesh Entertainments and Betting Tax Act, 1979	219/M.K./2008-09	June 2008	June 2013

*The said licences has been issued in the name of SRS Cinemas.

8. SRS Cinema, Aditya Mall, Indirapuram Ghaziabad, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	1/8532/F	July 8, 2010	March 31, 2015
2	Clearance/ Licence from the Health Officer	Chief Medical Officer, Ghaziabad Prevention of Food Adulteration Act, 1954	-	December 24, 2009	Until cancelled
3	Certificate for supply of approved films (for four screens)	Indo vision Media under information to the District Magistrate, Theatre Branch, Ghaziabad, Uttar Pradesh	I.V.M./N.R./2011-2012	April 1, 2011	March 31, 2012
4	*Public Performance Licence	Phonographic Performance Limited Copyrights Act, 1957	25/D/30784/1	October 18, 2010	October 17, 2011
5	Permission for differential pricing of tickets	Intimation given to the District Magistrate, Ghaziabad	-	March 12, 2010	Upto further intimation
6	Cinema Licence under the Cinematograph Act, 1918	District Magistrate, Ghaziabad	No. 1180 of 2009-10 – Audi 1 No. 1181 of 2009-10 – Audi 2 No. 1182 of 2009-10 – Audi 3	February 5, 2010	March 31, 2012
7	Grant of	District	1188/M.K./2009-	February 4, 2010	-

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
	permission for computerization of tickets (Provisional Licence)	Magistrate, Ghaziabad	2010		
8	Exemption in Entertainment Tax	District Magistrate, Ghaziabad Uttar Pradesh Entertainments and Betting Tax Act, 1979	1184/M.K/2009-10 – Audi 1 1185/M.K/2009-10 – Audi 2 1186/M.K./2009-10 – Audi 3 1187/M. K/2009-10 – Audi 4	February 4, 2010	February 3, 2015
9	Registration of Establishment under the Contract Labour Act	Registering Officer cum Upper Dy. Labour Commissioner, Lohia Nagar, Ghaziabad Contract Labour (Regulation and Abolition) Act, 1970	488/2010	December 18, 2010	Untill Cancelled .

*The said licences has been issued in the name of SRS Cinemas.

9. SRS Cinema, Jaipuria Mall, Indirapuram, Ghaziabad, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Uttar Pradesh Dookan Aur Vanijya Adhishtan Adhiniyam, 1962	1/8533/F	July 8, 2010	March 31, 2015
2	Clearance/ Licence from the Health Officer	Chief Medical Officer, Ghaziabad Prevention of Food Adulteration Act, 1954	-	December 24, 2009	Until cancelled
3	Certificate for supply of approved films (for 3 screens)	Indo vision Media under information to the District Magistrate, Theatre Branch, Ghaziabad, Uttar Pradesh	I.V.M./N.R./2011-2012	April 1, 2011	March 31, 2012

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
4	*Public Performance Licence under the Copyrights Act, 1957	Phonographic Performance Limited Copyrights Act, 1957	25/D/30784/2	October 18, 2010	October 17, 2011
5	Permission for differential pricing of tickets	Intimation given to the District Magistrate, Ghaziabad	-	March 12, 2010	Upto further intimation
6	Cinema Licence	District Magistrate, Ghaziabad Cinematograph Act, 1918	No. 1209 of 2009-10 – Audi 1 No. 1210 of 2009-10 – Audi 2 No. 1211 of 2009-10 – Audi 3	February 12, 2010	March 31, 2012
7	Grant of permission for computerization of tickets (Provisional Licence)	District Magistrate, Ghaziabad	1215/M.K./2009-10	February 11, 2010	-
8	Exemption in Entertainment Tax	District Magistrate, Ghaziabad Uttar Pradesh Entertainments and Betting Tax Act, 1979	1212/M.K./2009-10 – Audi 1 1213/M.K./2009-10 – Audi 2 1214/M.K./2009-10 – Audi 3	February 2010	February 2015
9	Registration of Establishment under the Contract Labour Act	Registering Officer Upper Labour Commissioner, Ghaziabad Contract Labour (Regulation and Abolition) Act, 1970.	489/ 2010	December 18, 2010	Untill Cancelled or modified. .

*The said licences has been issued in the name of SRS Cinemas.

10. SRS Cinema, Shopper's Pride Mall, Shastri Chowk, Bijnor, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	Bij-3821	March 31, 2010	March 31, 2014
2	Clearance/ Licence from the Health Officer	Chief Medical Officer Prevention of Food Adulteration Act, 1954		May 4, 2010	Until cancelled.
3	Certificate for supply of approved films (for two screens)	Indo vision Media under information to the District Magistrate, Theatre Branch, Bijnor, Uttar Pradesh	I.V.M./N.R./2011-2012	April 1, 2011	March 31, 2012
4	Public Performance Licence	Phonographic Performance Limited Copyrights Act, 1957	25/D/30785/3	October 26, 2010	October 25, 2011
5	Permission for differential pricing of tickets	Intimation given to the District Magistrate, Bijnor	-	March 31, 2010	Upto further intimation
6	Cinema Licence under the Cinematograph Act 1952	District Magistrate, Bijnor	24/2009-10 – Audi 1 25/2009-10-Audi 2	March, 2010	March 31, 2011 Applied for renewal on February 8, 2011
7	Grant of permission for computerization of tickets	District Magistrate, Bijnor	688/M.K./2009-10	March 31, 2010	-
8	Exemption in Entertainment Tax	District Magistrate Uttar Pradesh Entertainments and Betting Tax Act, 1979	68/2010-11	Valid for a period of 5 years from the date of first show i.e. March 31, 2010	March 30, 2015

11. Omaxe Celebration Mall, Home Guard Office Site, Patiala, Punjab

S. No.	Nature of Registration/ License	Issuing Authority/ Governing Act / Law	Registration License No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PTA/17-A/1013/2010-11	March 25, 2011	March 31, 2012
2	Clearance/ License from the Health Officer	Chief Medical Officer Prevention of Food Adulteration Act, 1954		November 25, 2010	Until cancelled
3	Certificate for supply of approved films (for 4 screens)	Indo vision Media under information to the District Magistrate, Theatre Branch, Bijnor, Uttar Pradesh	I.V.M/N.R./2011-2	April 1, 2011	March 31, 2012
4	Public Performance License	Phonographic Performance Limited Copyrights Act, 1957	Registration no. CS/03/SR/96; License No. 25/D/30785/1	October 26, 2010	October 25, 2011
5	Permission for differential pricing of tickets	Intimation given to the District Magistrate, Bijnor		Applied for <i>vide</i> letter submitted on September 10, 2010	Until further intimation
6	Cinema License under the Cinematograph Act 1952 and Punjab Cinemas (Regulation) Act, 1952	District Magistrate, Bijnor		September 9, 2010	September 8, 2013
7	Intimation for issue of computerized tickets	Entertainment Tax Officer, Patiala, Punjab	-	September 10, 2010	Until further intimation.
9	No Objection Letter For Fire Safety	Asstt. Divisional Fire Officer, Municipal Corporation, Faridabad	88/ADFO	July 31, 2010	July 30, 2011

*The said licences has been issued in the name of SRS Cinemas.

FOOD & BEVERAGES**1. SRS Banquet, Near SRS Multiplex, City Centre, Sector 12, Faridabad**

S. No.	Nature of Registration/ License	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishments Act, 1958	PSA/REG/FBD/L I-FBD-5- 15/0049539	May 19, 2011	March 31, 2014

2. Punjabi Handi Restaurant, SRS Multiplex, City Center, Ground Floor, Sector 12, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	Form F, R.N. FBD/G- 11/963/20-X- 2009	October 20, 2009	March 31, 2012
2	Licence for Sale of Food Items	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	N.2010/ 1316	October 6, 2010	Until cancelled
3	Retail vend of Foreign Liquor in Restaurant and Bar attached to Restaurant	Addnl. Excise & Taxation Commissioner Punjab Excise Act, 1914	Memo No. 2973/X.III (in L-4/L-5)	April 1, 2011	March 31, 2012
4	Service Tax Code	Service Tax Authority Sec. 69 of the Finance Act, 1994	AAGCS8846RS D003	June 3, 2011	Until Cancelled

3. SRS 7 Dayz Restaurant (Food Court), 1st floor, SRS Multiplex, City Center, Sector 12, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Inspector Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/ LI-FBD-4-11/0008198	March 29, 2010	March 31, 2012
2	Licence for Sale of Food Items	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	Endst 2010/673	April 30, 2010	Until cancelled
3	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer	Memo No. MCF/ADFO/15 A/2011/7	March 18, 2011	March 17, 2012

4. SRS 7 Dayz Restaurant, Pristine Mall, Sector 31, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	Form F, R.N. fbd/L1.10/1344/2 007/12.9.2007	April 1, 2009	March 31, 2012
2	Licence for Sale of Food Items	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	Endst 2010/673	April 30, 2010	Until cancelled
3	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer	Memo No. MCF/ADFO/15 A/2011/10	March 18, 2011	March 17, 2012

5. SRS 7 Dayz Restaurant, Metro Hospital, Sector 16 A, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/ LI-FBD-4-10/0037739	October 19, 2010	March 31, 2012
2	Licence for Sale of Food Items	Civil Surgeon, Faridabad Prevention of Food Adulteration Act, 1954	Endst 2009/1473	December 22, 2009	Until cancelled
3	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer	MCF/ADFO(15 A)/2010/497	November 6, 2010	November 5, 2011

6. SRS 7 Dayz Restaurant, Plot No. 226 & 227, Scheme No. 5, Gandhi Nagar, Jind Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/JND/L 1-JND-1/0048326	April 20, 2011	March 31, 2014
2	Licence for Sale of Food Items	District Medical Officer for Civil Surgeon Prevention of Food Adulteration Act, 1954	-	October 13, 2010	Until cancelled

7. SRS 7 Dayz, Sweet Shop, Prithla, Palwal, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/PWL/ LI-PLW-1/0039233	November 19, 2010	March 31, 2012
2.	Licence for Sale of Food Items	DHO cum LHA, Palwal Prevention of food adulteration Act,	-	August 27, 2009	Until Cancellation

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		1954			
3	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer, Palwal			Applied for <i>vide</i> application dated May 30, 2011

8. SRS 7 Dayz Restaurant, Ansal Plaza, Second Floor, Greater Noida, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	R.N. UP Shop & Commerce Association 35/ 325	September 1, 2008	March 31, 2013
2	Licence for Sale of Food Items	Chief Medical Officer Prevention of Food & Adulteration Act 1954.	-	February 18, 2011	Until cancelled
3	No Objection Letter For Fire Safety	Chief Fire Officer, Meerut	CFO/GBN-2009/1180	October 12, 2010	October 11, 2012

9. SRS 7 Dayz Restaurant, Westend Mall, Wave Cinema, Ram Ganga Vihar Phase 1, Moradabad, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority	Registration Licence No. / Governing Act / Law	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	01/2008-09	April 1, 2008	March 31, 2013 Fresh application for registration applied for under current name.
2	Licence for Sale of Food Items	Chief Medical Officer Prevention of Food & Adulteration Act, 1954	-	2009	Until cancelled
3.	No Objection Letter for Fire Safety	Chief Fire Officer, Moradabad	Ch-2/CFO/MDD-2011	March 14, 2011	March 31, 2012 The NOC is in the name of the mall M/s G.S.R Movies Wave Cinema

10. SRS 7 Dayz Restaurant, TMU Mall, Moradabad, Uttar Pradesh

S. No.	Nature of Registration/ License	Issuing Authority	Registration License No. / Governing Act / Law	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	Application for registration has been filed by the Company on March 30, 2011		
2	Clearance/ License for Sale of Food Items	Chief Medical Officer Prevention of Food & Adulteration Act, 1954	Application for nomination has been filed by the Company on March 25, 2011		
3	No Objection Letter for Fire Safety		Yet to apply		

11. SRS 7 Dayz Restaurant, 2nd Floor. Shoppers Pride Mall, Bijnore, Uttar Pradesh

S. No.	Nature of Registration/ License	Issuing Authority	Registration License No. / Governing Act / Law	Validity From	Validity Till
1.	Registration of Establishment	Labour Inspector Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	Bij 3843	September 20, 2010	March 31, 2015
2.	Clearance/ License for Sale of Food Items	Chief Medical Officer Prevention of Food & Adulteration Act, 1954		May 4, 2010	Untill Cancelled

12. SRS 7 Dayz Restaurant, City Mall, 2nd Floor, Gorakhpur, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	2056/08	June 13, 2008	March 31, 2013

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
2	Licence for Sale of Food Items	Licensing Officer Gorakhpur Prevention of Food Adulteration Act, 1954	GKP/671/2011/N N and GKP/363/2011/N N	April 1, 2011	March 31, 2012
3	No Objection Letter for Fire Safety	Chief Fire Officer, Meerut	ST/ FS-6/Multiplex-Go./2010	June 28, 2011	June 27, 2012 The NOC is in the name of the mall owner M/s Om Multiplex and Builders Private Limited

13. Punjabi Handi, City Mall, Gorakhpur, Uttar Pradesh

S. No.	Nature of Registration/ License	Issuing Authority / Governing Act / Law	Registration License No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	2073/8	November 9, 2008	March 31, 2013
2	Clearance/ License for Sale of Food Items	Licensing Officer, Gorakhpur, Prevention of Food Adulteration Act, 1954	GKP/670/2011/ NN	April 1, 2011	March 31, 2012
3.	No Objection Letter for Fire Safety	Chief Fire Officer, Meerut	ST/ FS-6/Multiplex-Go./2010	June 28, 2011	June 27, 2012 The NOC is in the name of the mall owner M/s Om Multiplex and Builders Private Limited

14. SRS 7 Dayz Restaurant, Westend Mall, 3rd Floor, Ludhiana, Punjab

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	5/7009	April 7, 2008	March 31, 2012
2	Licence for Sale of Food Items	Civil Surgeon, Ludhiana Prevention of Food Adulteration Act, 1954	-	June 12, 2008	Until cancelled Application for nomination made on May 13, 2010.
3	No objection Certificate from the Fire Department	Assistant Divisional Fire Officer	228	August 23, 2007	-

15. SRS 7 Dayz Restaurant, C-21 Mall, A.B. Road, Near Vijay Chowk, Indore, Madhya Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority / Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Madhya Pradesh Shops and Establishment Act, 1958	1297/Ind/Res/10	June 30, 2010	December 31, 2014
2	Licence for Sale of Food Items	Civil Surgeon, Indore Prevention of Food Adulteration Act, 1954	49039/022010/69	February 2, 2010	Until cancelled
3	No objection Certificate from the Fire Department	Additional Police Commissioner, Technical and Fire Services, Police Headquarters, Bhopal	67-B/11	June 6, 2011	March 3, 2013 The NOC is in the name of the mall owner Mr. Gurjeet Singh Chabra

16. Punjabi Haandi, Westend Mall, Ludhiana

Sr. No.	Nature of Registration/ Licence	Issuing Authority / Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	5/7009	February 6, 2009	March 31, 2012
2	Licence for Sale of Food Items under the Prevention of Food Adulteration Act	Civil Surgeon, Prevention of Food Adulteration Act, 1954	-	March 2, 2009	Untill cancelled Fresh application for nomination made on June 3, 2010 in present name
3.	License for the retail vend of foreign liquor	Joint Excise & Taxation Commissioner Punjab Excise Act, 1914	3346/X.III in form L-4 and L-5	April 1, 2010	March 31, 2011 Application has been filed for renewal on January 20, 2011
4.	Service Tax Code	Service Tax Authority Sec. 69 of the Finance Act, 1994	AAGCS8846RS D004	May 10, 2011	Until Cancelled

VALUE BAZAAR**1. SRS Value Bazaar, City Centre, SRS Multiplex, Sector 12, Faridabad, Haryana**

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification under the Standards of Weights & Measures Act	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 2910 Sr. No. 0000088	March 11, 2011	March 1, 2012
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R.N. FBD/L - 11/ 945/ 15/09/09	April 1, 2009	March 31, 2012
3	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Markets Act, 1961	1382/FBD/ board	-	March 31, 2010 Application dated April 7, 2011 made for renewal

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
4	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2011	Until cancelled
5	Whole Sale & Retail Sale of Wine in the Departmental Store	Excise & Taxation Commissioner Punjab Excise Act, 1914	3091/X-II	April 1, 2010	March 31, 2012
6	Registration of Establishment (John Player)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-4-11/0001310	February 24, 2010	March 31, 2012
7	Registration of Establishment (Music World)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R. No. FBD/L9-11/961/20-X-09	October 20, 2009	March 31, 2012
8	Registration of Establishment (Lee)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R. No. FBD/L9-11/960/20-X-09	October 20, 2009	March 31, 2012
9	Registration of Establishment (Numero UNO)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R. No. FBD/L9-11/962/20-X-09	October 20, 2009	March 31, 2012
10	Registration of Establishment (Samsung Electrovision)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R. No. FBD/L9-11/958/20-X-09	October 20, 2009	March 31, 2012
11	Registration of Establishment (SRS Fashion World)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R. No. FBD/L9-11/957/20-X-09	October 20, 2009	March 31, 2012
12	Registration of Establishment (Monte Carlo)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-5-15/0045252	February 22, 2011	March 31, 2013
13	Registration of Establishment (Adidas)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-5-15/0042841	January 19, 2011	March 31, 2013

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
14	Registration of Establishment (Peter England)	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-5-15/0051261	July 1, 2011	March 31, 2014

2. SRS Value Bazaar, Chaabra 555, City Center, SRS Multiplex, Sector – 12, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-4-11/0001378	February 25, 2010	March 31, 2012

3. SRS Value Bazar, Housing Board Colony, Near Bishamber Vatika, Sector 3, Ballabhgarh, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 001360 Sr. No. 72	December 27, 2010	December 1, 2011
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R.N. FBD - 9/ 874/ 10/08/09	April 1, 2009	March 31, 2012
3	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1071/BLB/ board	June 3, 2008	March 31, 2012
4	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2010	Until cancelled

4. SRS Value Bazar, SCF 94, HUDA Market, Sector 17, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Sr. No. 0000039 Book No. 1495	July 6, 2011	July 1, 2012
2	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 2820; Sr. No. 0000015	July 6, 2011	July 1, 2012
3	Registration of Establishment	Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/ L1-FBD-4- 11/0048906	May 2, 2011	March 31, 2014
4	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Markets Act, 1961	1418/FBD/board	December 19, 2008	March 31, 2012
5	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2010	Until cancelled

5. SRS Value Bazar, SCF – 151 & 152, HUDA Market, Sector 9, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 002093 Sr. No. 21	April 21, 2011	April 1, 2012
2	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 000536 Sr. No. 65	July 6, 2011	July 1, 2012
3	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act,	Book No. 000536 Sr. No. 65	July 6, 2011	July 1, 2012

Sr. No.	Nature of Registration/ Licence	Issuing Authority	Registration Licence No.	Validity From	Validity Till
		1985			
4	Registration of Establishment	Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/LI-FBD-5-15/0049163	May 10, 2011	March 31, 2014
5	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1419/FBD/board	December 19, 2008	March 31, 2012
6	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2010	Until cancelled

6. SRS Value Bazar, SCO 50, HUDA Market, Sector 29, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Standard of Weight & Measures Enforcement Act, 1985	Book No. 2908 Sr. No. 0000065	February 7, 2011	February 1, 2012
2	Registration of Establishment	Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/LI -FBD-4-10/0022903	May 21, 2010	March 31, 2013
3	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1422/FBD/ board	December 19, 2008	March 31, 2012
4	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2010	Until Cancelled / Surrendered

7. SRS Value Bazar, Main Bazaar, Near Agrasen Chowk, Ballabhgarh, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 002657 Sr. No. 59	-	May 1, 2012
2	Registration of Establishment	Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R.N. FBD/9/2009/ 778/ 29/01/09	April 1, 2008	March 31, 2012
3	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Markets Act, 1961	1096/FBD/ board	February 3, 2009	March 31, 2012
4	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2010	Until cancelled

8.

8. SRS value Bazaar, SCO 150, HUDA Market, Sec-21 C, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book. No. 2908 Sr. No. 0000068	February 7, 2011	February 1, 2012
2	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 002093 Sr. no. 23	April 21, 2011	April 1, 2012
3	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-1-2/0030551	July 14, 2010	March 31, 2012
4	Licence for sale/ purchase/ storage/	EO Cum Secretary, Market Committee	1381/FBD/ board	January 14, 2008	March 31, 2012

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
	processing of agricultural produce	Punjab Agricultural Produce Markets Act, 1961			
5	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2010	Until cancelled

9. SRS Value Bazar, SCO-1, HUDA Market, Opposite Kanishka Tower, Sector 34, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 2908 Sr. No. 0000064	February 2, 2011	February 1, 2012
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R.N. PSA/REG/FBD/ LI-FDB-4-11/0001377	February 25, 2010	March 31, 2012
3	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1421/FBD/ board	December 19, 2008	March 31, 2012
4	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Endst 2010/672	April 30, 2010	Until cancelled

10. SRS Fashion Wear, Shop No. 28 & 29, G.F., Crown Interior Mall, Sector 35, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-1-1/0007097	March 25, 2010	March 31, 2012
2	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer, Fire Station, Sector – 15A, Municipal Corporation, Faridabad	MCF/ADFO/15A /2010/453	July 21, 2010	July 20, 2011. Applied for renewal on May 30, 2011 The said NOC is in the name of the property owner.

11. SRS Fashion wear, Lower Ground Floor, Delhi-Mathura Road, Crown Plaza Mall, Sector 15 A, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-4-10/0009835	March 31, 2010	March 31, 2012
2	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer, Fire Station, Sector 15A, Municipal Corporation, Faridabad	MCF/ADFO/15A /2010/480	September 21, 2010	September 20, 2011 The said NOC is in the name of the owner.

12. SRS Value Bazar, Bestech Mall, Sushant Lok, Sector 56, Gurgaon, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 002415 Sr. No. 07	April 27, 2011	April 1, 2012
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment	PSA/REG/GGN/ LI-GGN-4-10/0021101	May 13, 2010	March 31, 2013

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		Act, 1958			
3	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1485/GGN/Board	September 13, 2010	March 31, 2012
4	Licence for Sale of Food Items	Civil Surgeon, Gurgaon Prevention of Food Adulteration Act, 1954	PFA/2010/ 512	October 29, 2010	Until cancelled
5	Whole Sale & Retail Sale of Wine in the Departmental Store	Excise & Taxation Commissioner Punjab Excise Act, 1914	Memo No. 3093/X-II	April 1, 2011	March 31, 2012
6	No Objection Letter for fire Safety	Assistant Divisional Fire Officer, Municipal Corporation, Gurgaon	F.S.2011/7346	February 20, 2011	February 19, 2012 The said NOC is in the name of property owner.

13. SRS Value Bazar, Omaxe Plaza, Sohna Road, Sector 49, Gurgaon, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 002415 Sr. No. 06	April 27, 2011	April 1, 2012
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/GGN/ LI-GGN-4-11/0026844	June 11, 2010	March 31, 2012
3	License for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1473/GGN/Board	January 1, 2011	March 31, 2012
4	Licence for Sale of Food Items	Civil Surgeon, Gurgaon	PFA/ 2010/712	October 29, 2010	Until cancelled.

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
		Prevention of Food Adulteration Act, 1954			
5	Whole Sale & Retail Sale of Wine in the Departmental Store	Excise & Taxation Commissioner Punjab Excise Act, 1914	Memo No. 3558/X-III	April 1, 2009	March 31, 2012
6	No Objection Letter For Fire Safety	Commissioner, Municipal Corporation, Gurgaon	FS/MCG/2011/21 06	March 9, 2011	March 8, 2012. The said NOC is in the name of the property owner.

14. SRS Value Bazar, 765/11, Dayal Market, Shivpuri, Sector 7, Gurgaon, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Sr. No. 98 Book No. 002415	April 27, 2011	April 1, 2012
2	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 2996; Sr. No. 0000028	July 6, 2011	July 1, 2012
3	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/GGN/ L1-GGN-3-9/0048881	May 2, 2011	March 31, 2014
4	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 2996; Sr. No. 0000028	July 6, 2011	July 1, 2012
5	Licence for Sale of Food Items	Civil Surgeon, Gurgaon Prevention of Food Adulteration Act, 1954	PFA/ 2010/ 512	October 29, 2010	Until cancelled.

15. SRS Value Bazar, Ground Floor, Shri Ram Complex, C Block, Near Maple Height, Sushant Lok I Gurgaon, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Sr. No. 54	April 28, 2011	April 1, 2012
2	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 2996; Sr. No. 0000029	April 28, 2011	April 1, 2012
3	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	Form F, R.No. GGN/7110/1247	April 1, 2009	March 31, 2012
4	Licence for sale/ purchase/ storage/ processing of agricultural produce	Secretary, Market Committee Punjab agricultural Produce Market Act, 1961	Application dated April 8, 2010 made for licence. The Company refiled the application on April 7, 2011.		
5	Licence for Sale of Food Items	Civil Surgeon, Gurgaon Prevention of Food adulteration Act, 1954	PFA/10/265	February 1, 2010	Until cancelled

16. SRS Value Bazar, SCO 3, Sector 10 A, Gurgaon, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Book No. 002415, Serial No. 05	April 27, 2011	April 1, 2012
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/GGN/ LI-GGN-5-13/0022175	May 19, 2010	March 31, 2013. The said registration is in the name of SRS Value Bazaar.
3	License for sale/ purchase/ storage/ processing of agricultural produce	Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1484/GGN/Board	September 13, 2010	March 31, 2012

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
4	Licence for Sale of Food Items under the Prevention of Food Adulteration Act	Civil Surgeon, Gurgaon	PFA/ 2010/512	October 29, 2010	Until canceled

17. SRS Value Bazaar – Raheja Mall, Sohna Road, Sector 47, Gurgaon

S. No.	Nature of Registration/ License	Issuing Authority/ Governing Act / Law	Registration License No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 001873/ Sr.No. 2	Dcember 20, 2010	December 1, 2011
2	Registration of Establishment	Labour Inspector , Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/GGN/LI -GGN-4- 10/0044992	February 7, 2011	March 31, 2013
3	License for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	1488/GGN/Board	April 1, 2011	March 31, 2012
4	Clearance/ License for Sale of Food Items	Civil Surgeon, Gurgaon Prevention of Food Adulteration Act, 1954	PFA/11/210	February 7, 2011	Until Cancelled
5	Whole Sale & Retail Sale of Wine in the Departmental Store	Excise & Taxation Commissioner Punjab Excise Act, 1914	3298/X-II	April 27, 2011	March 31, 2012
6	No Objection Letter For Fire Safety	Commissioner, Municipal Corporation, Gurgaon	FS/MCG/2011/303 3	January 22, 2011	January 21, 2012. The said NOC is in the name of the property owner.

18. SRS Value Bazar, Bye Pass Road, Near Agra Chowk, Palwal, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Original / Current Date of Issue	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Sr. No. 49 Book No. 2529	July 6, 2011	July 1, 2012
2	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 000536; Sr. No. 64	July 6, 2011	July 1, 2012
3	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/PWL/ LI-PLW-1/0002368	-	March 31, 2012
4	Licence for sale/ purchase/ storage/ processing of agricultural produce	Marketing Committee, Palwal Punjab Agricultural Produce Market Act, 1961	Sr. No. 1113/Pal/Board	May 22, 2007	March 31, 2012
5	Licence for Sale of Food Items	Civil Surgeon, Palwal Prevention of Food adulteration Act, 1954	-	October 6, 2010	Until cancelled

19. SRS Value Bazar, Plot No. 226 & 227, Scheme No. 5, Gandhi Nagar, Jind, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Legal Metrology Standard of Weight & Measures Enforcement Act, 1985	Book No. 002022 Sr. No. 38	April 6, 2011	April 5, 2012
2	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/JND/L I-JND-1/0048327	April 20, 2011	March 31, 2014
3	Licence for sale/ purchase/ storage/ processing of agricultural	EO Cum Secretary, Market Committee Punjab	1899/JND/ board	April 1, 2009	March 31, 2012

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
	produce	Agricultural Produce Markets Act, 1961			
4	Licence for Sale of Food Items	Dist. Medical Officer, For Civil Surgeon Prevention of Food Adulteration Act, 1954	-	October 13, 2010	Until Cancelled

20. SRS Value Bazaar, 437, Sector 12, Vasundhara, Ghaziabad, Uttar Pradesh

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Senior Inspector Standard of Weight & Measures Enforcement Act, 1985	Sr. No. 0883581	March 1, 2011	March 1, 2012
2	Registration of Establishment	Inspector of Shop, Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962	-	2007-2008	March 31, 2012
3	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961	02/357	June 30, 2009	No date specified in the licence Name change application made May 17, 2010
4	License for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	Not Available	February 18, 2011	Until cancelled.

21. SRS Value Bazaar, 1st 60 ft Road, Tejpur, Molarband Extension, Badarpur, New Delhi

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Legal Metrology Standard of Weight & Measures Enforcement Act, 1985	VC20110711130004	July 11, 2011	September 30, 2012
2	Registration of Establishment	Labour Inspector, Delhi Shops and Establishment Act, 1954	2010016894	June 2, 2010	Until cancelled
3	Clearance/ License for Sale of Food Items	Local (Health) Authority, Dept. of Prevention of Food Adulteration, Govt. of Delhi Prevention of Food Adulteration Act, 1954	5/161-44/2008/PFA/No m	November 5, 2008	Until cancelled
4	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee	Application made for licence on April 27, 2010		

22. SRS Value Bazar, D-78, Main Market, Malviya Nagar, New Delhi

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Legal Metrology Standard of Standard of Weight & Measures Enforcement Act, 1985	VC20110629130166	June 29, 2011	June 30, 2012
2	Certificate of Verification	Inspector Legal Metrology Standard of Weight & Measures Enforcement Act, 1985	VC20110629130029	June 29, 2011	June 30, 2012
3	Registration of Establishment	Labour Inspector, Delhi Shops and Establishment Act, 1954	2010016893	June 2, 2010	-

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
4	License for Sale of Food Items	Local (Health) Authority, Dept. of Prevention of Food Adulteration, Govt. of Prevention of Food Adulteration Act, 1954	S/160-32/2008/PFA/No m	August 14, 2008	Until cancelled
5	Licence for sale/ purchase/ storage/ processing of agricultural produce	EO Cum Secretary, Market Committee	Application for licence made on April 27, 2010		

23. SRS Value Bazaar - Celebration Mall, Atrium Ground Floor, Batala Road, Amritsar, Punjab

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector Punjab Shops and Commercial Establishment Act, 1958	ASR/II/10/13/2834	June 21, 2010	March 31, 2012
2	Certificate of Verification	Inspector Legal Metrology Standard of Weight & Measures Enforcement Act, 1985	669840	July 28, 2010	July 27, 2011
3	Licence for Sale of Food Items	Civil Surgeon Prevention of Food Adulteration Act, 1954	2010/237	July 6, 2010	Until cancelled
4.	License for sale/ purchase/ storage/ processing of agricultural produce	Secretary, Market Committee Punjab Agricultural Produce Market Act, 1961			Yet to apply
5	No Objection Letter For Fire Safety	Assistant Divisional Fire Officer, Municipal Corporation, Gurgaon	ADFO 183	August 20, 2010	August 19, 2011 The said NOC is in the name of the property owner.

24. SRS Value Bazaar – Regional Ware House, Krishan Param Dham Mandir Badkhal, Faridabad.

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	2611/FBD/LJ/III/ 2008	March 31, 2009	March 31, 2012
2	Licence for Sale of Food Items	Local (Health) Authority, Dept. of Prevention of Food Adulteration, Govt. of Delhi Prevention of Food Adulteration Act, 1954	Endst No. 2010/672	April 30, 2010	-

25. SRS Value Bazaar – Central Ware House, Krishan Param Dham Mandir Badkhal, Faridabad

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	2611/FBD/27/III/ 2008	March 31, 2009	March 31, 2012
2	Licence for Sale of Food Items	Local (Health) Authority, Dept. of Prevention of food adulteration, Govt. of Delhi Prevention of food adulteration Act, 1954	Endst No. 2010/672	April 30, 2010	Until cancelled

WHOLESALE JEWELLERY**1. SRS Jewells, Chandni Chowk, Delhi**

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	VC20110318150014	March 18, 2011	March 31, 2012
2	Registration of Establishment	Labour Inspector, Delhi Shops and Establishment Act, 1954	2010016897	June 2, 2010	-
3.	BIS Certification Marks	Bureau of Indian Standards Bureau of Indian Standards (Certification) Regulation, 1988	MDDIII-L-3208342	May 18, 2011	May 9, 2014

2. SRS Jewells, Karol Bagh, Delhi

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1.	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	VC20101016180011	October 16, 2010	December 31, 2011
2.	Registration of Establishment	Labour Inspector, Delhi Shops and Establishment Act, 1954	2010016904	June 2, 2010	-
3.	BIS Certification Marks	Bureau of Indian Standards Bureau of Indian Standards (Certification) Regulation, 1988	MDDIII/L-3208241	May 18, 2011	May 9, 2014

3. SRS Jewells, City Centre, SRS Multiplex, Sector 12, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act, 1985	Boook No. 0002093, Sr. No. 24	April 21, 2011	April 1, 2012
2	Registration of Establishment	Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/L I-FBD-5-15/0048614	April 26, 2011	March 31, 2014
3	BIS Certification Marks	Bureau of Indian Standards Bureau of Indian Standards (Certification) Regulation, 1988	CM/L-9676409 (as per IS 1417 : 1999)	July 23, 2008	July 22, 2011 Applied for renewal on June 3, 2011.

4. SRS Jewel Shop, Committee Chowk, Palwal, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1	Certificate of Verification	Inspector Legal Metrology Standard of Weight & Measures Enforcement Act, 1985	Book No. 2999, Sr. No. 0000073	March 29, 2011	March 1, 2012
2	Registration of Establishment	Labour Inspector, Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/PWL/LI-PLW-1/0038406	October 29, 2010	March 31, 2012
3	BIS Certification	Bureau of Indian Standards (Certification) Regulation, 1988	Application for registration made on April 16, 2011.		

5. SRS Jewells, F-140, Main Market, Rajouri Garden, Delhi - 110056

S. No.	Nature of Registration/ License	Issuing Authority/ Governing Act / Law	Registration License No.	Validity From	Validity Till
1.	Registration of Establishment	Labour Inspector, Delhi Shops and Establishment Act, 1954	2011003693	February 1, 2011	-
2.	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	VC 20110427140091	April 27, 2011	June 30, 2012
3.	BIS Certification Marks	Bureau of Indian Standards Bureau of Indian Standards (Certification) Regulation, 1988	Application for license made.		

WHOLESALE GROCERY
SRS Wholesale Grocery, Sector 5, Ballabgarh, Faridabad

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1.	Certificate of Verification	Inspector Standard of Weight & Measures Enforcement Act 1985	Book No. 2795, S.No. 0000088	April 13, 2011	April 1, 2012
2	Registration of Establishment	Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/LI-FBD-3-8/0048084	April 15, 2011	March 31, 2013
3	Licence for Sale of Food Items under the Prevention of Food Adulteration Act	Civil Surgeon, Faridabad	-	May 14, 2010	Until cancelled

OTHER OFFICES**1. 202, New Delhi House, Barakhamba Road, Connaught Place, New Delhi 110001**

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1.	Registration of Establishment	Department of Labour, Government of NCT of Delhi Delhi Shops & Establishment Act, 1954	2010016837	June 1, 2010	-

2. E-18, Nehru Ground, NIT, Faridabad, Haryana

Sr. No.	Nature of Registration/ Licence	Issuing Authority/ Governing Act / Law	Registration Licence No.	Validity From	Validity Till
1.	Registration of Establishment	Punjab Shops and Commercial Establishment Act, 1958	PSA/REG/FBD/ LI-FBD-2-4/0049182	May 10, 2011	March 31, 2014
2.	No Objection Letter for Fire safety		Application made on May 30, 2010.		

Intellectual Property**Registered Trademark:**

Following are the registered trademark of the Company:

Sr. No.	Name of Trademark	Registration No.	Class	Specification of Services in respect of which used	Date of Registration
1	SRS world	*1280617	42	In respect of Shopping Complex and Multiplex	26.04.04
2	SRS CINEMAS	*1298237	41	Providing of entertainment services, including of cinemas	26.07.04
3	SRS WORLD	*1298238	41	Providing of entertainment services	26.07.04
4	SRS Club	^1381038	41	Entertainment Club Services & Educational Club Services	31.08.05
5	SRS VALUE BAZAAR	^1381040	35	Commercial Enterprises including shopping mall	31.08.05
6	SRS	1688741	14	Precious metal and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; chorological and other chronometric instruments.	19.05.08

*denotes that the trademarks are registered in the name of “SRS Commercial Company Limited”. The Company has filed a request for change of its name to SRS Limited in all the above said trademarks before the Registrar of Trademarks on December 15, 2009.

^denotes that the above trademarks are registered in the name of “SRS Entertainment Limited”. The Company has filed a request for change of its name to SRS Limited in all the above said trademarks before the Registrar of Trademarks on May 12, 2010.

The abovestated registration shall be valid for 10 years from the date of their registration and may be renewed thereafter.

Application for Trademark Registration

The Company has applied for certificate of the below mentioned trademarks with Trademarks Registry:

Sr. No.	Name of Trademark	Application No.	Class	Brief specification of Goods/Services in respect of which used	Date of application	Status
1	SRS	*01549192	38 39 41	In respect of telecommunication In respect of Transport, Packaging And Storage Of Goods, Travel Management In respect of Education, Providing Of Training, Entertainment, Sporting and Cultural Activities.	13.04.07	Advertised before acceptance
2	SRS	*01549193	35 42	In respect of Advertising, Business Management, Business Administration, Office Functions. In respect of providing Food and Drink, Restobars, Clubs, Food Joints, etc	13.04.07	Advertised before acceptance
3	SURE SHINE	01672489	3	In respect of Bleaching Preparations And Other Substances For Laundry Use, Cleaning Polishing, Scouring And Abrasive Preparations, Toilet cosmetics, Perfumery, Essential Oils, Hair Lotions Dentifrices.	04.04.08	Objected by TM Registry vide letter dated 03.12.08 and replied by for the same on 15.06.09. Hearing was originally fixed for 28.04.10 and has been adjourned and no fresh date of hearing has been issued as on date.

Sr. No.	Name of Trademark	Application No.	Class	Brief specification of Goods/Services in respect of which used	Date of application	Status
4	S. TOUCH clothing	01672490	25	Clothing, Footwear, Headgear	04.04.08	Objected by TM Registry vide letter dated 27.11.08 and replied by for the same on 15.06.09. Hearing was originally fixed for 28.04.10 and has been adjourned and no fresh date of hearing has been issued as on date.
5	Fashion Wear Lifestyle Section of SRS	01672492	42	Retail Shop, Departmental Store	04.04.08 An application for amendment of class 42 to 35 is filed on 11.02.2010.	Objected by TM Registry vide letter dated 27.11.08 and replied by for the same on 09.02.10. An application for amendment of class 42 to 35 is filed on 11.02.2010 vide Receipt No. 762372. Hearing was originally fixed for 28.04.10 and has been adjourned and no fresh date of hearing has been issued as on date.
6	Daily cious	01672493	30	Tea, coffee. Cocoa, sugar, rice, etc.	04.04.08	Objected by TM Registry vide letter dated 02.12.08. No Reply has been filed. Hearing was originally fixed for 28.04.10 and has been adjourned and no fresh date of

Sr. No.	Name of Trademark	Application No.	Class	Brief specification of Goods/Services in respect of which used	Date of application	Status
						hearing has been issued as on date.
7	Daily Cious	01672494	29	Meat Fish Poultry and game, meat extracts etc.	04.04.08	Objected by TM Registry vide letter dated 27.11.08. No Reply has been filed. Hearing was originally fixed for 28.04.10 and has been adjourned and no fresh date of hearing has been issued as on date
8	SRS Jewels	01688740	14	Precious metal and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; chorological and other chronometric instruments.	19.05.08	Advertised before acceptance
9	SRS	01688742	25	Clothing, Footwear, Headgear	19.05.08	Objected by TM Registry vide letter dated 24.12.08 and replied on 03.11.09. Hearing was originally fixed for 28.04.10 and has been adjourned and no fresh date of hearing has been issued as on date.
10	SRS	01688743	29	Meat, Fish, Poultry and game, meat extracts etc.	19.05.08	Advertised before acceptance
11	SRS 7dayz	01688744	30	Sweets and Namkeens	19.05.08	Objected by TM Registry vide letter dated 24.12.08 and replied on 03.11.09.

Sr. No.	Name of Trademark	Application No.	Class	Brief specification of Goods/Services in respect of which used	Date of application	Status
						Hearing was originally fixed for 15.12.09 and has been adjourned and no fresh date of hearing has been issued as on date.
12	SRS	01688745	30	Coffee, Tea, cocoa, sugar, rice, spices etc.	19.05.08	Objected by TM Registry vide letter dated 24.12.08 and replied on 03.11.09. Awaiting fresh date of hearing from TM Registry. Further, an application for deletion of "rice" from specification of goods is filed on 24.11.2010
13	SRS	01688746	31	Agricultural, Horticultural and forestry products etc.	19.05.08	Objected by TM Registry vide letter dated 24.12.08 and the company was replied on 03.11.09. Hearing was originally fixed for 28.04.10 and has been adjourned and no fresh date of hearing has been issued as on date.
14	SRS	01688747	32	Beers, minerals and aerated water etc	19.05.08	Advertised before acceptance
15	SRS	01688748	35	Advertising, Business Management Business Administration, Office Functions	19.05.08	Advertised before acceptance.
16	SRS	01688749	36	Insurance, Financial Affairs, Monetary Affairs, Real Estate	19.05.08	Objected by TM Registry vide letter dated

Sr. No.	Name of Trademark	Application No.	Class	Brief specification of Goods/Services in respect of which used	Date of application	Status
				Affairs.		24.12.08 and the Company was replied on 03.11.09.
17	SRS	01688750	37	Building construction, repair, installation service	19.05.08	Advertised before acceptance
18	SRS	01688751	38	Telecommunication	19.05.08	Advertised before Acceptance
19	SRS	01688752	39	Transport packaging and storage of goods; travel management	19.05.08	Advertised Before Acceptance
20	SRS	01688753	41	Education: providing of training, entertainment, sporting and cultural activities etc.	19.05.08	Advertised Before Acceptance
21	SRS	01688754	42	Providing of food and drink; temporary accommodation, beauty care, legal services etc.	19.05.08	Advertised Before Acceptance
22	SRS Value Bazaar	01688755	42	Shopping mall, retail store, hyper market, departmental store.	19.05.08	Advertised Before Acceptance
23	SRS 7dayz	01688756	42	Providing of food drink temporary accommodation; restaurant, food court, shopping mall; retail store; health club, gym	19.05.08	Advertised Before Acceptance
24	SRS Dazzle	*01718535	42	Providing of food drink, restaurant, bar temporary accommodation; shopping mall; retail store; health club, gym.	06.08.08	Objected by TM Registry vide letter dated 02.06.09 the Company has replied for the same on 06.02.10
25	KUDDLES	01947057	25	Clothing, Footwear and Headgear	07.04.2010	Advertised before Acceptance. The application is opposed by Tee Cee Hosiery Pvt. Ltd. on 31.01.2011. However, the notice of opposition has not been served on the Company.
26	KUTUPIE	01947059	25	Clothing, Footwear and	07.04.2010	Advertised

Sr. No.	Name of Trademark	Application No.	Class	Brief specification of Goods/Services in respect of which used	Date of application	Status
				Headgear		before Acceptance
27	METRO ART	01947070	25	Clothing, Footwear and Headgear	07.04.2010	Objected by TM registry vide letter dated 16.11.2010. The Company has replied for the same on 15.04.2011.
28	LAVIVA	01947058	25	Clothing, Footwear and Headgear	07.04.2010	Advertised before Acceptance.
29	PUNJABI HAANDI	01947055	43	Providing of food and drink, temporary accommodation, restaurant and bar	07.04.2010	Objected by TM registry vide letter dated 16.11.2010. The Company has replied for the same on 15.04.2011. Class converted from 42 to 43.
30	Punjabi haandi FAMILY RESTAURANT & BAR	01947056	43	Providing of food and drink, temporary accommodation, restaurant and bar	07.04.2010	Objected by TM registry vide letter dated 31.01.2011. The Company has replied for the same on 15.04.2011. Class converted from 42 to 43.
31	SRS	01963861	43, 44	Providing of food and drink, temporary accommodation; shopping mall; hyper market, department store, health club, gym.	12.05.2010	Objected by TM registry vide letter dated 24.11.2010. The Company has replied for the same on 15.04.2011. The class is amended from 42 to 43 & 44.
32	SRS	01963862	41	Entertainment	12.05.2010	Objected by TM registry

Sr. No.	Name of Trademark	Application No.	Class	Brief specification of Goods/Services in respect of which used	Date of application	Status
						vide letter dated 24.11.2010. The Company has replied for the same on 15.04.2011.
33	SRS	01963863	35	Shopping Mall and Retail Shop	12.05.2010	Objected by TM registry vide letter dated 24.11.2010. The Company has replied for the same on 15.04.2011.
34	T-20	01963864	30	Preparations made from Cereals, Bread, Pasty and Confectionery, Cookies, Biscuits, Namkeens	12.05.2010	Objected by TM registry vide letter dated 24.11.2010. The Company has not filed any reply to the objections raised by Registrar and will argue the matter before the Registrar at Hearing.
35	SRS JEWELLS (Device)	01963865	14	Precious metal and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, and precious stones.	12.05.2010	Objected by TM registry vide letter dated 24.11.2010. The Company has replied for the same on May 23, 2011
36	SRS	02057936	05	Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; materials for stopping teeth, dental wax; disinfectants; preparation for destroying vermin; fungicides, herbicides.	24.11.2010	New application, waiting for examination.

*The said applications are still in the name of 'M/s SRS Entertainment Limited', whereas the Company has changed its name to 'M/s SRS Limited' with effect from July 16, 2009. However, the Company has filed applications for change of name with Registrar of Trademark on December 15, 2009.

Further, the Company has filed an application on February 11, 2010 for amendment of application number 01672492 for logo "Fashion Wear Lifestyle Section of SRS" from class 42 to 35.

Further, there are some same / similar trademarks applications of the Company which are already registered in the name of different entities within the SRS Group in same /different classes. The detail of the same are mentioned herein below:

1.

Particulars	Company	Company	SRS Real Estate Ltd.	SRS Real Infrastructure ltd.
Name of Trademark	SRS	SRS	SRS	SRS (Nest)
Application No.	01549192	01549193	01549194	1672491
Classes	38, 39 & 41	35 & 42	36 & 37	42
Date of application	13.04.07	13.04.07	03.04.07	04.04.08
Status	Advertised Before Acceptance	Advertised Before Acceptance	Registered	Registered

The Company has issued a "No Objection Certificate" dated April 02, 2007 in favour of M/S SRS Real Estate Ltd. (Promoter Group Company) for the registration of Trade Mark "SRS (with or without Logo) in relation to Real Estate Affairs, Building Construction, business of builders & developers and other related business activities. However, such certificate is valid only till M/S SRS Real Estate Ltd. remains part of the SRS Group of Companies.

Similarly, the Company has also issued a "No Objection Certificate" dated April 02, 2007 in favour of M/S SRS Real Infrastructure Ltd. for the registration of Trade Mark "SRS" (with or without any prefix or suffix) in relation to Hotel and related activities/businesses. However, such certificate is again valid only till M/S SRS Real Infrastructure Ltd. remains part of the SRS Group of Companies.

2.

Particulars	Company	Three-d-food & Beverages Pvt. Ltd.	Three-d-food & Beverages Pvt. Ltd.
Name of Trademark	SRS DAZZLE	DAZZLE	DAZZLE
Application No.	01718535	01319938	1319939
Classes	42	41	42
Date of application	06.08.08	10.11.04	10.11.04
Status	Pending (Objected)	Registered	Registered

The Company has issued a "No Objection Certificate" dated February 06, 2010 in favour by M/s Three-D-Beverages (P) Ltd. for the registration of Trade Mark "SRS DAZZLE" in class 42 for providing services relating to "providing of food and drink, restaurant, bar, temporary accommodation, shopping mall, retail store, health club, zym.

3.

Particulars	Issuer Company	M/s BTL Portfolio Limited	M/s SRS Seven Dayz Restaurants Limited
Name of Trademark	SRS 7DAYZ (Device)	7DAYZ	7DAYS (Device)
Application No.	01688756	01294109	1346745
Classes	42	42	42
Date of application	19.05.08	05.07.04	23.03.05
Status	Advertised Before Acceptance	Registered	Registered

With respect to the above trademark “SRS 7 DAYS”, the Company has taken assignment of trademark “7DAYZ” having registration no. 01294109 in class 42 from M/s BTLPortfolio Limited.

Further, the Company has also taken assignment of trademark “7DAYZ” having registration no. 01346745 in class 42 from M/s SRS Seven Dayz Restaurants Limited. The Company has also filed an application for registration of both the abovesaid assignments in the name of the Issuer Company before the Registrar of Trademarks as contemplated under the Trade Marks Act, 1999 on 31.05.2010

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors have, pursuant to a resolution passed at its meeting held on March 31, 2010 authorized the Issue, subject to the approval of the shareholders of the Company under Section 81(1A) of the Companies Act.

The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, 1956 at the Extra-ordinary General Meeting of the shareholders held on April 27, 2010.

The Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 16, 2010 and January 14, 2011 respectively. BSE is the Designated Stock Exchange.

Prohibition by RBI

The Company, its Promoters, its Promoter Group Companies, its Directors and its Subsidiary Company have not been declared as willful defaulters by the RBI or any Government Authority. Further, there has been no violation of securities laws committed by any of them in the past and no such proceedings are currently pending against any of them except as stated below.

Prohibition by SEBI

Except as stated below, the Company, its Directors, its Promoters, its Promoter Group, the natural persons behind the Promoter Corporate and person in control of promoters have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

One of the Promoter Group Companies, namely SRS Real Infrastructure Limited (earlier known as Manu Finlease Limited) came with an IPO in the year 1995. After the public issue, Securities and Exchange Board of India (SEBI), on the grounds of alleged malpractices in the public issue ordered investigations to be conducted to ascertain the truth of allegations. The Chairman of SEBI passed an order dated November 29, 2002, whereby M/s. Manu Finlease Limited, Mr. Anil Kumar Jindal, Mr. J.K. Garg, Mr. P.K. Kapoor and Mrs. Ritu Garg were debarred from accessing and being associated with the capital market for a period of 5 years (i.e., upto November 28, 2007). In this regard, an appeal was filed against the said order before the Securities Appellate Tribunal (SAT) in 2003. The appeal was dismissed by the SAT vide order dated October 27, 2003. Further, an appeal was filed before the Supreme Court. The Supreme Court vide its order dated April 18, 2006 reduced the period of debarment by approximately one year and one month (i.e. upto October 31, 2006). The relevant extracts of the said Supreme Court order are as follows:

“Without expressing any view regarding the merits of the respective contentions of the respective parties as to the correctness of the order and leaving the questions of law open, the Court directs that in the facts and circumstances of this case M/s. Manu Finlease Limited, Anil Kumar Jindal, J.K. Garg and P.K. Kapoor and Ritu Garg will not access or be associated with the capital market upto 31st October, 2006. The civil appeals are disposed of accordingly. No order as to costs.”

Presently, none of the Promoters or the Promoter group entities is debarred from accessing and being associated with the capital markets. For further details please refer “Other Regulatory & Statutory Disclosures” on page 411 of this Red Herring Prospects.

Bansla Finlease Limited (later known as S.B.S Finance limited) merged with SRS Finance Limited, a group company of the issuer had received SEBI acknowledgement card no. 5/1116/96/NRO/2351 dated June 29, 1996 in respect of its proposed public issue. However, SEBI subsequently withdrew the said acknowledgement card stating that the Draft Prospectus filed by Bansla Finlease Limited did not clearly bring out the irregularities in the public issue of Manu Finlease Limited (now SRS Real Infrastructure Limited), a group company. Bansla Finlease Limited did not proceed with the public issue subsequent to filing of Draft Prospectus with the Registrar of Companies, NCT of Delhi & Haryana.

Eligibility for the Issue

The Company is eligible for the Issue in accordance with Clause (1) of Regulation 26 of the ICDR Regulations, 2009. The conditions prescribed under clause (1) of Regulation 26 of the ICDR Regulations are as follows:

- The Company has net tangible assets of at least three crore rupees in each of the preceding three full years (of twelve months each), of which not more than fifty percent are held in monetary assets;
- The Company has a track record of distributable profits in terms of section 205 of the Companies Act, 1956, for at least three out of immediately preceding five years;
- The Company has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each);
- The aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size does not exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;
- The company has changed its name once within the last one year and at least fifty per cent of its revenue for the preceding one full year has been earned by it from the activity indicated by the new name.

Further, in accordance with sub-regulation (4) of Regulation 26 of the ICDR Regulations, the Company shall ensure that the number of prospective allottees i.e., persons to whom the Equity Shares will be allotted in the Issue shall not be less than 1,000, failing which, the entire application monies will be refunded forthwith.

If such refund money is not repaid within eight (8) days after the Company becomes liable to repay it (i.e., from the date of refusal or within 10 Working Days from the Bid Closing Date, whichever is earlier), the Company and every officer in default will, on and from the expiry of eight (8) days, be liable to repay such application money with interest at the rate of 15% per annum, as prescribed under Section 73 of the Companies Act.

The net tangible assets, distributable profits, and pre-issue net worth in terms of section 205 of the Companies Act, of the Company for the last five (5) completed years are as under:

(Rs. in million)

Particulars	As at March 31,				
	2011	2010	2009	2008	2007
Net Tangible assets(Notes-1)	3,254.15	2,866.82	2,213.98	1,455.86	783.66
Monetary Assets(Notes-2)	78.30	121.15	22.04	101.19	87.94
% of Monetary Assets to the Net Tangible Assets	2.41	4.23	1.00	6.95	11.22
Distributable Profits(Notes-3)	1,002.39	628.51	366.94	311.03	206.28
Net Worth(Notes-4)	3,130.53	2,767.36	2,142.74	1,396.62	746.89

Notes:

- The above data has been certified by **M/s. S.S. Kothari Mehta & Co**, vide its certificate dated May 25, 2011 that the Company is fulfilling the criteria of eligibility norms for Public Issue by unlisted company in accordance with sub-regulation (1) of Regulation 26 of ICDR Regulations and amendments thereof.
- Net tangible assets defined as sum of fixed assets (including capital work-in progress), Investment (including investment in subsidiary), Current Assets (excluding deferred tax asset) less current liabilities (excluding deferred tax liabilities), less secured loans and unsecured loans.

- Monetary Assets comprises of Cash and Bank Balance (excluding deposits pledged with bank & sales tax authorities).
- Distributable Profits have been defined in terms of section 205 of the Companies Act.
- Net Worth is defined as the aggregate of paid-up share capital, security premium account and reserve & surplus (excluding revaluation reserve) as reduced by the miscellaneous expenditure (to the extent not adjusted or written off) and debit balance of profit and loss account.

For complete explanation of the figures in the above table, see “*Financial Information*” on page 198 of this Red Herring Prospectus.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING KARVY INVESTOR SERVICES LIMITED, IDBI CAPITAL MARKET SERVICES LIMITED AND SPA MERCHANT BANKERS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING KARVY INVESTOR SERVICES LIMITED, IDBI CAPITAL MARKET SERVICES LIMITED AND SPA MERCHANT BANKERS LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE JULY 9, 2010 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKERS TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - a. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - b. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

- c. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE - NOT APPLICABLE.
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE

RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - a. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - b. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies, NCT of Delhi and Haryana, in terms of Section 56, Section 60 and Section 60(B) of the Companies Act.

Disclaimer from the Company, its Directors and the BRLMs

The Company, its Directors and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the Company and anyone placing reliance on any other source of information, including the website of the Company, www.srsparivar.com, would be doing so at his or her own risk.

Caution

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLMs and the Company; and the Underwriting Agreement to be entered into between the Underwriters and the Company.

The Company and the BRLMs shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers, etc. Neither the Company nor any member of the syndicate would be liable to bidders for any failure in downloading the Bids due to fault in any software / hardware system or otherwise.

Investors who bid in the Issue will be required to confirm and will be deemed to have represented to the Company and the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company and will not offer, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. The Company and the BRLMs and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

The BRLMs & their respective associates and affiliates may engage in transactions with & perform services for, the Company and associates of the Company in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India) who are majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission) or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 4A of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million, pension funds with minimum corpus of Rs. 250 million and the National Investment Fund.

This Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court in Faridabad, Haryana.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with RoC for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Transfer Restrictions

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer clause of the BSE

As required, a copy of Draft Red Herring Prospectus has been submitted to the BSE. “Bombay Stock Exchange Limited has given vide its letter dated September 16, 2010 permission to this Company to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- e. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- f. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- g. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.”

Disclaimer clause of the NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as 'NSE'). NSE has given vide its letter ref. NSE/LIST/156178-H dated January 14, 2011 permission to the issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquires any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

A copy of this Red Herring Prospectus has been filed with the Corporation Finance Department of SEBI at, SEBI Bhavan, Plot No.C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051. A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, would be delivered to the RoC at the Office of the Registrar of Companies, NCT of Delhi & Haryana, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019. The final prospectus will be filed with the Corporation Finance Department of SEBI and the RoC at their respective addresses upon the closure of this Issue and on finalization of the Issue Price.

Listing

The Equity Shares issued through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Applications have been made to the Stock Exchanges for permission to deal in, and for an official quotation of the Equity Shares

Bombay Stock Exchange will be the Designated Stock Exchange with which the basis of allotment will be finalized for the QIBs, Non-Institutional portion and Retail portion.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, the Company will forthwith repay, without interest, all moneys received from the Bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within eight days after the Company becomes liable to repay it, then the Company and every Director of the Company who is an officer in default shall, on and from such expiry of eight days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum on Bid Amount, as prescribed under Section 73 of the Companies Act.

The Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 12 Working Days of the Bid/ Issue Closing Date.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

- a. makes in a fictitious name, a Bid to a Company for acquiring or subscribing for, any shares therein, or***
- b. otherwise induces a Company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,***

shall be punishable with imprisonment for a term which may extend to five years.”

Consents

Consents in writing of: the Directors of the Company; the Deputy Company Secretary and Compliance Officer of the Company; Company Secretary of the Company, the Auditors to the Company; Bankers to the Company; Escrow Collection Bank(s); Refund Bank(s); Syndicate Member(s); IPO Grading Agency; BRLMs; Registrar and Legal advisors to this Issue, to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 60 and 60B of the Companies Act and such consents have not be withdrawn up to the time of filing of this Red Herring Prospectus with RoC.

In accordance with the Companies Act and ICDR Regulations, S.S. Kothari Mehta & Co., the statutory Auditors of the Company, have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report has not be withdrawn up to the time of filing of this Red Herring Prospectus with RoC.

S.S. Kothari Mehta & Co., statutory Auditors of the Company, have given their written consent to the report on possible tax benefits accruing to the Company and its members in the form and context in which it appears in this Red Herring Prospectus and has not withdrawn such consent and report up to the time of filing of this Red Herring Prospectus with RoC.

ICRA Limited, a SEBI registered credit rating agency engaged by the Company for the purpose of obtaining IPO grading in respect of this Issue, have given their written consent as experts to the inclusion of their report in the form and context in which they will appear in the Red Herring Prospectus and such consents and reports will not be withdrawn up to the time of filing of the Red Herring Prospectus and the Prospectus with RoC and Designated Stock Exchange.

Expert Opinion

Except for the report provided of ICRA Limited in respect of the IPO Grading of this issue (a copy of which report will be annexed with the Red Herring Prospectus), furnishing the rationale for its grading which will be provided to the Designated Stock Exchange and except for the reports of the Auditors of the Company, S. S. Kothari Mehta & Co. (the Statutory Auditor) in respect of the information contained in **“Financial Information”** and **“Statement of Tax Benefits”** on page 198 and 56, respectively of this Red Herring Prospectus, the Company has not obtained any other expert opinions.

Undertakings from the Promoters and Directors

The Company accepts full responsibility for the accuracy of the information given in this Red Herring Prospectus and confirms that to the best of its knowledge and belief, there are no other facts, their omission of which make any statement in this Red Herring Prospectus misleading and the Promoters / Directors of the Company further confirm that they have made all reasonable inquiries to ascertain such facts. The Company further declares that the Stock Exchanges to which an application for official quotation is proposed to be made does not take any responsibility for the financial soundness of the Issue or for the price at which the Equity Shares are offered or for the correctness of the statement made or opinions expressed in this Red Herring Prospectus. The Promoters / Directors of the Company declare and confirm that no information / material likely to have a bearing on the decision of investors in respect of the Equity Shares offered in terms of this Red Herring Prospectus has been suppressed, withheld and / or incorporated in the manner that would amount to misstatement, misrepresentation and in the event of its transpiring at any point of time till allotment / refund, as the case may be, that any information / material has been suppressed / withheld and / or amounts to a misstatement / misrepresentation, the Promoters / Directors of the Company undertake to refund the entire application monies to all the subscribers within eight (8) days thereafter without prejudice to the provisions of Section 63 of the Companies Act.

Expenses of the Issue

The Issue related expenses includes, lead management fees, underwriting fees, selling and marketing commission, issue material printing and distribution expenses, etc. The total expenses of the Issue are estimated to be approximately Rs. ₹ million. The break -up of the estimated expenses of the Issue is as follows:

Activity	Expenses*	As a % of Total Issue Expenses	As a % of Total Issue Size
Issue Management Fees, Underwriting & Selling Commission	[●]	[●]	[●]
Advertisement & Marketing Expenses	[●]	[●]	[●]
Printing Stationery & Distribution Expenses	[●]	[●]	[●]
Registrars Fee	[●]	[●]	[●]
Others (including Legal Advisors Fee, Auditors Fee, , IPO Grading Fee, Regulatory Fees including filing fees paid to SEBI and Stock Exchanges)	[●]	[●]	[●]
Total Estimated Issue Expenses	[●]	[●]	[●]

* - will be incorporated at the time of filing of the Prospectus.

All expenses with respect to this Issue will be borne by the Company.

Details of Fees Payable

Fees Payable to the Book Running Lead Managers

The fees payable to the Book Running Lead Managers will be as per the respective Engagement Letters issued to them by the Company and the Agreement dated July 9, 2010 executed between the Company and the BRLMs, copy of which are available for inspection at the Registered Office of the Company.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement dated April 27, 2010, executed between the Company and the Registrar to the Issue, a copy of which is available for inspection at the Registered Office of the Company from 10:00 am to 05:00 pm on Working Days, from the date of this Red Herring Prospectus until the Bid Closing Date.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor, IPO Grading Agency, Advertising Agency, etc., will be as per the terms of their respective engagement letters.

Underwriting Commission, Brokerage and Selling Commission

The underwriting commission and selling commission for this Issue is as set out in the Syndicate Agreement to be entered into between the Company, the Syndicate Members and the BRLMs. The underwriting commission shall be paid as set out in the Underwriting Agreement, to be entered into based on the Issue Price and amount underwritten in the manner mentioned in the Prospectus. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

IPO Grading

This Issue has been graded by ICRA Limited and has been assigned a ICRA IPO Grade “3” indicating average fundamentals, through its letter dated May 3, 2011, which is valid for a period of six months. The IPO grading is assigned on a five point scale from 1 to 5 wherein an “IPO Grade 5” indicates strong fundamentals and an “IPO Grade 1” indicates poor fundamentals. A copy of the report provided by ICRA Limited, furnishing the rationale for its grading will be annexed to the Red Herring Prospectus and will be made available for inspection at the Registered Office of the Company from 10:00 am to 05:00 pm on Working Days, from the date of the Red Herring Prospectus until the Bid / Issue Closing Date.

Previous Public or Rights Issues during the Last Five Years

The Company has not made any previous public and / or rights issues during the last five years and is an “Unlisted Issuer” in terms of the ICDR Regulations and this Issue is an “Initial Public Offering” in terms of the ICDR Regulations.

Previous issues of Equity Shares otherwise than for Cash

Save and except as stated in the section “**Capital Structure**” on page 21 of this Red Herring Prospectus the Company has not issued any Equity Shares for consideration otherwise than cash.

Commission and Brokerage on Previous Public Issues

There has been no public issue of the Equity Shares by the Company, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

Listed Companies under the Same Management

The Group Companies of the Company viz., SRS Finance Limited is listed on Delhi Stock Exchange Limited, Jaipur Stock Exchange Limited and Ahmedabad Stock Exchange Limited and SRS Real Infrastructure Limited is listed on Bombay Stock Exchange Limited, Delhi Stock Exchange Limited, Jaipur Stock Exchange Limited and Ahmedabad Stock Exchange Limited. There are no listed companies under the same management as of the Company within the meaning of Section 370(B) of the Companies Act, 1956 which

have made any capital issues in the last three years (including SRS Finance Limited and SRS Real Infrastructure Limited).

Promise versus Performance for the Company

The Company is an “Unlisted Issuer” in terms of the ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the ICDR Regulations. Therefore, data regarding promise versus performance is not applicable.

Promise versus Performance – Previous Issue of Group Companies

Neither the Company nor any Promoter Group companies and Subsidiary Company have made any previous rights or public issues during the last 10 years preceding the date of filing of this Red Herring Prospectus.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by the Company

As on the date of filing this Red Herring Prospectus with RoC, the Company has no outstanding debentures, bonds or redeemable preference shares.

Option to Subscribe

Equity Shares being offered through this Red Herring Prospectus can be applied for in dematerialized form only.

Stock Market Data for the Equity Shares of the Company

The Company is an “Unlisted Issuer” in terms of the ICDR Regulations, and this Issue is an “Initial Public Offering” in terms of the ICDR Regulations. Thus, there is no stock market data available for the Equity Shares of the Company.

Mechanism for Redressal of Investor Grievances

The Agreement between the Registrar and the Company provides for retention of records with the Registrar for a period of at least one year from the date of closing of this Issue.

All grievances relating to this Issue may be addressed to the Registrar to the Issue, giving full details including name, address of the applicant, application number, number of shares applied for, amount paid on application, depository participant, demat account number and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the registrar with a copy to relevant SCSB, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the ASBA Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by the Company

The Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances. The Company estimates that the average time required by it or the Registrar to this Issue for the redressal of routine investor grievances will be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, it will seek to redress these complaints as expeditiously as possible.

The Company has constituted the Investors’ Service Committee, Share Allotment and Share Transfer Committee of the Board *vide* resolution passed at the Board Meeting held on February 15, 2010. The composition of the Investors’ Service Committee, Share Allotment and Share Transfer Committee is as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Praveen Kumar Kapoor	Chairman	Non Executive Director
Mr. Jitender Kumar	Member	Non Executive Director
Mr. Raju Bansal	Member	Whole-time Director

For further details, see “**Management**” on page 133 of the Red Herring Prospectus.

The Company has appointed Ms. Mamta Rastogi as the Deputy Company Secretary and Compliance Officer and she may be contacted at the following address:

Ms. Mamta Rastogi

SRS Limited

“SRS Multiplex”,

Top Floor, City Centre,

Sector-12, Faridabad,

Haryana -121007, India.

Phone No.: +91 129 428 2811 / 12

Fax No.: +91 129 428 2809-10

Email: ipo@srsparivar.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

Investor Complaints in Listed Group Companies

As on the date of filing of this Red Herring Prospectus with RoC, SRS Finance Limited (listed on Delhi Stock Exchange, Jaipur Stock Exchange and Ahmedabad Stock Exchange) and SRS Real Infrastructure Limited (listed on Bombay Stock Exchange, Delhi Stock Exchange, Jaipur Stock Exchange and Ahmedabad Stock Exchange) do not have any pending complaints.

Changes in Auditors during the last three financial years and the reasons thereof

There has been no change in the Statutory Auditors of the Company during the last three financial years.

Capitalization of Reserves or Profits

Save and except as stated in the “**Capital Structure**” on page 21 of this Red Herring Prospectus, the Company has not capitalized the reserves or profits in the last five years.

Revaluation of Assets

The Company has not revalued its assets in the last five years.

SECTION VII - ISSUE RELATED INFORMATION

ISSUE STRUCTURE

Issue of 35,000,000 Equity Shares of face value of Rs. 10/- each, for cash at a price of Rs. [●]/ - per Equity Share (including a share premium of Rs. [●]/ - per Equity Share) aggregating to Rs. [●] Million. The Issue will constitute 25.13% of the post-Issue paid up capital of the Company. The Issue is being made through the 100% Book Building Process.

Particulars	QIBs [#]	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation*	Not more than 17,500,000 Equity Shares	Not less than 5,250,000 Equity Shares or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 12,250,000 Equity Shares or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Issue size available for Allotment/ Allocation	Not more than 50% of the Issue However, 5% of the QIB Portion, excluding the Anchor Investor Portion, shall be available for allocation proportionately to Mutual Funds only. Mutual funds participating in the 5% reservation in the QIB portion will also be eligible for allocation in the remaining QIB portion. The unsubscribed portion in the Mutual Fund portion will be available to QIB Bidders.	Not less than 15% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than to 35% of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders.
Basis of Allotment/ Allocation if respective category is oversubscribed	Proportionate as follows: (a) 612,500 Equity Shares constituting 5% of the QIB portion, excluding the Anchor Investor Portion, shall be allocated on a proportionate basis to Mutual Funds; and (b) 11,637,500 Equity Shares shall be allocated on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds Rs.	Such number of Equity Shares that the Bid Amount exceeds Rs.	[●] Equity Shares and in multiples of [●] [Equity shares

Particulars	QIBs [#]	Non-Institutional Bidders	Retail Individual Bidders
	200,000 and in multiples of [●] Equity Shares.	200,000 and in multiples of [●] Equity Shares.	thereafter.
Maximum Bid	Such number of Equity Shares not exceeding the Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Issue subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 200,000.
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Bid/ Allotment lot	[●] Equity Shares and in multiples on [●] Equity Shares thereafter	[●] Equity Shares and in multiples on [●] Equity Shares thereafter	[●] Equity Shares and in multiples on [●] Equity Shares thereafter
Trading Lot/ Market Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply**	(i) a mutual fund, venture capital fund; (ii) a public financial institution as defined in section 4A of the Companies Act, 1956; (iii) a scheduled commercial bank; (vi) a state industrial development corporation; (vii) an insurance company registered with the Insurance Regulatory and Development Authority; (viii) a provident fund with minimum corpus of two hundred and fifty million rupees; (ix) a pension fund with minimum corpus of two hundred and fifty million rupees; (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; (xi) Insurance funds set up and managed by army, navy or air force of the Union of India; (xii) Insurance fund set	Resident Indian individuals, HUF (in the name of Karta), companies, bodies corporate, Scientific Institutions Societies and Trusts	Resident Indian individuals, including HUF (in the name of Karta), such that the Bid Amount per individual bidder does not exceed Rs. 200,000 in value.

Particulars	QIBs [#]	Non-Institutional Bidders	Retail Individual Bidders
	up and managed by the Department of Posts		
Terms of Payment	The entire Bid Amount on bidding, to be blocked by the SCSBs pursuant to Bid being submitted by ASBA Bidder	The entire Bid Amount on bidding, to be blocked by the SCSBs pursuant to Bid being submitted by ASBA Bidder	The entire Bid Amount shall be payable at the time of submission of the Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSBs shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.
Margin Amount	Full Bid Amount on bidding	Full Bid Amount on bidding	Full Bid Amount on bidding

#The QIB portion includes Anchor Investor Portion, as per the ICDR Regulations. Anchor Investor Margin Amount shall be payable at the time of submission of the application form by the Anchor Investor.

* Subject to valid Bids being received at or above the Issue Price. The Issue is being made through a 100% Book Building Process wherein upto 50% of the Issue shall be allotted on a proportionate basis to QIBs. Provided that the Company may allocate 30% of the QIB portion to the Anchor investors on a discretionary basis, out of which atleast one third will be available for allocation to domestic mutual funds only. 5% of the Issue in the QIB Portion (excluding anchor investor portion) shall be available for allocation on a proportionate basis to Mutual Funds. The remainder shall be available for allotment on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. If the aggregate demand from Mutual Funds is less than 612,500 Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and be allocated proportionately to the QIB Bidders in proportion to their Bids.

Under-subscription, if any, in any category would be met with spill-over from other categories in the sole discretion of the Company, in consultation with the BRLMs and the Designated Stock Exchange. Please see the section titled "Issue Procedure" beginning on page 431 of this Red Herring Prospectus.

** In case the Bid cum Application Form or the Application Supported by Blocked Amount is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form or the Application Supported by Blocked Amount.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue anytime after the Bid / Issue Opening Date but before the Allotment of Equity Shares. In such an event, a public notice would be issued in the newspapers, in which the pre-Issue advertisements were published, within two working days of the Bid / Issue Closing Date, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the day of receipt of such notification. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which the Company shall apply for only after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

In the event the Company in consultation with the BRLMs, withdraws the Issue after the Bid / Issue Closing Date, a fresh offer document will be filed with SEBI in the event the Company subsequently decides to proceed with the initial public offering.

Letters of Allotment, Refund Orders or Instructions to SCSBs

The Company shall credit the Equity Shares to the valid beneficiary account with its Depository Participants within two Working Days from the date of the Allotment to all successful Allottees including ASBA Bidders which in any event shall not exceed 10 Working Days of the Bid/Issue Closing Date. Please note that only Bidders having a bank account at any of the centres where the clearing houses for the ECS as notified by the RBI are eligible to receive refunds or payment through ECS. For all other Bidders, including Bidders having bank accounts in the centers specified by Reserve Bank of India, who have not updated their bank particulars along with the nine-digit MICR code, the refund orders shall be dispatched within 10 Working Days of the Bid / Issue Closing Date through registered post. In case of ASBA Bidders, the Registrar to the Issue shall instruct the SCSBs to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within eight Working Days of the Bid/Issue Closing Date, which shall be completed within one Working Day after the receipt of such instructions from the Registrar to the Issue.

Interest in Case of Delay in Dispatch of Allotment Letters / Refund Orders or Instructions to SCSBs

In accordance with the Companies Act, the requirements of the Stock Exchanges and ICDR Regulations, the Company undertakes that:

- Allotment shall be made only in dematerialised form within 10 Working Days from the Bid / Issue Closing Date;
- Dispatch of refund orders, except for Bidders who can receive refunds through Direct Credit, NEFT, RTGS or ECS, shall be done within 10 Working Days from the Bid / Issue Closing Date;
- Instructions to SCSBs to unblock the funds in the relevant ASBA Account for withdrawn rejected or unsuccessful Bids shall be made within eight Working Days of the Bid / Issue Closing Date, which shall be completed within one working day after the receipt of instructions from the Registrar of the Issue.
- It shall pay interest at 15% p.a. if the allotment letters / refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT, RTGS or ECS, the refund instructions have not been given to the clearing system in the disclosed manner within 10 working days from the Bid / Issue Closing Date.
- In case listing permission is not granted to the Company, the Company shall repay the money within eight days from the date of refusal by the Stock Exchange(s). If such money is not repaid within eight days from the day the Company becomes liable to repay it, the Company and every officer in default shall, on and from expiry of eight days, be liable to repay the money with interest at the rate of 15% as prescribed under Section 73 of the Companies Act, 1956.

The Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue. Refunds will be made by cheques, pay orders or demand drafts drawn on any one or more of the Escrow Collection Banks / Refund Banker(s) and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

In case of ASBA Bidders, the SCSBs will unblock funds in the ASBA Account to the extent of the refund to be made based on instructions received from the Registrar to the Issue.

Bid / Issue Program

BID / ISSUE OPENS ON	August 23, 2011
BID / ISSUE CLOSES ON	August 26, 2011

The Company may consider participation by Anchor Investors. The Anchor Investor Bid / Issue Period shall be one day prior to the Bid / Issue Opening Date.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 am and 05.00 pm (Indian Standard Time) during the Bid / Issue Period as mentioned above at the bidding centers mentioned in the Bid cum Application Form, or in case of Bids submitted on the Bid / Issue Closing Date, Bids shall be accepted only between 10.00 am and 3.00 pm (Indian Standard Time) and uploaded until (i) 4.00 pm (Indian Standard Time) in case of Bids by QIB Bidders and Non-Institutional Bidders; and (ii) until 5.00 pm (Indian Standard Time) in case of Bids by Retail Individual Bidders, which may be extended for Retail Individual Bidders up to such time as deemed fit by the Stock Exchanges. Due to limitation of time available for uploading the Bids on the Bid Closing Date, the Bidders, except Anchor Investors, are advised to submit their Bids one day prior to the Bid / Issue Closing Date and, in any case, no later than 3.00 pm (Indian Standard Time) on the Bid / Issue Closing Date. Bidders other than Anchor Investors are cautioned that in the event a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in IPOs, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded shall not be considered for allocation in the Issue. If such Bids are not uploaded, the Company, the BRLMs and the Syndicate Members shall not be responsible. Bids will be accepted only on Working Days, i.e. Monday to Friday (excluding any bank holidays).

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per the bid file received from the Stock Exchanges may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid / Issue Period in accordance with the ICDR Regulations. The Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of Equity Shares. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price as disclosed at least two working days prior to the Bid / Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid / Issue Period will be extended for three additional Working Days after revision of the Price Band subject to the total Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLMs, and at the terminals of the members of the Syndicate.

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, ICDR Regulations, 2009, the Memorandum and Articles of Association of the Company, the terms of this Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the allotment advice, and other documents / certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, Stock Exchanges, Registrar of Companies, Reserve Bank of India, FIPB and / or other authorities, as in force on the date of this Issue and to the extent applicable.

Authority for the Issue

See “**Other Regulatory and Statutory Disclosures**” on Page 411 of this Red Herring Prospectus.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the other existing Equity Shares of the Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of allotment. For further details, see “**Main Provisions of the Articles of Association**” on page 459 of this Red Herring Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of the Companies Act.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10/- each. The price band is Rs. [●] to Rs. [●] and the Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Issue Price of Rs. [●] is [●] times the face value. The Anchor Investor Issue Price is Rs. [●] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares

Compliance with ICDR Regulations, 2009

The Company shall comply with all disclosure and accounting norms as specified by ICDR Regulations 2009, as amended from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, regulations, rules and guidelines and the Memorandum and Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a show of hands in person or a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and / or be allotted bonus shares, if announced and / or any other similar offers;
- Right to receive surplus, if any, on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement executed with the Stock Exchanges, and the Company’s Memorandum and Articles of Association.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien, cessation, transfer and transmission and/or consolidation / splitting, see section titled **“Main Provisions of the Articles of Association”** on page 459 of this Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares of the Company shall be allotted only in dematerialized form. In terms of existing ICDR Regulations, 2009, the trading of the Equity Shares of the Company shall only be in dematerialized form for all investors. Since trading of the Equity Shares of the Company is in dematerialized form, the tradable lot is one Equity Share. Allocation and allotment of Equity Shares to the successful Bidders subject to minimum Allotment of Equity Shares. For details of Allocation and Allotment, see **“Issue Procedure - Basis of Allotment”** on page 431 of this Red Herring Prospectus.

The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLMs, and advertised newspapers in English and Hindi (also being a regional language) at least two working days prior to the Bid / Issue Opening Date.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts in Faridabad, Haryana.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint-tenants with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidder(s), may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidder(s), death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder, shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share. Where the nominee is a minor, the holder may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale / transfer / alienation of Equity Share by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of the Company or to the Registrar and Transfer Agents of the Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with, within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with the Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require to change their nomination, they are requested to inform their respective depository participant.

Bid / Issue Period

Bidders may submit their Bids only in Bid / Issue Period. The Bid / Issue Opening Date is August 23, 2011 and the Bid / Issue Closing date is August 26, 2011. Provided that, Anchor Investors are required to submit their Bid on the Anchor Investor Bidding Date.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Issue including devolvement of Underwriters, if any, within 60 days from the Bid / Issue Closing Date, the Company shall refund the entire subscription amount received. If there is a delay beyond eight days after the Company becomes liable to pay the amount, the Company shall pay interest prescribed under Section 73 of the Companies Act, 1956.

Further, in accordance with sub-regulation 4 of Regulation 26 of ICDR Regulations, the Company shall ensure that the number of prospective allottees to whom Equity Shares will be allotted shall not be less than 1,000.

Arrangement for Disposal of Odd Lots:

The Company's Equity Shares will be traded in dematerialized form only and therefore the tradable lot is one share. Therefore there are no arrangements for disposal of odd lots.

Restriction on transfer of shares

Except for the lock-in of the Equity Shares held by the Promoter as detailed in ***“Capital Structure”***, there are no restrictions on transfers and transmission of shares/debentures and on their consolidation/splitting except as provided in the Articles of Association of the Company. For details, see ***“Capital Structure”*** and ***“Main Provisions of the Articles of Association”*** on pages 21 and 459 respectively, of this Red Herring Prospectus, respectively.

Option to receive Equity Shares in Dematerialised Form

Investors should note that Allotment of Equity Shares to all successful Bidders will only be in the dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

ISSUE PROCEDURE

This section applies to all Bidders. All QIB Bidders (except Anchor Investors) and Non Institutional Bidders shall compulsorily apply through ASBA process. Retail Individual Bidders have the option to participate in this Issue through the ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to Bidders other than the ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders have to pay the full Bid Amount or instruct the relevant SCSBs to block the full Bid Amount along with the application.

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein up to 50% of the Issue shall be allocated to QIBs on a proportionate basis. Further, not less than 15% and 35% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company, in consultation with the BRLMs and the Designated Stock Exchange.

All QIB Bidders (except Anchor Investors) and Non Institutional Bidders shall compulsorily apply through ASBA process. Retail Individual Bidders have the option to participate in this Issue through the ASBA process. Any Bidder participating in this Issue through the ASBA process should provide the details of their respective bank accounts in which the corresponding Bid amounts will be blocked by SCSBs.

Bidders / Investors can bid under this Issue in the following manner:

Category of Bidder / Investor	Mode of application	
	ASBA process	Non ASBA process
Anchor Investor	x	✓
QIB Bidder (other than Anchor Investor)	✓	x
Non Institutional Bidders	✓	x
Retail Individual Bidders	✓	✓

All Bidders, other than ASBA Bidders are required to submit their Bids through the members of Syndicate or their sub-syndicate members. ASBA Bidders may submit their Bids through the members of Syndicate or their sub-syndicate members or directly to the SCSBs.

Bidding of ASBA Forms by Syndicate / Sub syndicate members

SEBI has permitted Syndicate / Sub syndicate members to procure ASBA Bid cum application forms from the investors, upload the bid and other relevant details of such ASBA forms in the bidding platform of the Stock Exchange(s) and thereafter forward the ASBA Bid cum application form to the SCSBs. SCSBs shall carry out further action for the ASBA bid cum application forms such as signature verification, blocking of funds and forward the forms to the Registrar to the Issue.

In 12 cities specified below, the Bidders can submit their bids through the Syndicate / Sub syndicate members (hereinafter referred to as “Syndicate”). All bidding centre of the members of the Syndicate in the following cities (hereinafter termed as “specified cities”) can accept and bid ASBA Bid cum application forms:

Mumbai	Chennai	Kolkata
Delhi	Ahmedabad	Rajkot
Jaipur	Bangalore	Hyderabad
Pune	Baroda	Surat

The SCSBs shall specify atleast one Branch in above cities where the Syndicate can submit the ASBA Bid cum application forms after Bidding. The list of such branch is available on the website of SEBI (www.sebi.gov.in).

AT ALL OTHER PLACES (EXCEPT CITIES SPECIFIED AS ABOVE), ASBA BID CUM APPLICATION FORMS SHOULD BE SUBMITTED WITH THE DESIGNATED BRANCHES OF SCSBs ONLY.

In respect of ASBA Bid cum application forms accepted by Syndicate / Sub-syndicate members and submitted with the specified Branches of SCSBs, the Company will pay an amount of Rs. 2/- (Rupees two only) per ASBA Bid cum application form to SCSBs as processing fees for such application.

Investors should note that Allotment of Equity Shares to all successful Bidders will be only in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository accounts shall be treated as incomplete and rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only on the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall use only the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of the Red Herring Prospectus. Before being issued to Bidders, the Bid cum Application Form (except in relation to ASBA Bidders) shall be serially numbered and the date and time shall be stamped at the Bidding centres and such form shall be signed by the Bidder and countersigned by the relevant member of the Syndicate. ASBA Bidders shall submit the ASBA Bid cum Application Form either in physical or electronic form (through the internet banking facility available with the SCSBs or such other electronically enabled mechanism for Bidding) to the members of Syndicate or their sub-syndicate members (in specified cities) or the SCSB authorizing blocking funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders.

The Bid cum Application Form shall contain information about the Bidder and the price and number of Equity Shares that the Bidder wishes to Bid for. Bidders shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered multiple Bids.

On the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the Bid cum Application Form shall be treated as a valid application form. Upon completion and submission of the Bid cum Application Form to a member of the Syndicate (in specified cities) or SCSB, as the case may be, the Bidder shall be deemed to have authorised the Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form as would be required under the ICDR Regulations and other applicable laws, for filing the Prospectus with the RoC and as would be required by SEBI and/or the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Bidders	White
Anchor Investors*	White

** The Bid cum Application Forms for Anchor Investors will be made available at the Registered Office of the Company, BRLMs and the Syndicate Members.*

Who can Bid?

- Indian nationals resident in India who are not minors in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares;
- Mutual Funds registered with SEBI;
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the ICDR Regulations and other laws, as applicable);
- Venture capital funds registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other

law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;

- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with a minimum corpus of Rs. 250 mn. and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with a minimum corpus of Rs. 250 mn. and who are authorised under their constitution to hold and invest in equity shares;
- National Investment Fund;
- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India.

Note: As per existing regulations, Overseas Corporate Bodies, Non resident Indians and FIIs cannot participate in the Issue.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Participation by associates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the Syndicate Members are entitled to subscribe for Equity Shares in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis. Such Bidding and subscription may be on their own account or on behalf of their clients. However, the BRLMs shall not be allowed to subscribe to the Anchor Investor Portion.

Bids by Mutual Funds

As per the ICDR Regulations, 5% of the QIB Portion (excluding the Anchor Investor Portion), has been specifically reserved for Mutual Funds on a proportionate basis. An eligible Bid by a Mutual Fund in the Mutual Fund Portion shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event demand in the Mutual Fund Portion is greater than 612,500 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by Mutual Funds shall be available for allocation proportionately, after excluding the allocation in the Mutual Fund Portion, in the QIB Portion.

One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received at or above the price at which allocation is being done to Anchor Investors.

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own over 10% of any company's paid-up share capital carrying voting rights.

The Bids made by asset management companies or custodians of Mutual Funds shall clearly indicate the name of the concerned scheme for which application is being made.

Multiple applications

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

Bids by Anchor Investors

The Company may consider participation by Anchor Investors in the QIB Portion for up to 30% of the QIB Portion in accordance with the ICDR Regulations. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. In accordance with the ICDR Regulations, the key terms for participation in the Anchor Investor Portion are provided below:

- (a) Anchor Investors Bid cum Application Forms will be made available for the Anchor Investor Portion at the Registered Office of the Company and with the members of the Syndicate.
- (b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount equals to or exceeds Rs. 100 mn. A Bid cannot be submitted for more than 30% of the QIB Portion.
- (c) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds.
- (d) The Bidding for Anchor Investors shall open one Working Day before the Bid Opening Date and shall be completed on the same day.
- (e) The Company, in consultation with the BRLMs, shall finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion shall not be less than:
 - two, where the allocation under Anchor Investor Portion is up to Rs. 2500 mn.; and
 - five, where the allocation under Anchor Investor Portion is over Rs. 2500 mn.
- (f) Allocation to Anchor Investors shall be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLMs before the Bid Opening Date.
- (g) Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date.
- (h) In the event the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price shall be paid by the Anchor Investors by the Pay-in-Date. In the event the Issue Price is lower than the Anchor Investor Issue Price, the Allotment to Anchor Investors shall be at the higher price *i.e.* the Anchor Investor Issue Price.
- (i) The Equity Shares Allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
- (j) None of the BRLMs shall participate in the Anchor Investor Portion. The parameters for selection of the Anchor Investors shall be clearly identified by the BRLMs and shall be made available as part of the records of the BRLMs for inspection by SEBI.
- (k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

Anchor Investors do not have the option of bidding through ASBA process.

Additional details, if any, regarding participation in the Issue under the Anchor Investor Portion shall be disclosed in the advertisement for the Price Band which shall be published by the Company in Business Standard's English and Hindi editions national daily newspapers each with wide circulation at least two Working Days prior to the Bid Opening Date.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 250 mn. (subject to applicable law), pension funds with a minimum corpus of Rs. 250 mn. and insurance funds set up and managed by the Department of Posts, India, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a). With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- (b). With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Bid cum Application Form.
- (c). With respect to Bids made by provident funds with minimum corpus of Rs. 250 mn. (subject to applicable law) and pension funds with a minimum corpus of Rs. 250 mn., a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

The Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that the Company and the BRLMs may deem fit.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus. The Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated above.

Maximum and Minimum Bid Size

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs. 200,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 200,000. If the Bid Amount is over Rs. 200,000 due to revision of the Bid or revision of the Price Band or on exercise of the option to be Bid at the Cut-Off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The option to Bid at the Cut-Off Price is given only to the Retail Individual Bidders, indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.
- (b) **For Other Bidders (Non-Institutional Bidders and QIBs excluding Anchor Investors):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

In case of revision in Bids, Non-Institutional Bidders who are individuals have to ensure that the Bid Amount is greater than Rs. 200,000 for being considered for allocation in the Non-Institutional Portion. If the Bid Amount reduces to Rs. 200,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at the Cut-Off Price. **A QIB Bidder cannot withdraw its Bid after the Bid / Issue Closing Date.**

- (c) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount is equal to or exceeds Rs. 100 mn. and in multiples of [●] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date.**

Information for the Bidders:

- (a) The Red Herring Prospectus will be filed by the Company with the RoC at least three days before the Bid / Issue Opening Date.
- (b) Copies of the Bid cum Application Form and the Red Herring Prospectus will be available with the Syndicate and the Registered Office of the Company. ASBA Bid cum Application Forms can be obtained by Bidders from the members of the Syndicate (in specified cities) or SCSBs and electronic ASBA Bid cum Application Forms shall be available on the websites of SCSBs. Furthermore, the SCSBs shall ensure that the abridged prospectus is made available on their websites.
- (c) Copies of ASBA Bid cum Application Forms will also be available for downloading and printing, from websites of the Stock Exchanges (which provide electronic interface for ASBA facility) (www.bseindia.com and www.nseindia.com). The BRLMs and the SCSBs will provide the hyperlink to BSE or NSE on their websites. A unique application number will be generated for every ASBA Bid cum Application Form downloaded and printed from the websites of the Stock Exchanges.
- (d) The Syndicate and the Designated Branches of the SCSBs shall accept Bids from the Bidder during the Bidding Period in accordance with the terms of the Syndicate Agreement, provided that the BRLMs shall accept the Bids from the Anchor Investors only on the Anchor Investor Bidding Date.
- (e) Eligible Bidders who are interested in subscribing for the Equity Shares should approach any of the BRLMs or the Syndicate Members or their authorized agents to register their Bids. Eligible Bidders can approach the members of the Syndicate (in specified cities) or Designated Branches of the SCSBs to register their Bids under the ASBA process.
- (f) The Bids should be submitted on the prescribed Bid cum Application Form only. Bids by ASBA Bidders shall be accepted by the members of the Syndicate (in specified cities) or Designated Branches of the SCSBs in accordance with the ICDR Regulations and any other circulars issued by SEBI in this regard. Bid cum Application Forms (other than ASBA Bid cum Application Forms) should bear the stamp of the members of the Syndicate. Bid cum Application Forms (other than ASBA Bid cum Application Forms), which do not bear the stamp of a member of the Syndicate, will be rejected. ASBA Bid cum Application Form bid by the Syndicate member or their sub-syndicate member (in specified cities), which do not bear the stamp of the member of the Syndicate, will be rejected.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bids and revisions of Bids must be:

- a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable.
- b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained here, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected. Bidders should note that the Syndicate and/or the SCSBs (as appropriate) will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms or Revision Forms.
- c) Information provided by the Bidders will be uploaded in the online IPO system by the Syndicate and the SCSBs, as the case may be, and the electronic data will be used to make allocation/Allotment. Bidders are advised to ensure that the details are correct and legible.
- d) For Retail Individual Bidders, the Bid must be for a minimum of [●] Equity Shares and in multiples of [●] thereafter subject to a maximum Bid Amount of Rs. 200,000. In case the Bid Amount is over Rs. 200,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The option to Bid at Cut-off Price is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.

- e) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds Rs. 200,000 and in multiples of [●] Equity Shares thereafter. Anchor Investors must ensure that their Bids must make a minimum Bid of such number of Equity Shares that the Bid Amount is at least Rs. 100 mn. Bids cannot be made for over the Issue size.
- f) In a single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- g) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- h) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

Submission of Bid cum Application Form

- All Bid cum Application Forms or Revision Forms (other than with respect to ASBA Bidders) duly completed and accompanied by account payee cheques or drafts shall be submitted to the Syndicate at the time of submission of the Bid.
- With respect to ASBA Bidders who have submitted their bids to the members of the Syndicate (in specified cities), the ASBA Bid cum Application Form or the ASBA Revision Form shall be submitted to the respective member of the Syndicate.
- With respect to ASBA Bidders who have submitted their bids to the Designated Branches of SCSBs, ASBA Bid cum application form or the ASBA Revision form shall be submitted to the respective Designated Branch of the SCSBs.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

GENERAL INSTRUCTIONS

Dos:

- (a) Check if you are eligible to apply as per the terms of the Red Herring Prospectus under applicable laws, rules and regulations;
- (b) Ensure that you have Bid within the Price Band;
- (c) Read all the instructions carefully and complete the Resident Bid cum Application Form (white in colour) and the Anchor Investor Bid cum Application Form (white in colour) as the case may be;
- (d) Ensure that the details about Depository Participant and Beneficiary Account are correct, and the Beneficiary Account is activated, as Allotment of Equity Shares will be in the dematerialized form only;
- (e) Ensure that the Bids are submitted at the Bidding centres only on forms bearing the stamp of a member of the Syndicate (other than with respect to ASBA Bidders);
- (f) With respect to ASBA Bidders ensure that (i) your Bid is submitted at a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for Bidding has a bank account, or (ii) your bid is submitted with the member of the syndicate who will upload the bid and submit the form with the SCSB who in turn will block the bid amount in the account mentioned in the ASBA Bid cum application form. Further, ensure that the ASBA Bid cum Application Form is signed by the account holder if the Bidder is not the account holder;

- (g) Ensure that the full Bid Amount is paid for Bids submitted to the members of the Syndicate and funds equivalent to the Bid Amount are blocked by the SCSBs in case of Bids submitted through the ASBA process;
- (h) With respect to ASBA Bidders, ensure that you have funds equal to the Bid Amount in your bank account of the respective Designated Branch of the SCSB;
- (i) With respect to ASBA Bidders, instruct your respective banks to not release the funds blocked in the bank account under the ASBA process;
- (j) Ensure that you request for and receive a TRS for all your Bid options;
- (k) Submit revised Bids to the same member of the Syndicate or Designated Branch of the SCSB through whom the original Bid was placed and obtain a revised TRS;
- (l) Except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Bidders should mention their PAN allotted under the I.T. Act. Bid cum Application Forms in which the PAN is not mentioned are liable to be rejected;
- (m) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. If the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.
- (n) Ensure that the QIB Bidders and Non Institutional Bidders bid only through the ASBA process.

Don'ts:

- (a) Do not Bid for lower than the minimum Bid size;
- (b) Do not submit a Bid without payment of the entire Bid Amount;
- (c) Do not Bid/revise the Bid to less than the Floor Price or higher than the Cap Price;
- (d) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate or the Designated Branch of an SCSB;
- (e) Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest and in relation to ABSA Bidders in any other mode other than blocked amounts in the bank accounts maintained by SCSBs;
- (f) Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate or a Designated Branch of an SCSB, as applicable;
- (g) Do not Bid at the Cut-off Price (for QIB Bidders and Non-Institutional Bidders);
- (h) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceed the Issue size and/or investment limit or maximum number of Equity Shares that can be held under applicable laws or regulations or the maximum amount permissible under applicable regulations;
- (i) Do not submit more than five ASBA Bid cum Application Forms per bank account;
- (j) Do not Bid for amount exceeding Rs. 200,000 in case of a Bid by Retail Individual Bidders;
- (k) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Method and Process of Bidding

- (a) The Company and the BRLMs shall declare the Bid Opening Date and Bid Closing Date at the time of filing the Red Herring Prospectus with the RoC and shall also publish it in Business Standard's English and Hindi edition national daily newspapers each with wide circulation at least two Working Days prior to the Bid Opening Date.
- (b) The Price Band and the minimum Bid lot size for the Issue will be decided by the Company, in consultation with the BRLMs, and advertised in Business Standard's English and Hindi edition national daily newspapers, each with wide circulation at least two Working Days prior to the Bid Opening Date.
- (c) The BRLMs shall accept Bids from the Anchor Investors on the Anchor Investor Bidding Date, i.e. one Working Day prior to the Bid Opening Date. Bidders, except Anchor Investors who are interested in subscribing to the Equity Shares should approach any of the members of the Syndicate, their authorized agents or SCSBs to register their Bids, during the Bidding Period. The members of the Syndicate shall accept Bids from the all Bidders and shall have the right to vet the Bids, during the Bidding Period in accordance with the terms of the Syndicate Agreement and this Red Herring Prospectus. Bidders who wish to use the ASBA process should approach the members of the syndicate (in specified cities) or Designated Branches of the SCSBs to register their Bids.
- (d) The Bidding Period shall be for a minimum of three Working Days and not exceeding 10 Working Days (including the days for which the Issue is open in case of revision in Price Band). If the Price Band is revised, the revised Price Band and the Bidding Period will be published in Business Standard's English and Hindi edition national daily newspapers, each with wide circulation together with an indication of such change on the websites of the BRLMs and SCSBs and at the terminals of the Syndicate Members.
- (e) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details see "**Bids at Different Price Levels**" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- (f) Except in relation to the Bids received from the Anchor Investors, the Syndicate or the SCSBs will enter each Bid option into the electronic Bidding system as a separate Bid and generate a Transaction Registration Slip ("**TRS**"), for each price and demand option and shall, on demand, give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- (g) With respect to ASBA Bidders, on receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode (whether through member of the syndicate (in specified cities) or directly from the bidder), the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid. Where the bidder has submitted the bid directly with the Designated Branch of SCSBs and if sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSBs shall reject such Bid and shall not upload such Bid with the Stock Exchanges. Where the bid has been uploaded by the member of the syndicate (in specified cities) and ASBA Bid cum application form is submitted with the specified Branch of SCSBs in specified cities and if sufficient funds are not available in the ASBA Account, the bid will be treated as invalid and will not be considered for the purpose of allotment under the Issue.
- (h) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "**Payment Instructions**" on page 441.

Bids at Different Price Levels and Revision of Bids

- (a) The Price Band and the minimum Bid lot size shall be decided by the Company in consultation with the BRLMs and advertised at least two Working Days prior to the Bid Opening Date, in Business Standard's English and Hindi edition national daily newspapers, each with wide circulation.
- (b) The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding Period in accordance with the ICDR Regulations. The Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side *i.e.* the floor price can move upward or downward to the extent of 20% of the floor price, disclosed at least two Working Days prior to the Bid Opening Date and the Cap Price will be revised accordingly.
- (c) In case of revision in the Price Band, the Bidding Period will be extended for at least three additional Working Days after revision of Price Band subject to a maximum of 10 Working Days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice in Business Standard's English and Hindi edition national daily newspapers, each with wide circulation and also by indicating the change on the websites of the BRLMs, the SCSBs and at the terminals of the Syndicate Members.
- (d) The Company in consultation with the BRLMs can finalize the Issue Price and Anchor Investor Issue Price within the Price Band in accordance with this section, without the prior approval of or intimation to the Bidders.
- (e) The Bidder can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at Cut-off Price. However, Bidding at Cut-off Price is prohibited for QIB or Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.
- (f) Retail Individual Bidders who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-off Price shall deposit the Bid Amount based on the Cap Price with the members of the Syndicate. In case of ASBA Bidders Bidding at Cut-off Price (other than QIBs and Non-Institutional Bidders), the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at Cut-off Price (*i.e.*, the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), the Retail Individual Bidders who Bid at Cut-off Price shall receive the refund of the excess amounts from the Escrow Account(s) or the excess funds shall be unblocked from their ASBA Accounts, as the case may be.
- (g) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the revised Cap Price (such that the total amount *i.e.*, original Bid Amount plus additional payment does not exceed Rs. 200,000 for Retail Individual Bidders, if the Bidder wants to continue to Bid at Cut-off Price), with the member of the Syndicate to whom the original Bid was submitted. In case the total amount (*i.e.*, original Bid Amount plus additional payment) exceeds Rs. 200,000 for Retail Individual Bidders Bidding at the Cut-off Price the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding would be refunded from the Escrow Account(s) or the excess funds shall be unblocked from their ASBA Accounts, as the case may be.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of Bidder's PAN, Depository Participant's name, DP ID number and beneficiary account number provided by them in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate and the SCSBs, as the case may be, the Registrar to the Issue will obtain from the Depository the demographic details including the Bidder's address, occupation and bank account details including the nine-digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf ('Demographic Details'). These Demographic Details would be used for giving refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS) to the Bidders, CANs and allocation advice. Hence, Bidders are advised to immediately update their bank account details and Demographic Details as appearing on the records of the Depository Participant and ensure that they are true and correct. Failure to do so could result in delays in dispatch/credit of refunds to Bidders at the Bidders sole risk and neither the Syndicate nor the Registrar to the Issue or the Escrow Collection Banks or the SCSBs nor the Company shall have any responsibility and undertake any liability for the same.

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR PAN, DP ID NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE PAN GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS PROVIDED TO THE DEPOSITORY. IF THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

The applicants may note that in case the DP ID & Client ID and PAN mentioned in the application form and entered into the electronic bidding system of the stock exchanges by the syndicate members do not match with the DP ID & Client ID and PAN available in the depository database, the application is liable to be rejected.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the Depositories to provide, on request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund Orders (where refunds are not being made electronically)/Allocation Advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Any such delay shall be at the Bidders sole risk and neither the Company nor Escrow Collection Banks nor the Syndicate shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Red Herring Prospectus, Bidders may note that refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, Bidders PAN (in case of joint Bids, PAN of first applicant), the DP ID and the beneficiary's identity, such Bids are liable to be rejected.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Bidders other than ASBA Bidders

The Company and the Syndicate shall open Escrow Accounts with the Escrow Collection Bank(s) in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of this Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Banks for and on behalf of the Bidders shall maintain the monies in the Escrow

Account(s) until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and this Red Herring Prospectus.

INVESTORS ARE ADVISED NOT TO SUBMIT THE BID CUM APPLICATION FORMS TO THE ESCROW COLLECTION BANKS. BIDS SUBMITTED TO THE ESCROW COLLECTION BANKS SHALL BE REJECTED AND AND THE COMPANY AND THE SYNDICATE MEMBERS WILL NOT BE LIABLE.

Bidders should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement by and among the Company, the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Bids by QIB Bidders (excluding Anchor Investors) and Non Institutional Bidders will not be accepted through any mode other than ASBA.

Payment into Escrow Account(s) for Bidders other than ASBA Bidders

Each Bidder (other than ASBA Bidders) shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the entire Bid Amount as per the following terms:

- (a) The Bidders shall, with the submission of the Bid cum Application Form, draw a payment instrument for the entire Bid Amount in favour of the Escrow Account(s) and submit the same to the member of the Syndicate. Bid cum Application Forms accompanied by cash, stockinvest, money order or postal order shall not be accepted.
- (b) The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

In case of Resident Retail Individual Bidders: **“Escrow Account – SRS Public Issue - R”**

In case of Anchor Investors: **“Escrow Account – SRS Public Issue – Anchor Investor”**
- (c) The Company, in consultation with the BRLMs, in its absolute discretion, shall decide the list of Anchor Investors to whom the provisional CAN or CAN shall be sent, pursuant to which the details of the Equity Shares allocated to them and the details of the amounts payable for Allotment of such Equity Shares in their respective names shall be notified to such Anchor Investors.
- (d) In the event of Issue Price being higher than the price at which allocation is made to Anchor Investors, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price within two Working Days of the Bid Closing Date. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.
- (e) The monies deposited in the Escrow Account(s) will be held for the benefit of the Bidders until the Designated Date.
- (f) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account(s) as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.
- (g) On the Designated Date and no later than 10 Working Days from the Bid Closing Date, the Registrar to the Issue shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.
- (h) Payments should be made by cheque, or a demand draft drawn on any bank (including a cooperative Bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located

at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash, stockinvest, money orders or postal orders will not be accepted.

- (i) In case clear funds are not available in the Escrow Accounts as per final certificates from the Escrow Collection Banks, such Bids are liable to be rejected.
- (j) Except in case of ASBA Bids, Bidders are advised to mention the number of the Bid cum Application Form on the reverse of the cheque/demand draft to avoid misuse of instruments submitted along with the Bid cum Application Form.

Payment mechanism for ASBA Bidders

All QIB Bidders (except Anchor Investors) and Non Institutional Bidders shall make application under this Issue only through the ASBA process. Retail Individual Bidders have an option to place their bid in the Issue through the ASBA process.

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form. The ASBA Bidder may submit the ASBA Bid cum application form either with the Syndicate (in specified cities) or Designated Branches of SCSBs for uploading of bid. Where the ASBA Bid cum application form is submitted with the Syndicate, it will upload the bid and submit the form with the specified branch of SCSBs (in specified cities) and the SCSBs shall block an amount equivalent to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form. If the ASBA Bid cum application form is submitted with any Designated Branch of SCSBs, the Designated Branch shall block an amount equivalent to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount. In the event of withdrawal or rejection of the ASBA Bid cum Application Form, failure of the Issue or for unsuccessful ASBA Bid cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the Bid Amount in the relevant bank account within eight Working Days from the Bid Closing Date and the SCSBs shall unblock the Bid Amount within one Working Day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Other Instructions

Joint Bids in case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid cum Application Form (and not more than one) for the total number of Equity Shares required. Two or more Bid cum Application Forms will be deemed to be multiple Bids if the sole or first Bidder is one and the same. It is clarified, however, that Bidders shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered multiple Bids.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. Bids by QIBs under the Anchor Investor Portion and QIB Portion (excluding Anchor Investor Portion) will not be considered as multiple Bids.

After Bidding on an ASBA Bid cum Application Form either in physical or electronic mode, where such ASBA Bid has been submitted to the member of the Syndicate (in specified cities) or any Designated

Branche of SCSBs and uploaded with the Stock Exchanges, an ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form. Submission of a second Bid cum Application Form, whether an ASBA Bid cum Application Form, to either the same or to another Designated Branch of the SCSB, or a Non-ASBA Bid cum Application Form, will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the ASBA Bidder can revise the Bid through the Revision Form, the procedure for which is detailed in “—**Build up of the Book and Revision of Bids**” above.

More than one ASBA Bidder may Bid for Equity Shares using the same ASBA Account, provided that the SCSBs shall not accept a total of more than five ASBA Bid cum Application Forms from such ASBA Bidders with respect to any single ASBA Account.

The Company reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple Bids are provided below:

1. A check will be carried out for the same PAN. In cases where the PAN is same, such Bids will be treated as multiple Bids.
2. Further, in the case of Mutual Fund Bidders, Bids which use the same PAN, the Bid cum Application Forms will be scrutinised for DP ID and Beneficiary Account Numbers. In case such Bid cum Application Forms bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.

‘PAN’ or ‘GIR’ Number

Except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, the Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. In accordance with the ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction.

Any Bid cum Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Right to Reject Bids

In case of Non-Institutional Bidders and Retail Individual Bidders, the Company has the right to reject Bids based only on technical grounds and/or as specified in this Red Herring Prospectus. In case of QIB Bidders Bidding in the QIB Portion, the Company, in consultation with the members of the Syndicate, may reject Bids provided that such rejection shall be made at the time of acceptance of the Bid and the reasons for rejecting the same shall be provided to such Bidder in writing. However, the Company, in consultation with the BRLMs, reserves the right to reject any Bid received from Anchor Investors without assigning any reasons. Consequent refunds shall be made through any of the modes described in this Red Herring Prospectus and will be sent to the Bidder’s address at the Bidder’s risk.

With respect to ASBA Bids, where the ASBA Bid cum application form is submitted with any Designated Branche of SCSBs, such Designated Branch shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder’s bank account, the respective Designated Branch of the SCSB ascertains that sufficient funds are not available in the Bidder’s bank account maintained with the SCSB. With respect to ASBA Bids, where ASBA Bid cum application form is bidden by the Syndicate (in specified cities) and submitted with specified branch of SCSBs, and if sufficient funds are not available in the ASBA Account, the bid will be treated as invalid and will not be considered for the purpose of allotment under the Issue. Subsequent to the acceptance of the ASBA Bid by the SCSB, the Company would have a right to reject the ASBA Bids only on technical grounds and/or as specified in this Red Herring Prospectus.

The Bidders may note that in case the DP ID, Beneficiary Account Number and PAN mentioned in the Bid cum Application Form and entered into the electronic Bidding system of the Stock Exchanges by the

Syndicate and the SCSBs, as the case may be, do not match with the DP ID, Beneficiary Account Number and PAN available in the depository database, the Bid is liable to be rejected.

Grounds for Technical Rejection

Bidders are advised to note that Bids are liable to be rejected among other things, on the following technical grounds:

1. Amount paid or, with respect to ASBA Bids, the amounts mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the highest value of the Equity Shares Bid for;
2. Age of First Bidder not given;
3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
4. Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, including minors, insane persons;
5. PAN not stated (except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts);
6. Bids for lower number of Equity Shares than specified for that category of investors;
7. Bids at a price less than the Floor Price;
8. Bids at a price over the Cap Price;
9. Bids at Cut off Price by Non-Institutional Bidders and QIB Bidders;
10. Submission of more than five ASBA Bid cum Application Forms per ASBA Account;
11. Bids for number of Equity Shares which are not in multiples of [●];
12. Category not ticked;
13. Multiple Bids as described in this Red Herring Prospectus;
14. In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted;
15. Bids accompanied by cash, stockinvest, money order or postal order;
16. Signature of sole and/or joint Bidders missing. In addition, with respect to ASBA Bids, the Bid cum Application form not being signed by the account holders, if the account holder is different from the Bidder;
17. Bid cum Application Form does not have the stamp of the BRLMs, the Syndicate Members or Designated Branches of the SCSBs;
18. Bid cum Application Form does not have Bidder's depository account details or the details given are incomplete;
19. Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Form, Bid Opening Date advertisement and this Red Herring Prospectus and as per the instructions in this Red Herring Prospectus and the Bid cum Application Forms;
20. In case no corresponding record is available with the Depositories that matches three parameters namely, PAN (in case of joint Bids, PAN of the first applicant), the DP ID and the beneficiary's account number;
Bidders may note that in case the DP ID and Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate or the SCSBs, as the case may be, do not match with the DP ID and Client ID and PAN available in the depository database, the Bid is liable to be rejected.
21. With respect to ASBA Bids, inadequate funds in the bank account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
22. Bids for amounts greater than the maximum permissible amounts prescribed by applicable law;
23. Bids by QIB Bidders and Non Institutional Bidders not made through the ASBA process;
24. Bids where clear funds are not available in the Escrow Accounts as per the final certificate from the Escrow Collection Banks;
25. Bids not uploaded on the terminals of the BSE and the NSE;
26. Bids or revision thereof by QIB Bidders and Non-Institutional Bidders uploaded after 4.00 P.M. on the Bid Closing Date;
27. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
28. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and

29. Bids that do not comply with the securities laws of the Bidders' respective jurisdictions.

Electronic Registration of Bids

- (a) The members of the Syndicate and the SCSBs will register the Bids received, except Bids received from Anchor Investors, using the online facilities of the Stock Exchanges. Details of Bids in the Anchor Investor Portion will not be registered on the online facilities of the Stock Exchanges. There will be at least one online connectivity in each city, where the Stock Exchanges are located in India and where such Bids are being accepted. The BRLMs, the Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Bids accepted by the Syndicate Members and the SCSBs, (ii) the Bids uploaded by the Syndicate Members and the SCSBs, (iii) the Bids accepted but not uploaded by the Syndicate Members and the SCSBs or (iv) with respect to ASBA Bids, Bids accepted and uploaded without blocking funds in the ASBA Accounts. However, the members of the Syndicate and / or the SCSBs shall be responsible for any errors in the Bid details uploaded by them. It shall be presumed that for the Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.
- (b) The Stock Exchanges will offer a screen-based facility for registering such Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorized agents and the SCSBs during the Bidding Period. The Syndicate Members and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids subject to the condition that it will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis.
- (c) On the Bid Closing Date, the members of the Syndicate and the Designated Branches of the SCSBs shall upload the Bids until such time as may be permitted by the Stock Exchanges. This information will be available with the BRLMs on a regular basis. Bidders are cautioned that a high inflow of Bids typically experienced on the last day of the Bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded will not be considered for allocation. Bids will only be accepted on Monday to Friday (excluding any public holiday).
- (d) Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges a graphical representation of consolidated demand and price would be made available at the bidding centres and at the websites of each of the Stock Exchanges during the Bidding Period.
- (e) At the time of registering each Bid, the members of the Syndicate or the Designated Branches of the SCSBs in case of ASBA Bids shall enter the following details of the Bidder in the electronic system:
 - Name.
 - Bid cum Application number.
 - Investor Category – Individual, Corporate, non-institutional, qualified institutional buyer or Mutual Fund, etc.
 - Numbers of Equity Shares Bid for.
 - Bid Amount and the price option.
 - Depository Participant Identity (“**DP ID**”) and Client Identification Number of the beneficiary account of the Bidder.
 - PAN.
 - Cheque amount and cheque number.
- (f) A system generated TRS will, on demand, be given to the Bidder as a proof of the registration of each of the Bidding options. **It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate or Designated Branches of the SCSBs.** The registration of the Bid by the member of

the Syndicate or the Designated Branches of the SCSBs does not guarantee that the Equity Shares shall be allocated/Allotted.

- (g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (h) In case of QIB Bidders (other than QIB bids uploaded by the SCSBs), the Syndicate have a right to accept the Bid or reject it. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids may not be rejected except on technical grounds. Further, the SCSBs shall have no right to reject Bids except on technical grounds.
- (i) The permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Company, its Promoters, its management or any scheme or project of the Company nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- (j) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The members of the Syndicate shall be given one additional day after the Bid Closing Date to verify the information uploaded on the online IPO system during the Bidding Period after which the data will be sent to the Registrar to the Issue for reconciliation and Allotment of Equity Shares. In case of discrepancy of data between the BSE or the NSE and the Syndicate or the SCSBs, the decision of the BRLMs based on the physical records of Bid Application Forms shall be final and binding on all concerned. If a member of the Syndicate finds any discrepancy in the PAN, DP ID and the Beneficiary Account Number, it will correct the same and the send the data to the Registrar to the Issue for reconciliation and Allotment of Equity Shares.

Build up of the book and revision of Bids

- (a) Bids received from various Bidders through the members of the Syndicate and the SCSBs shall be electronically uploaded to the Stock Exchanges' mainframe on a regular basis.
- (b) The book gets built up at various price levels. This information will be available with the BRLMs at the end of the Bidding Period.
- (c) During the Bidding Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.
- (d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate and the SCSBs will not accept incomplete or inaccurate Revision Forms.
- (e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate or the Designated Branch of the SCSB through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.
- (f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the

time of refund in accordance with the terms of this Red Herring Prospectus. With respect to ASBA Bids, if revision of the Bids results in an incremental amount, the relevant SCSB shall block the additional Bid amount. In case of Bids other than ASBA Bids, the members of the Syndicate shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions. In such cases the members of the Syndicate will revise the earlier Bid details with the revised Bid and provide the cheque or demand draft number of the new payment instrument in the electronic book. The Registrar to the Issue will reconcile the Bid data and consider the revised Bid data for preparing the basis of Allotment.

When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and will, on demand, receive revised TRS from the Syndicate or SCSBs, as applicable. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

Price Discovery and Allocation

- (a) Based on the demand generated at various price levels, the Company, in consultation with the BRLMs, shall finalize the Issue Price.
- (b) Allocation to Anchor Investors shall be at the discretion of the Company in consultation with the BRLMs subject to compliance with the ICDR Regulations. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLMs before the Bid Opening Date.
- (c) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company, in consultation with the BRLMs and the Designated Stock Exchange. However, if the aggregate demand by Mutual Funds in the Mutual Fund Portion is less than 612,500 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. Further, not less than 15% and 35% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received at or above the Issue Price.
- (d) The BRLMs, in consultation with the Company shall notify the Syndicate of the Issue Price and allocations to Anchor Investors, where the full Bid Amount has not been collected from the Anchor Investors due to the Issue Price being higher than the Anchor Investor Issue Price.
- (e) The Company reserves the right to cancel the Issue any time after the Bid Opening Date, but before the Allotment. In terms of the ICDR Regulations, QIB Bidders Bidding in the QIB Portion shall not be allowed to withdraw their Bid after the Bid Closing Date. Further, Anchor Investors shall not be allowed to withdraw their Bid after the Anchor Investor Bidding Date.
- (f) The Basis of Allotment details, which the Stock Exchanges shall approve within eight Working Days of the Bid Closing Date, shall be posted on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

- (a) The Company, the BRLMs and the Syndicate Members shall enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, the Company will update and file the updated Red Herring Prospectus with the RoC in terms of Section 56, 60 and 60B of the Companies Act, which then would be termed the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, underwriting arrangements and will be complete in all material respects.

Pre- Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the ICDR Regulations, in Business Standard's English and Hindi edition national daily newspapers each with wide circulation.

Advertisement regarding Issue Price and Prospectus

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC in Business Standard's English and Hindi edition national daily newspapers each with wide circulation. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of this Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Confirmation of Allocation Note ("CAN")

- (a) On approval of the basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the members of the Syndicate and SCSBs a list of their Bidders who have been allocated/allotted Equity Shares in the Issue. The approval of the basis of Allotment by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders. However, the Company shall ensure that instructions for the demat credit of the Equity Shares to all Bidders in this Issue shall be delivered on the date of Allotment (which shall be the same date for all Bidders in this Issue). For Anchor Investors, see "**Notice to Anchor Investors: Allotment / Reconciliation and Revised CANs.**"
- (b) The Registrar to the Issue will then dispatch a CAN to the Bidders who have been allocated Equity Shares in this Issue.
- (c) Bidders who have been allocated Equity Shares shall receive the CAN from the Registrar to the Issue subject, however, to realisation of his or her cheque or demand draft paid into the Escrow Account.
- (d) The issuance of CANs is subject to "**- Notice to Anchor Investors - Allotment / Reconciliation and Revised CANs**" on page 449.

Notice to Anchor Investors: Allotment / Reconciliation and Revised CANs

After the Anchor Investor Bidding Date, a physical book will be prepared by the Registrar to the Issue on the basis of the Bid cum Application Forms received in the Anchor Investor Portion. Based on the physical book and at the discretion of the Company and the BRLMs, selected Anchor Investors may be sent a CAN, within two Working Days of the Anchor Investor Bidding Date, indicating the number of Equity Shares that may be allocated to them. This provisional CAN and the final allocation is subject to (a) the physical application being valid in all respect along with receipt of stipulated documents, (b) the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price, and (c) Allotment. In the event of a technical rejection or in the event the Issue Price is higher than the Anchor Investor Issue Price, a revised CAN will be sent to Anchor Investors. The price of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. Anchor Investors should note that they shall be required to pay any additional amount, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares or increased price of Equity Shares. The Pay-in Date in the revised CAN shall not be later than two Working Days after the Bid Closing Date. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

- The Company will ensure that (i) Allotment of Equity Shares; (ii) credit to successful Bidder's depository account will be completed within 11 Working Days of the Bid Closing Date.

- In accordance with the ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/Allotted to them pursuant to this Issue.

Basis of Allotment

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 12,250,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.
- If the aggregate demand in this category is greater than 12,250,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method of proportionate basis of Allotment, refer below.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue Size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 5,250,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than 5,250,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares. For the method of proportionate basis of Allotment refer below.

C. For QIBs in the QIB Portion (excluding the Anchor Investor Portion)

- Bids received from the QIB Bidders at or above the Issue Price, shall be grouped together to determine the total demand under this portion. The Allotment to all successful QIB Bidders will be made at the Issue Price.
- The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:
 - a. In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be determined as follows:

- (i) In the event Mutual Fund Bids exceed 5% of the QIB Portion (excluding Anchor Investor Portion), allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion (excluding Anchor Investor Portion).
 - (ii) In the event the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding the Anchor Investor Portion), then all Mutual Funds shall get full Allotment to the extent of valid Bids received at or above the Issue Price.
 - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below.
- b. In the second instance Allotment to all QIBs shall be determined as follows:
- (i) In the event of oversubscription in the QIB Portion (excluding the Anchor Investor Portion), all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
 - (ii) Mutual Funds which have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders (excluding the Anchor Investor Portion).
 - (iii) Under-subscription below 5% of the QIB Portion (excluding Anchor Investor Portion), if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

D. For Anchor Investor Portion

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the Company, in consultation with the BRLMs, subject to compliance with the following requirements:

- (i) not more than 30% of the QIB Portion will be allocated to Anchor Investors;
- (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation up to Rs. 2,500 mn. and a minimum number of five Anchor Investors for allocation more than Rs. 2,500 mn.

The number of Equity Shares Allotted to Anchor Investors and the Anchor Investor Issue Price, shall be made available in the public domain by the BRLMs before the Bid Opening Date by intimating the Stock Exchanges. The method of proportionate basis of Allotment is stated below.

Illustration regarding allotment to QIBs and Mutual Funds other than Anchor Investors
(1) Issue Details

S. No.	Particulars	Issue details
1	Issue size	2,000 mn. equity shares
2	Portion available to QIBs*	1,000 mn. equity shares
3	Anchor Investor Portion	300 mn.
4	Portion available to QIBs* other than anchor investors [(2) – (3)]	700 mn. equity shares
	Of which	
a.	Reservation to MF (5%)	35 mn. equity shares
b.	Balance for all QIBs including MFs	665 mn. equity shares
5	No. of QIB applicants	10
6	No. of shares applied for	5,000 mn. equity shares

* Where up to 50% of the Issue Size is required to be allotted to QIBs.

(2) Details Of QIB Bids

S. No.	Type of QIB bidders	No. of shares bid for (in mn.)
1	A1	500
2	A2	200
3	A3	1,300
4	A4	500
5	A5	500
6	MF1	400
7	MF2	400
8	MF3	800
9	MF4	200
10	MF5	200
	TOTAL	5,000

A1-A5 (QIB bidders other than MFs)

MF1-MF5 (QIB bidders which are MFs)

(3) Details of Allotment to QIB Bidders

(No. of equity shares in mn.)

Type of QIB bidders	Equity shares bid for	Allocation of 35 mn. equity shares to MFs proportionately (See Note 2)	Allocation of balance 665 mn. equity shares to QIBs proportionately (See Note 4)	Aggregate allocation to MFs
A1	500	0	66.50	0
A2	200	0	26.60	0
A3	1,300	0	172.90	0
A4	500	0	66.50	0
A5	500	0	66.50	0
MF1	400	7	53.20	60.20
MF2	400	7	53.20	60.20
MF3	800	14	106.40	120.40

Type of QIB bidders	Equity shares bid for	Allocation of 35 mn. equity shares to MFs proportionately (See Note 2)	Allocation of balance 665 mn. equity shares to QIBs proportionately (See Note 4)	Aggregate allocation to MFs
MF4	200	3.5	26.60	30.10
MF5	200	3.5	26.60	30.10
	5,000	35	665	301

Notes:

- (1) The illustration presumes compliance with the provisions of Regulation 50(1) pertaining to minimum allotment.
- (2) Out of 700 mn. equity shares allocated to QIBs, 35 mn. (i.e. 5%) will be allocated on proportionate basis among 5 mutual fund applicants who applied for 2000 mn. equity shares in QIB category.
- (3) The balance 665 mn. equity shares [i.e. 700 – 35 (available for MFs)] will be allocated on proportionate basis among 10 QIB applicants who applied for 5000 mn. equity shares (including 5 MF applicants who applied for 2000 mn. equity shares).
- (4) The figures at Col. No. IV are arrived as under :
 - (a) For QIBs other than mutual funds (A1 to A5) = No. of shares bid for (i.e. Col II) X 665 / 4965
 - (b) For mutual funds (MF1 to MF5) = {(No. of shares bid for (i.e. Col II) less shares allotted (i.e., col. III)} X 665 / 4,965
 - (c) The numerator and denominator for arriving at allocation of 665 mn. shares to the 10 QIBs are reduced by 35 mn. shares, which have already been allotted to mutual funds at Col. No. (III).

Method of Proportionate Basis of Allotment in the Issue (for other than Anchor Investors)

Except in relation to Anchor Investors, in the event of the Issue being over-subscribed, the Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

Except in relation to Anchor Investors, the Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorized according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than Equity Shares per Bidder, the allotment shall be made as follows:
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and
 - Each successful Bidder shall be Allotted a minimum of [●] Equity Shares.
- e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of one (which is the marketable lot), the decimal would be rounded off to the higher whole number if that number is 0.50 or higher. If that number is lower than 0.50, it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.

- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

Subject to valid Bids being received, Allotment of Equity Shares to Anchor Investors will be at the discretion of the Company, in consultation with the BRLMs.

Equity Shares in Dematerialised Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among the Company, the respective Depositories and the Registrar to the Issue:

- Agreement May 27, 2008 between NSDL, the Company and the Registrar to the Issue;
- Agreement dated March 26, 2008 between CDSL, the Company and the Registrar to the Issue.

Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

- (a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- (b) The Bidder must necessarily fill in the details (including the PAN, Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.
- (c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
- (d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- (e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
- (f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
- (g) Equity Shares in electronic form can be traded only on stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- (h) Trading in the Equity Shares would be in dematerialised form only, on the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Non ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, PAN, Bidders depository account details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof and with respect to ASBA Bids, the Registrar to the Issue or SCSB in which an amount equivalent to the Bid Amount was blocked.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post- Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted with the Designated Branches of the SCSBs, Bidders can contact the Designated Branch of the SCSB.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, reproduced below:

“Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,*

shall be punishable with imprisonment for a term which may extend to five years.”

PAYMENT OF REFUND

Bidders other than ASBA Bidders must note that on the basis of the names of the Bidders, PAN, DP ID, Beneficiary Account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain, from the Depositories, the Bidders’ bank account details, including the MICR code. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders’ sole risk and neither the Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLMs shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making Refunds for Bidders other than ASBA Bidders

The payment of refund, if any, for Bidders other than ASBA Bidders would be done through various modes in the following order of preference:

1. ECS – Payment of refund would be done through ECS for Bidders having an account at any of the centres specified by the RBI. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories. The payment of refunds is mandatory for Bidders having a bank account at any of the abovementioned centres, except where the Bidder, being eligible, opts to receive refund through direct credit or RTGS.
2. Direct Credit – Bidders having bank accounts with the Refund Bank(s), as mentioned in the Bid cum Application Form shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
3. RTGS – Bidders having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds Rs. 1 million, have the option to receive refund through RTGS. Such eligible Bidders who indicate their preference to receive refund through RTGS are required to provide the Indian Financial System Code (“**IFSC**”) code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the Bidder’s bank receiving the credit would be borne by the Bidder.
4. National Electronic Fund Transfer (“**NEFT**”) – Payment of refund shall be undertaken through NEFT wherever the Bidders’ bank branch is NEFT enabled and has been assigned the IFSC, which can be linked to an MICR code of that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date prior to the date of payment of refund, duly mapped with an MICR code. Wherever the Bidders have registered their MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Bidders through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the Registrars to the Issue. In the event NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in this section.

5. For all other Bidders, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched through registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within eight Working Days of the Bid Closing Date.

Disposal of Applications and Application Moneys and Interest in Case of Delay

With respect to Bidders other than ASBA Bidders, the Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges after the Allotment of Equity Shares.

In case of Bidders who receive refunds through ECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 10 Working Days from the Bid Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through this mode within 10 Working Days of the Bid Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 12 Working Days of the Bid Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the ICDR Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, within ten Working Days of the Bid Closing Date;
- With respect to Bidders other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 10 Working Days of the Bid Closing Date would be ensured. With respect to the ASBA Bidders' instructions for unblocking of the ASBA Bidder's bank account shall be made within eight days from the Bid Closing Date; and
- The Company shall pay interest at 15% p.a. for any delay beyond the 10 Working Days' time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors.
- In case listing permission is not granted to the Company, the Company shall repay the money within eight days from the date of refusal by the Stock Exchange(s). If such money is not repaid within eight days from the day the Company becomes liable to repay it, the Company and every officer in default shall, on and from expiry of eight days, be liable to repay the money with interest at the rate of 15% as prescribed under Section 73 of the Companies Act, 1956.

Letters of Allotment or Refund Orders or instructions to the SCSBs

Bidders residing at the centres where clearing houses are managed by the RBI will get refunds through ECS only, except where the Bidder is otherwise disclosed as eligible to get refunds through direct credit and RTGS. The Company shall ensure that refund orders, if any, are sent by registered post at the sole or first Bidder's sole risk within 10 Working Days of the Bid Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post, intimating them of the mode of credit of refund within 10 Working Days of the Bid Closing Date.

In case of ASBA Bidders, the Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within eight Working Days of the Bid Closing Date, which shall be completed within one Working Day after the receipt of such instruction from the Registrar to the Issue.

Interest in case of delay in dispatch of Allotment Letters or Refund Orders/instruction to SCSB by the Registrar to the Issue

Allotment of Equity Shares in the Issue, including the credit of Allotted Equity Shares to the beneficiary accounts of the Depository Participants, shall be made not later than 10 Working Days of the Bid Closing Date. The Company further agrees that it shall pay interest at the rate of 15% p.a. if the allotment letters or refund orders have not been dispatched to the Bidders or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within eight days from the day the Company becomes liable to repay (i.e. 10 Working Days after the Bid Closing Date). In case listing permission is not granted to the Company, the Company shall repay the money within eight days from the date of refusal by the Stock Exchange(s). If such money is not repaid within eight days from the day the Company becomes liable to repay it, the Company and every officer in default shall, on and from expiry of eight days, be liable to repay the money with interest at the rate of 15% as prescribed under Section 73 of the Companies Act, 1956.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by the Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Undertakings by the Company

The Company undertakes that:

- No further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc;
- All steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 12 Working Days of the Bid Closing Date;
- The complaints received in respect of this Issue shall be attended to expeditiously and satisfactorily. The Company has authorized its Deputy Company Secretary as the Compliance Officer to redress all complaints, if any, of the investors participating in this Issue;
- The funds required for making refunds or dispatch of Allotment advice by registered post or speed post shall be made available to the Registrar to the Issue;
- The refund instruction shall be given or Allotment advice to the successful Bidders shall be dispatched within 10 working days from the Bid Closing Date;
- Where the refunds are made through electronic transfer of funds, suitable communication shall be sent to the applicants within 10 Working Days of the Bid Closing Date giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit of the refund;
- Adequate arrangements shall be made to collect all ASBA and to consider them similar to non-ASBA applications while finalizing the Basis of Allotment;
- The Company shall not have recourse to the proceeds of the Fresh Issue until the approval for final listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

- That the Company agrees that it shall pay interest @ 15% p.a. if the allotment is not made and / or the refund orders are not dispatched to the investors within 10 working days from the Bid Closure Date for the period of delay beyond 10 working days.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue any time after the Bid Opening Date but before Allotment. In such an event, the Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two Working Days of the Bid Closing Date, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the day of receipt of such notification. The Company shall also inform the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which the Company shall apply for only after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

In the event the Company, in consultation with the BRLMs, withdraws the Issue after the Bid Closing Date, a fresh offer document will be filed with SEBI in the event the Company subsequently decide to proceed with the initial public offering.

Utilisation of Issue Proceeds

The Board of Directors certifies that:

- All monies received in the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- Details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed until the time any part of the Issue proceeds remains unutilised, under an appropriate head in its balance sheet indicating the purpose for which such monies have been utilised; and
- Details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning given to such terms in the Articles of Association of the Company.

Pursuant to Schedule II of the Companies Act and the ICDR Regulations, the main provisions of the Articles of Association of the Company relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of equity shares / debentures and / or on their consolidation / splitting are detailed below:

4. The Company shall have power to issue Preference Shares carrying right of redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company, and the Board of Directors may, subject to the provisions of Section 80 of the Act, exercise such power in such manner as it thinks fit.

5. Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose off the same on such terms and conditions, and at such time as the Directors think fit and with power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise, provided that where the Directors decides to increase the issued capital of the Company by the issue of further shares, the provisions of Section 81 of the Act will be complied with, provided further that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

6. Subject to the provisions of the Act, it shall be lawful for the Company to issue at a discount shares of a class already issued.

6A. Subject to the provisions of the Act, the Company may issue shares at premium as may be decided by the Board from time to time.

6B. Subject to the provisions of Section 79A of the Act, the Company may issue sweat equity shares of a class of shares already issued.

7. The Company may, subject to compliance with the provisions of Section 76 of the Act, exercise the powers of paying commission on the issue of shares, debentures. The commission may be paid or satisfied in cash or shares, debentures or debenture stock of the Company.

8. The Company may pay a reasonable sum of brokerage, subject to the ceiling prescribed under the Act.

9A. Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Director may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals as may be permitted by law.

9B. Any debentures, debenture - stock other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

9C. I.. Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year, from the allotment of shares in the company made for the first time after the formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the unissued capital or out of the increased share capital then:

(a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.

- (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) thereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
- (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person (s) as they may think, in their sole discretion, fit.
- II. Notwithstanding anything contained in sub-clause (I) thereof, the further shares may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (I) hereof) in any manner whatsoever.
- a. If a special resolution to that effect is passed by the company in General Meeting, or
 - b. Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes. If any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the company.
- III. Nothing in sub-clause (c) of (I) hereof shall be deemed:
- a. To extend the time within the offer should be accepted, or
 - b. To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- IV. Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loans raised by the company:
- a. to convert such debentures or loans into shares in the company, or
 - b. to subscribe for shares in the company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms or such loans include a term providing for such option and such terms:

- i. Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf, and
 - ii. In the case of debentures or loans of other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the issue of the debentures or raising of the loans.
- 9D Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in

full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in the General Meeting.

CERTIFICATE

10. The certificate of title to shares shall be issued under the seal of the Company.
11. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name or, if any member so wishes, to several certificates each for one or more of such shares unless the conditions of issue of any shares otherwise provide, the company shall either within two months after the date of allotment and on surrender to the company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptance or of renunciation or in case of issue of bonus shares) or within one month of receipt of the application for registration of the transfer, sub-division, consolidation renewal of exchange of any of its shares, as the case may be complete, and have ready for delivery the certificates of such shares. Every certificate of shares, shall specify the name of the person in whose favour the certificate is issued, the shares to which it relates and the amount paid up thereon. Particulars of every certificate issued shall be entered in the register maintained in the form set out in the Companies (Issue of Share Certificates) Rules, 1960.
12. (1) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the Article shall be issued without payment of fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of these which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

(2) Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

(3) The provisions of this Article shall mutatis mutandis apply to debentures of the company.
- 12A. Every member shall be entitled, without payment, to one or more certification in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fees as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder.

JOINT-HOLDERS OF SHARES

13. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to the following provisions and to the other provisions of these Articles relating to joint holders:-
 - a) The Company shall not be bound to register more than three persons as the joint-holders of any share.

- b) The joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such shares.
- c) On the death of any one of such joint holders the survivor or survivors shall be the only person recognised by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit.
- d) Only the person whose name stands first in the Register as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such shares.
- e) If there are Joint Registered Holders of any shares, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares, as if he were solely entitled to, provided that if more than one of the such joint holders be present at any meeting either personally or by proxy, then one of the said persons so present whose name stands on the register of members shall alone be entitled to vote in respect of such shares.

CALLS

- 14. The Directors may, from time to time, subject to the terms on which any shares, may have been issued, make such calls as they think fit, upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment there to made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments.
- 15. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.
- 16. Not less than 30 (Thirty) days notice of any calls shall be given specifying the time and place of payment and to whom such call shall be paid.
- 17. If by the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount of issue price of installment thereof shall be payable as if it was a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount or issue price or installments accordingly.
- 18. If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at the rate of 12 (Twelve) percent per annum, from the day appointed for the payment thereof the actual payment or at such other rate as the Directors may determine but they shall have power to waive the payment thereof wholly or in part.
- 19. On the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was when the claim arose, on the register of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- 20.a. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys, due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or such sum thereof as from time to time exceeds the amount of the calls than made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- b. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

- c. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

FORFEITURE AND LIEN

21. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and expenses, they may have been incurred by the Company by reasons of such non-payment.
22. The notice shall name a day (not being less than 30 (thirty) days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place or places appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.
23. If the requirement of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter before repayment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture subject to Section 205 A of the Act. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as herein provided.
24. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
25. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot or otherwise dispose off the same in such manner as they think fit.
26. The Directors may, at any time, before any share so forfeited are not sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as they think fit.
27. Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and the expenses owing upon or in respect of such shares at the time of all installments, interest and the forfeited together with interest thereupon, from the time of the forfeiture until payment at 12 (Twelve) percent per annum or such other rate as the Director may determine and the Directors may enforce the payment thereof without any deduction of allowances for the value of shares at the time of forfeiture but shall not be under any obligation to do so.
28. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all their rights incidental to the share except only such of those rights as by these Articles are expressly saved.
29. A duly verified declaration in writing that the declarant is a Director of the company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any given for the shares on the sale or disposition thereof, shall constitute a written title to such shares.

- 30 The Company shall have a first and paramount lien upon all the shares / debentures (Other than fully paid-up shares/ debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/ debentures and no equitable interest in any shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/ debentures. Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Directors may at any time declare any shares/ debentures wholly or in part to be exempt from the provisions of this clause.

That the fully paid shares shall be free from all liens and that in the case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

31. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his committee, curator bonis or other person recognized by the company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residue (if any) paid to such member, his executors, administrators, or other representatives or persons so recognized as aforesaid.
32. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Director may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
33. Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holders of the said shares, the Directors may issue new certificate in lieu of certificate not so delivered.

TRANSFER AND TRANSMISSION OF SHARES

34. Subject to the provisions of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the Company together with the certificate or certificates of the shares, or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by or on behalf of transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.
- 34A. The instrument of transfer of any shares in the Company shall be executed by or on behalf of the transferor and the transferee and a common form of transfer shall be used.
35. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manners prescribed by the Act, and, subject to the provision of Articles hereof, the company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register, the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

36. Before registering any transfer tendered for registration, the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within two weeks from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.
37. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particular of every transfer of any share.
38. Subject to the provisions of Section 111 of the Act and, Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or, acknowledge any and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account what soever except when the company has a lien on the shares. Transfer of shares/ debentures in whatever lot shall not be refused.
39.
 - (1) No transfer shall be made to a minor or a person of unsound mind.
 - (2) No fee shall be charged for registration of transfer, transmission probate, succession certificate, letter of administration, marriage, Power of Attorney or Certificate of death or similar other instruments/documents.
40. All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instruments of transfer shall be returned to the person who lodges the transfer deeds.
41. If the Directors refuse to register the transfer of any shares the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company or intimation given, send to the transferor and the transferee or the person giving intimation of such transfer notice of such refusal.
42. On giving seven days' notice by advertisement in a newspaper circulating in the District in which the Office of the company is situated, the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.
43. The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint holders of any registered shares the survivors shall be only person recognized by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognizing any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate, or other legal representation as the case may be from a competent Court, provided nevertheless that in any case where the Board in its absolute discretion think fit it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable.

44. Any person becoming entitled to or to transfer of shares in consequence of that death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he propose to act under this article, or of his title as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This article is hereinafter referred to as "The transmission Article". Subject to any other provisions of these Articles if the persons so becoming entitled to shares under this or the last proceeding Article shall elect to be registered as a member in respect of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If he shall elect to transfer to some other person he shall execute in instrument of transfer in accordance with the provision of these articles relating to transfer of shares. All the limitations, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfer of shares shall be applicable to any such notice of transfer as aforesaid.
45. Subject to any other provisions of these articles if the Directors in their sole discretion are satisfied in regard thereof, a person becoming entitled to a share in consequences of the death or insolvency of a member may receive and give a discharge for any dividends or other money payable in respect of the share.
46. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies Act, 1956 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.
- 46A. Notwithstanding anything contained in the Articles of Association or in any other law for the time being in force, where a nomination has been made in the manner prescribed in Section 109A of the Act, purporting to confer on any person the right to vest the shares in, or debentures of the Company, the nominee shall, on the death of the shareholder or holder of debentures of the Company or, as the case may be, on the death of the joint holders, become entitled to all the rights in the shares or debentures of the company or, as the case may be, all the joint holders, in relation to such shares in or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner and the provisions contained in Sections 109A and 109B of the Act, shall be applicable to such cases.

DEMATERIALIZATION OF SECURITIES

- 47A.(1) For the purpose of these Articles, the expressions "beneficial owner", "depository", "registered owner" and "security" shall have the meaning as defined in the Depositories Act, 1996 or any other re-enactments or modifications thereof.
- (2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialized/ rematerialize its securities and to offer securities in dematerialize form pursuant to the Depositories Act, 1996.
- (3) All the securities held by a Depository shall be dematerialized and be in a fungible form.
- (4) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner. The Depository shall not have any voting rights in respect of the securities held by it.
- (5) Nothing contained in these Articles relating to transfer of securities in physical form shall apply to transfer of securities held in a Depository
- (6) The register and index of beneficial owners maintained by a Depository shall be deemed to register and index of members and register and index of debenture holders of the Company.
- (7) Notwithstanding anything contained in these Articles where the securities are dealt in a Depository, the Company shall intimate the details of allotment of securities to the Depository immediately on allotment of such securities.

ALTERATION OF CAPITAL

49. The Company may, by ordinary resolution, from time to time, alter the condition of the Memorandum of Association as follows :-
- a) Increase the share Capital by such amount to be divided into shares of such amount as may be specified in the resolution.
 - b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the share from which the reduced share is derived, and
 - d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the share so cancelled.
50. Subject to the provisions of Section 100 to 104 of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

MODIFICATION OF RIGHTS

51. If at any time the share capital is divided into different classes of share the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be carried with consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a Separate Meeting of the holders of the shares of that class. To every such Separate Meeting the provisions of these Articles relating to general meeting shall apply, but so that the necessary quorum shall be two persons atleast holding or representing by proxy one-tenth of the issued shares of the class but so that if at any adjourned meeting of such holder a quorum as above defined is not present, those members who are present shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and, on a poll shall have one vote for each shares of the class of which he is the holder. The Company shall comply with the provisions of Section 192 of the Act as forwarding a copy of any such agreement or resolution to the Registrar of Companies.

BORROWING POWERS

52. The Board may from time to time and at its description, subject to the provisions of Sections 58A, 292 and 293 of the Act, and Regulations made thereunder and directions issued by the RBI raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company.
53. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds, perpetual or redeemable debenture or debenture-stock, or any mortgage, or other securities on the undertaking of the whole or part of the property of the Company (both present and future), including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting and subject to the provisions of the Act.
54. Any debentures, debenture-stocks, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise debentures, debenture-stocks, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
55. Save as provided in Section 108 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of debentures.

56. If the Board refuses to register the transfer of any debentures the Company shall within two months from due date on which the instrument of transfer was lodged with the Company, send to the transferee and to transfer of notice of the refusal.

RESERVES

57. Subject to the provisions of the Act, the Board shall in accordance with Section 205 (2A) of the Act, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at the description, either be employed in the business of the Company or be invested in such investments (other than shares of the Company as the Board may, from time to time, think). The Board may also carry forward any profit which it may think prudent not to divide without setting them aside as a reserve.
58. Any General Meeting may resolve that the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divide) be capitalized and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and on the same proportions on the footing that they become entitled thereto as capita and that all or any part of each capitalized amount be applied on behalf of such members in paying up in full any unissued shares of the Company which shall be distributed accordingly in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such member in full satisfaction of their interest in the said capitalized amount. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve account may for the purpose of this Article only be applied in the paying up of unissued shares to be issued to members of the Company as fully-paid bonus shares.
59. For the purpose of giving effect to any resolution under two last preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and the particular may issue fractional certificate.

GENERAL MEETINGS

60. The Directors may, whenever they think fit, call an extra ordinary General Meeting provided however if at any time they are not in India, Directors capable of acting who are sufficient in number to form a quorum any Director present in India may call an extra ordinary General Meeting as in the same manner as nearly as possible as that in which such a meeting may be called by the Board.
61. The Board of Directors of the Company shall on the requisition of such member or members of the Company as is specified in Sub-section (4) of Section 169 of the Act, forthwith proceed to call an extra ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of Section 169 of the Act and of any statutory modification thereof for the time being shall apply.
- 61A. Twenty-one days, notice At least of every General Meeting, Annual or Extraordinary and by whomsoever called, specifying the day, place and hour of meeting and the general nature of the business to be transacted thereat shall be given in the manner hereinafter provided to such persons as are under these Articles or the Act entitled to receive notice from the Company provided that in the case of an annual meeting with consent in writing of all the members entitled to vote thereat and in case of any other meeting with consent of the members holding not less than 95% (Ninety five percent) of such part of the paid-up capital of the Company as give right to vote at the meeting. A meeting may be convened by shorter notice.
- 61B. The accidental omission to give any such notice to or the non-receipt of notice by any of the members or persons entitle to receive the same shall not invalidate the proceedings at any such meeting.
62. The quorum for a General Meeting shall be atleast five members present in person.

63. At every General Meeting, the Chair shall be taken by the Chairman of the Board of Directors. If at any meeting, the Chairman of the Board of Directors is not present within fifteen minutes after the time appointed for holding the meeting or, though present but unwilling to Act as Chairman, the members present shall choose one of the Directors present to be Chairman or if no Director shall be present or though present shall be unwilling to take the chair than the members present shall choose one of their members being a member entitled to vote to be the Chairman.
64. Any act or resolution which under the provision of this article or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or the articles specifically require such Act to be done or resolution passed as a special resolution.
65. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of share holders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at same time and place, unless the same shall be public holiday when the meeting shall stands adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.
66. In the case of an equality of votes the Chairman shall both on a show of hands and a poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.
67. The Chairman of a General Meeting may adjourn the same, from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.
68. If poll is demanded the same shall be taken at such time (not later than forty-eight hours from the time when the demand was made) and place and either by open voting or by ballot as the Chairman shall direct and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for poll may be withdraw at any time by the persons who made the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
- 68A. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutinizer from the office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.
- 68B. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

VOTE OF MEMBERS

69. (1) On a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a proxy on behalf of a holder of equity Shares or as a duly authorized representative of a body corporate being a holder of Equity Shares, if he is not entitled to vote in his own rights, shall have one vote.
- (2) On a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.
- (3) The voting rights of the holders of the Preference Shares including the Redeemable Cumulative Preference Shares shall be in accordance with the provision of Section 87 of the Act.
- (4) No Company or body corporate shall vote by proxy so long as a resolution of its Board of Director sunder Section 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

70. A person becoming entitled to a share shall not before being registered as member in respect of the share, entitled to exercise in respect to thereof any right conferred by membership in relation to the meeting of the Company.
If any member be a lunatic or idiot, he may vote whether on a show of hands or at poll by his committee or other legal curator and such last mentioned persons may give their votes by proxy provided that twenty four hours atleast before the time of holding the meeting or adjourned meeting as the case may be, at which any such person purposes to vote he shall satisfy the Board of his rights under this Article unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
71. Where there are joint holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy than that one of the said persons so present whose name stands prior in order on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executor or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.
72. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorized in writing or is such appointer is a corporation under its common seal or the hand of its Attorney.
73. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarally certified copy of that power of authority shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote in default the instrument of proxy shall not be treated as valid.
74. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given. Provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given. Provided nevertheless that the Chairman of the meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.
75. Every instrument appointing a proxy shall, as nearly as circumstance will admit be in the form set out in Schedule IX to the Act.
76. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.
77. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right or lien.

DIVIDENDS

114. Subject to Rights of members entitled to shares (if any) with preferential or special rights attached to them the profits of the Company, from time to time, determined to be distributed as dividend in respect of any year or other period shall be applied for payment of dividend on the shares in proportion to the amount of capital paid up on the Shares provided that unless the Board otherwise determines all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which dividend is paid. Provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared shall (unless the Board otherwise determines or the terms of issue otherwise provide, as the case may be), only entitled the holder of such share to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to participate in profits.

115. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may subject to the provisions of Section 205 of the Act, fix the time for payment.
116. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.
117. No dividend shall be payable exceed out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company
118. The declaration of the Directors as to the amount of the net profits in the audited annual accounts of the Company for any year shall be conclusive.
119. The Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
120. Subject to Section 205 A of the Act, the Director may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of debts, liabilities or engagements in respect of which the lien exists.
121. Subject to Section 205A of the Act any General Meeting decelerating a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the member, be set off against the call.
122. A transferor of shares shall not pass the rights of any dividends declared thereon before the registration of the transfer.
123. Subject to Section 205 A of the Act, the Directors may retain the dividends payable upon shares in respect of which any person is under the transmission Article entitled to become a member or which any person under the Article is entitled to transfer until such persons hall duly become a member in respect thereof or shall transfer the same.
124. Any one of the several persons who are registered as a joint-holder of any share may give effectual receipts of all dividends and payment on account of dividends in respect of such shares.
- 125A. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the Register in respect of the joint holding or to such person and such address and the member or person entitled or such joint-holders as the case may be, may direct and every cheque or warrant shall be made payable at par to the person or to the order of such the person to whom it is sent or to the order of such other person as the member or person entitled or such joint-holders, as the case may be, may direct.
- 125B. The payment of every cheque or warrant sent under the provisions of the last preceding Article shall, if such cheque or warrant purports to be duly endorsed be a good discharge to the Company in respect thereof, provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend, warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.
- 126a. Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid dividend of --Co. NAME--. " and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

- b. Any money transferred to the unpaid dividend account of the company which remains unpaid or unclaimed for a period of Seven years from the date of such transfer, shall be transferred by the company to the Investor Education and Protection Fund. A claim to any money so transferred to the Investor Education and Protection Fund may be preferred to the Central Government by the shareholders to whom the money is due.
- c. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

RECONSTRUCTION

137. On any sale of the undertaking of the Company, the Directors or the Liquidators on a winding up may, if authorized by a special resolution, accept fully paid or partly paid up shares, debentures or securities of any other Company whether incorporated in India or not other than existing or to be formed for the purchase in whole or in part of the property of the Company and the Directors (if the profits of the Company permit), or the Liquidators (in a winding up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special resolution may provide for the distribution or appropriations of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under Section 494 of the Act as are incapable of being varied or excluded by these presents.

SECRECY

138. Subject to the provisions of law of land and the Act, no member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or subject to article 126 to require discovery or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate.

WINDING UP

139. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be bon by the members in proportion to the capital paid up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the paid up capital at the commencement of the winding-up, or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.
140. In the event of Company being wound up, whether voluntarily or otherwise, the liquidators may with sanction of a Special Resolution divide among the contributories, in specie or in kind any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators, with like sanction, shall think fit.

INDEMNITY AND RESPONSIBILITY

141. Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company a bonafide costs, losses and expenses (including traveling expenses) which any such Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and particular, and so as not to limit the generality of the foregoing provisions, against all bonafide liabilities incurred by him or by them as such Director, Manager, Secretary, Officer or employee in defending any proceeding whether civil or criminal in which judgment is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.
142. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or Act for conformity, or for any loss or expenses happening to the Company through the insufficiency or deficiency or title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occurred by any error of judgment, omission, default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of the Red Herring Prospectus), which are or may be deemed material have been entered or to be entered into by the Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company from 10:00 am to 5:00 pm on all working days from the date of this Red Herring Prospectus until the Bid / Issue Closing Date.

MATERIAL CONTRACTS

1. Agreement dated July 9, 2010 between the Company and the BRLMs.
2. Agreement dated April 27, 2010 entered into between the Company and the Registrar.
3. Escrow Agreement dated [●] between the Company, BRLMs, Registrars to the Issue, Syndicate Members and Escrow Bankers.
4. Syndicate Agreement dated [●] between the Company, the BRLMs and the Syndicate Members.
5. Underwriting Agreement dated [●] between the Company and Underwriters

DOCUMENTS FOR INSPECTION

1. Memorandum and Articles of Association of the Company.
2. Certificates of Incorporation of the Company as amended from time to time.
3. Tripartite Agreements dated May 27, 2008 and March 26, 2008 with NSDL and CDSL, respectively.
4. Certified true copy of the Resolution passed at the meeting of the Board of Directors held on March 31, 2010 for approving this Initial Public Offer.
5. Certified true copy of the Resolution passed u/s. 81(1A) of the Companies Act, 1956 at the Extraordinary General Meeting dated April 27, 2010 for approving this Initial Public Offer.
6. Consents of all Promoters, Directors, Company Secretary, Compliance Officer, Auditors, BRLMs to the Issue, Syndicate Members, Legal Advisors to the Issue, Bankers to the Company, Bankers to the Issue, Registrars to the Issue, IPO Grading Agency, Underwriters to include their names in this Red Herring Prospectus to act in their respective capacities.
7. Shareholders resolution for appointment of Statutory Auditors.
8. Resolutions passed by the shareholders for appointment and remuneration of the Managing Director and Whole-time Directors.
9. Report of the Auditors M/s. S.S. Kothari Mehta & Co., Chartered Accountants, dated May 25, 2011, on restated standalone financials for the past 5 years and restated consolidated financials for last two year as mentioned in this Red Herring Prospectus.
10. The Annual Reports of the Company for the past Five Financial Year ended March 31, 2007, March 31, 2008, March 31, 2009, March 31, 2010 and March 31, 2011.
11. Report of the Auditors M/s. S.S. Kothari Mehta & Co., Chartered Accountants dated May 25, 2011, regarding the statement of Tax Benefits available to the Company and investors.
12. Initial listing application made with BSE and NSE for listing of Equity Shares.

13. In-principle listing approval from BSE dated September 16, 2010 and NSE dated January 14, 2011
14. Certified true copy of Due Diligence Certificate dated July 9, 2010, provided to SEBI from the BRLMs.
15. SEBI Observation Letter No. CFD/DIL/SP/JAK/OW/12057/2011 dated April 8, 2011 and reply given by BRLMs dated July 7, 2011.
16. Anonymous complaint received in the name of Mr. D.K. Jain, from SEBI on October 29, 2010 and its replies filed to SEBI dated November 10, 2010, November 29, 2010, December 15, 2010, December 30, 2010, February 2, 2011, February 18, 2011 and March 17, 2011.
17. Debenture Subscription Agreement between HT Media Limited, Promoters and the Company dated January 14, 2009.
18. Consent of the ICRA Limited (IPO Grading Agency), for inclusion of their IPO grading report furnishing the rationale for its grading, in the form and context in which they will appear in the Red Herring Prospectus.
19. Report of the ICRA Limited dated June 28, 2011 furnishing the rationale for its grading.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of the Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act, 1956 and other relevant statutes.

DECLARATION

No statement made in this Red Herring Prospectus contravenes any of the provisions of the Companies Act, 1956 and the rules made thereunder. All the legal requirements connected with the said issue also the guidelines, regulations, instructions etc. issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with. The Company further certifies that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY:

Dr. Anil Jindal
Chairman

Mr. Sunil Jindal
Managing Director

Mr. Raju Bansal
Whole-time Director

Mr. Vinod Kumar
Whole-time Director

Mr. Jitender Kumar
Non Executive Director

Mr. Praveen Kumar Kapoor
Non Executive Director

Mr. Praveen Gupta
Independent Director

Mr. Shiv Mohan Gupta
Independent Director

Mr. Nishant Goel
Independent Director

Mr. Joginder Lal Chhabra
Independent Director

Mr. Kailash Kumar
Independent Director

Mr. Lalit Kumar
Independent Director

Mr. Bhagwan Dass Gupta
Chief Financial Officer

Place: Faridabad
Date : July 23, 2011



Ref: D/RAT/2011-12/S-204/1

May 03, 2011

Dr. Anil Jindal
Chairman & Managing Director
SRS Limited,
SRS Mall, City Centre,
Sector 12,
Faridabad (NCR) – 121007

Dear Sir,

Re: ICRA Grading of Initial Public Offer of 35,000,000 nos. Equity Shares of Rs. 10 each to be issued by SRS Limited to the Public ("IPO")

Please refer to your mandate letter dated 6th April 2010 for grading the above captioned IPO of SRS Limited. The Rating Committee of ICRA, after due consideration, has assigned the "ICRA IPO Grade 3" (pronounced as ICRA IPO Grade Three) grading to the captioned IPO programme. This grading indicates average fundamentals.

In any of your publicity material or other document wherever you are using the above grading, it should be stated as "ICRA IPO Grade 3". We would appreciate if you can sign on the duplicate copy of this letter and send it to us as a token of your confirmation about the use of this letter. The rationale for assigning the above grading will be sent to you in due course.

This grading is specific to the terms and conditions of the proposed IPO issue as was indicated to us by you and any change in the terms or size of the IPO would require the grading to be reviewed by us. If there is any change in the terms and conditions or size of the rated IPO, as above, the same must be brought to our notice before the issue of the IPO. If there is any such change after the grading is assigned by us, it would be subject to our review and may result in change in the grading assigned.

ICRA reserves the right to suspend, withdraw or revise the above grading at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the aforesaid grading assigned to you.

The grading, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Equity Shares to be issued by you. If the issue graded, as above, is not placed by you within a period of 6 months from date of this letter communicating the grading, the same would stand withdrawn unless revalidated before the expiry of 6 months.

Building No. 8, 2nd Floor
Tower A, DLF Cyber City
Phase II, Gurgaon - 122002

Tel. + 91 - 124 - 4545300
Fax + 91 - 124 - 4545350

website : www.icra.in
email : info@icraindia.com

Regd. Office: 1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi - 110001

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You are required to keep us forthwith informed of any developments (including any default or delay in repayment of interest or principal amount of any debt instruments/ borrowing or proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts) which may have a direct or indirect impact on the grading assigned to the aforesaid IPO programme.

In determining the grading, ICRA has relied on the information available/made available to it by your company and ICRA does not guarantee the completeness or accuracy of such information on which the grading is based

We thank you for your kind cooperation extended during the course of the grading exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours sincerely,
for ICRA Limited

A handwritten signature in black ink, appearing to read 'Rohit Inamdar'.

Rohit Inamdar
Senior Vice President

A handwritten signature in black ink, appearing to read 'Anil Gupta'.

Anil Gupta
Senior Analyst



ICRA Limited

An Associate of Moody's Investors Service

Ref: D/RAT/2011-12/S-204/4

June 28, 2011

To,

Dr. Anil Jindal

Chairman

SRS Limited

SRS Multiplex (Top Floor),

City Centre, Sector 12

Faridabad (NCR Delhi) – 121007

Dear Sir,

Re: Proposed Initial Public Offer (IPO) by "SRS Limited" of 35,000,000 Equity Shares of Rs 10/- each at a premium of Rs [.] each

This is in reference to ICRA IPO Grading for proposed IPO of the SRS Limited. Please find attached a copy of the ICRA grading rationale. This is for your record purposes only.

Please contact us if you need any clarifications.

Yours Sincerely,

For ICRA Limited

Rohit Inamdar

Senior Vice President

Building No. 8, 2nd Floor
Tower A, DLF Cyber City
Phase II, Gurgaon - 122002

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SRS LIMITED

Issue Details

SRS Limited proposes to come out with an Initial Public Offer (IPO) of 35 million equity shares of face value of Rs.10 each. The issue is being made through the 100% Book Building Process, wherein not more than 50% of the Issue will be available for allocation on a proportionate basis to Qualified Institutional Bidders (QIBs), of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Issue will be available for allocation on a proportionate basis to Retail Individual Bidders. Post-IPO, the shares will be listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Proposed Use of IPO Proceeds

The IPO proceeds are proposed to be used primarily for:

- Setting up of cinemas
- Setting up of food courts and restaurants
- Setting up of retail stores
- Setting up of jewellery manufacturing facility and jewellery retail stores
- General corporate purposes
- Issue related expenses

Analyst Contacts

Anil Gupta

anilg@icraindia.com
+91-124-4545314

Rohit Inamdar

rohit.inamdar@icraindia.com
+91-124-4545847

Relationship Contact

Vivek Mathur

vivek@icraindia.com
+91-124-4545310

Website

www.icra.in

IPO Grading

ICRA has assigned an “**ICRA IPO Grade 3**”, indicating average fundamentals to the proposed IPO of SRS Limited (SRS). ICRA assigns IPO gradings on a scale of IPO Grade 5 to IPO Grade 1, with Grade 5 indicating strong fundamentals and Grade 1 indicating poor fundamentals.

An ICRA IPO Grade is a symbolic representation of ICRA's current assessment of the fundamentals of the issuer concerned. The fundamental factors assessed include, *inter alia*, business and competitive position, financial position and prospects, management quality, corporate governance, and history of compliance and litigation.

Disclaimer: Notwithstanding anything to the contrary: An ICRA IPO grade is a statement of current opinion of ICRA and is not a statement of appropriateness of the graded security for any of the investors. Such grade is assigned with due care and caution on the basis of analysis of information and clarifications obtained from the issuer concerned and also other sources considered reliable by ICRA. However, ICRA makes no representation or warranty, express or implied as to the accuracy, authenticity, timeliness, or completeness of such information. An ICRA IPO grade is not (a) a comment on the present or future price of the security concerned (b) a certificate of statutory compliance and/or (c) a credit rating. Further, the ICRA IPO grade is not a recommendation of any kind including but not limited to recommendation to buy, sell, or deal in the securities of such issuer nor can it be considered as an authentication of any of the financial statements of the company, and ICRA shall not be liable for any losses incurred by users from any use of the grade in any manner. It is advisable that the professional assistance be taken by any prospective investor in the securities of the company including in the fields of investment banking, tax or law while making such investment. All services and information provided by ICRA are provided on an “as is” basis, without representations and warranties of any nature.

Strengths

- Strong revenue and profit growth, though the same is mainly driven by the jewellery business
- Diversified business portfolio with presence in businesses like cinemas, retailing, food & beverages (F&B) and jewellery segments
- Established presence of “SRS” brand in the key operational geographies to help provide cross promotional support for all the businesses
- Satisfactory operational performance as reflected in steady revenue growth from all the business segments; albeit profitability as reflected in Return on Capital Employed (RoCE) has remained weak for cinemas and F&B segment
- Experienced promoter group; and demonstrated track record for operations in key business segments
- Financial flexibility as is reflected in comfortable capital structure; healthy cash accruals

Concerns

- Modest scale of operations in retail, F&B and cinema businesses; the scale of operations to improve post completion of the projects planned under proposed IPO
- Almost 90% of IPO proceeds are proposed to be utilised in three businesses, Cinemas, F&B and retail, which accounted for around ~20% of the company's OPBDITA in FY 10 and 11; While the company has identified the cities, it is yet to identify the proposed locations for the outlets to be set up from IPO proceeds; ability to timely identify them and commence satisfactory operations will be critical to maintain future profitability
- Overall weak profit margins due to lower value addition in retail business and jewellery business, which accounted for almost 95% of company's revenues in FY 2011
- Despite satisfactory overall RoCE; Return on Net Worth (RoNW) has remained weak due to lower financial leverage arising out of steady equity infusions from promoters
- Vulnerability of the businesses to economic slowdown as has happened in FY 2009, whereby the profitability of the company was adversely impacted
- Exposure to fluctuations in gold prices to its presence in jewellery segment

Grading Rationale

The grading draws the comfort from the strong revenue and profit growth demonstrated by the company over past few years and diversified business portfolio with a presence in businesses like cinemas, retail stores, Food & Beverage (F&B) outlets and jewellery trading. The grading also takes into account the established presence of “SRS” brand in key operational geographies of the company and the experienced promoter group which has resulted in satisfactory revenue growth in all the business segments of the company. The grading is also supported by the comfortable financial profile as reflected in its capital structure and its cash accruals, which is expected to provide enough financial flexibility for funding its growth. The funding from the proposed IPO will further impart enough financial flexibility to undertake the projects proposed from the IPO proceeds. The grading is however constrained on account of modest scale of company's operations in cinema, retail and F&B businesses and overall weak profit margins due to high revenue contribution from trading businesses i.e. jewellery and retail. The grading is also constrained on account of proposed deployment of significant portion of IPO proceeds towards businesses which currently have weak profitability and lack of identified location within the proposed cities for the new outlets which are to be set up from IPO Proceeds. Further, the growth in revenues and profits over past few years have been mainly driven by the jewellery business, where the company is exposed to the counter party credit risk as major part of the jewellery sales is derived from sales to customers on unsecured credit. The company apart from being exposed to the fluctuations in gold prices is also exposed to economic slowdown as all the businesses are mainly driven by the disposable income levels of the customers.

Company Profile

SRS Limited is a diversified Company with a business portfolio comprising of Cinema Exhibition, Food & Beverages, Retail and Manufacturing & Retailing of Jewellery. SRS Limited was incorporated as SRS Commercial Company Limited in August 2000 and was later renamed to SRS Entertainment Limited in January 2005. Subsequently the name of the company was changed to SRS Entertainment and Multitrade Limited in December, 2008 and SRS Entertainment & Retail Limited in January 2009 and the company was renamed as SRS Limited, in July 2009, which is the present name of the company. The numerous changes in the name of the company has been made due to changes in nature of the business activities of the company over the years. For the FY ending March 31, 2011, the company reported an operating income of Rs 20.41 billion and net profit of Rs 373.88 million as compared to an operating income of Rs 13.08 billion and net profit of Rs 261.57 million in the previous year. The jewellery business accounted for 71% of the revenues and 93% of the company's operating profits before depreciation interest and taxes during the FY 2011 as against 63% of revenues and 91% of the operating profit during previous year.

Promoters and Management

The promoters of SRS Limited have interest in a diverse range of sectors including entertainment, food & beverages, retail, financing, trading, jewellery and real estate. The company is mainly promoted by Jindal and Bansal families of Faridabad, NCR Delhi. Cumulatively the promoter and promoter group (including friends and relatives of these families) controls 98.89% of the company's shareholding, which is expected to decline to around 74.04% after the proposed IPO. The shareholding pattern of SRS Limited pre-IPO and post-IPO is given in Table 1 below.

Table 1: Shareholding Pattern of SRS Limited (Pre-IPO and Post-IPO)

Category	Pre-Issue		Post-Issue	
	No of Shares	%	No of Shares	%
Promoter & Promoter Group	103,136,130	98.89%	103,136,130	74.04%
Public	1,154,879	1.11%	36,154,879	25.96%
Total Shares	104,291,009	100.00%	139,291,009	100.00%

Source: DRHP, Company, ICRA Estimates

Business and Competitive Position:

Diversified business activities with presence in cinemas, food & beverages, retail and jewellery business; however a major component of the income, profits and the growth has been driven by jewellery business:

The operations of Company are well diversified, with the company being engaged in various businesses like cinemas, food and beverages, retail and wholesale trading and jewellery business. However the revenue and profitability growth over the past few years has been majorly driven by the jewellery business. The table below shows the segment wise revenues and contribution to OPBDITA of various businesses in overall performance of the company.

Table 2: Segmental revenues and operating profitability of SRS Limited:

	2007-08	2008-09	2009-10	2010-11	2007-08	2008-09	2009-10	2010-11
Revenues in Rs Million					% of total Operating Income			
Cinemas	137.56	182.37	218.79	368.81	8%	4%	2%	2%
Food and Beverages	43.02	133.96	170.29	212.50	3%	3%	1%	1%
Retail + cash and carry	1291.01	4479.64	4439.25	5212.53	75%	89%	34%	26%
Jewellery	0.00	157.89	8213.45	14579.91	0%	3%	63%	71%
Others (Unallocable)	244.59	49.63	35.87	34.26	14%	1%	0%	0%
Total	1716.18	5003.49	13077.65	20408.01	100%	100%	100%	100%
OPBDITA in Rs Million					% of total OPBDITA			
Cinemas	11.18	23.18	32.47	66.13	6%	10%	5%	7%
Food and Beverages	-1.91	12.71	21.34	34.75	-1%	6%	3%	4%
Retail + cash and carry	189.97	275.69	93.66	103.59	105%	118%	13%	11%
Jewellery	0.00	4.91	661.34	858.82	0%	2%	91%	93%
Others (Unallocable)	-17.88	-83.31	-85.72	-141.94	-10%	-36%	-12%	-15%
Total	181.36	233.18	723.09	921.35	100%	100%	100%	100%

Source: Company, ICRA Estimates

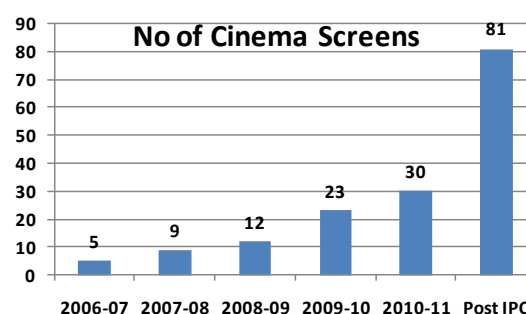
The company operates cinemas, food courts, restaurants and retail stores in order to cater to the interests of the entire family. The company generally aims to have food courts/retail store and multiplex in the same property, and acts as an anchor tenant for the mall. This also helps company in better negotiation for the rentals, and the close synergies between these businesses enable the company reduce the costs as well as undertake cross promotional activities.

Cinema Business:

Modest scale of existing multiplex business; aggressive expansion planned in tier 2 and tier 3 cities; with almost 45~50% of the proposed IPO proceeds to be utilised towards cinemas business:

SRS commenced its cinemas operations in year 2004 with three screens located at Faridabad, Haryana. Since then

Chart 1: No of Cinema Screens



Source: Company, ICRA Estimates

SRS has steadily grown and currently SRS has 30 screens across 11 locations in 6 cities with 7608 seats at the end of FY 2011. Most of the screens opened by the company during last few years are located in Tier II and Tier III cities (refer table 3) such as Gorakhpur (UP), Bijnore (UP) and Patiala (Punjab) etc. SRS mainly operates through the leased properties and out of its existing eleven properties; only one property, i.e. SRS Mall, Faridabad is owned by the company.

With 30 screens at the end of FY 11, the scale of company's cinemas operations continues to remain small in relation to other established multiplex players in the industry, nonetheless, with experience gained in multiplex operations over the years, the company now plans to aggressively expand its no of screens to around 81 from the proceeds of the IPO which is expected to improve the scale of cinemas operation and will be comparable to some of the established players in the industry. With proposed expansion, SRS wants to capitalise on the growth opportunities in the Tier II and Tier III cities which currently have low penetration of multiplex and gain from the first mover advantage and benefit from the lower competition.

Timely identification of the proposed locations for the proposed cinemas will be critical for its future growth as almost 45~50% of the IPO proceeds are proposed to be deployed towards cinema business.

Revenue and earnings from cinema business have grown in line with the scale of operations:

With the opening of the new screens and the stabilisation time taken by the new properties during initial year, the occupancy levels for SRS have gradually declined over past years (refer table 4); however it is broadly remained comparable with industry average. During FY 11, the ticket prices at its cinemas ranged from Rs. 90 to Rs. 150, with average ticket price (ATP) of Rs 119/visitor. The table 4 given below shows the key trend in operational and financial performance of cinema businesses:

Table 4: Operational and financial performance in cinema business:

	2006-07	2007-08	2008-09	2009-10	2010-11
Occupancy Levels [^]	42.8%	35.9%	26.2%	26.0%	20.4%
No of visitors (Million)	0.8	1.2	1.4	1.6	2.5
Average Ticket Price (Rs)	97.1	105.4	110.7	107.4	119.2
Average F&B sale per Visitor (Rs)	27.1	28.5	29	29	31.6
Operating Income (Rs Million)	77.26	137.56	182.37	218.79	368.81
% OPBDITA	31.2%	8.1%	12.7%	14.8%	17.9%

[^] adjusted for opening in the middle of the year

Source: Company, ICRA Estimates

Food and Beverage Business:

Presence mainly in Quick Service Restaurant (QSR) format through "SRS 7 Dayz" brand offering value for money meals mainly in Tier II and Tier III cities; almost 15~20% of the IPO proceeds to be utilized towards expansion of F&B business:

SRS operates 14 F&B outlets of which 11 outlets are under the "QSR" format, under the brand name, "SRS 7 Dayz"; and 3 fine dining restaurants under the brand name "SRS Punjabi Haandi". Apart from this, it also operates one banquet hall at Faridabad. Most of its QSR restaurants operate from the Tier II and Tier III cities located in the state of Haryana and UP. Most of these outlets are taken on lease with size ranging from 5,000 sq ft to 10,000 sq ft. Over the past years, the company has steadily grown its outlets and improved on the profitability margins.

Going forward, the company plans to scale the no of outlets to around 50 from the proposed utilisation of IPO proceeds. Since the company has not identified the location of the proposed outlets, ability to timely identify these locations will be critical for its future growth.

Table 3: Cinema Locations

Cinema Locations	Screens
Faridabad (Haryana)	10
Gurgaon (Haryana)	4
Ghaziabad (UP)	7
Gorakhpur (UP)	3
Bijnore (UP)	2
Patiala (Punjab)	4
Total	30

Source: Company, ICRA Estimates

Table 5: F&B Locations

F&B Locations	Outlets
Faridabad (Haryana)	4
Ludhiana (Punjab)	2
Noida (UP)	1
Moradabad (UP)	2
Gorakhpur (UP)	2
Jind (Haryana)	1
Bijnor (UP)	1
Indore (MP)	1
Total	14

Source: Company, ICRA Estimates

Table 6: Operational and financial performance in F&B business:

	2006-07	2007-08	2008-09	2009-10	2010-11
Operating Income (Rs Million)	0.87	43.02	133.96	170.29	212.50
% OPBDITA	NM	-4.4%	9.5%	12.5%	16.4%

NM: Not meaningful

Source: Company, ICRA Estimates

Retail and Cash & carry Business:

Strong retail spread in the NCR region; foray in Cash & Carry (wholesale trading) segment has contributed to the revenues growth; however contribution to the operating profitability remains minimal. Almost 20~25% of the IPO Proceeds to be utilized towards this business segment:

SRS commenced retail business in FY 2005-06 with a single store in Faridabad; and currently it operates 23 retail stores in the northern India, with prime focus on the NCR. Out of the 23 stores as on date; the company operates 20 stores under the brand, "SRS Value Bazaar" and the balance three under the brand "SRS Fashion wear".

SRS Value Bazaar format offers the entire range of FMCG products, whereas SRS Fashion wear offers clothes under private labels as well those of well known brands.

As can be seen from the table 7, most of the company's stores are located in the NCR region; however going forward, the company plans to almost double its retail outlets to around 53 stores from the IPO proceeds, with major focus on tier II and Tier III cities. Similar to its cinema and F&B businesses, the company its yet to identify the location of the proposed stores. Any delays in identification and finalization can potentially delay the expansion plans and future growth.

Table 7: Retail Store Locations

Retail Locations	Stores
Faridabad (Haryana)	11
Gurgaon (Haryana)	6
New Delhi	2
Ghaziabad (UP)	1
Jind (Haryana)	1
Palwal (Haryana)	1
Amritsar (Punjab)	1
Total	23
Total Area (Sq ft)	~ 0.13 million

Source: Company, ICRA Estimates

The company's revenues from retail stores were adversely impacted during the economic downturn during the later half of FY 2009 and FY 2010; which adversely impacted its retail sales. However this was offset by the growth in cash and carry segment, which resulted in overall stable revenues from this business segment.

Table 8: Operational and financial performance in retail business:

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenues (Rs Million)	209.27	1291.01	4479.64	4439.25	5212.53
% Overall EBITDA	0.7%	14.7%	6.2%	2.1%	2.0%

Source: Company, ICRA Estimates

Though the foray into cash and carry segment has resulted in considerable revenue growth to the company however due to limited value addition in cash and carry segment, the profit margins have declined to around 2% levels in FY 11.

Jewellery Business:

The main growth driver for revenues and profits during past few years; credit period offered to wholesale customers is the key value proposition; but exposes it to counter-party credit risk and risks arising out of fluctuations in gold prices:

SRS jewellery business has been the key revenue and profitability driver for the company during last two years; contributing almost 71% of revenues and 93% of operating profits during FY 11 as against 3% of revenues and 2% of operating profits in FY 09.

The company mainly operates through wholesale segment, whereby it manufactures and sells jewellery to its various smaller wholesale clients on a credit. During FY 2011, the top five customers of the company accounted for almost 47% of the jewellery sales as against 71% in previous year. Though the revenue concentration has declined, it continues to remain high. While most of the customers of the company are known entities and the debtors of the company are unsecured; thereby exposing it to counter-party credit risk. To mitigate the credit risks, the company sometimes takes postdated cheques from its customers to secure the transaction.

For manufacturing the jewellery, the company purchases gold from Banks against standby letter of credit with a credit period of up to 180 days. The purchase is on daily basis depending on the sales and the quantum of

purchase is such that it replenishes the stock sold by the company. At a given point, the company holds inventory of around 300~400 kgs of gold (~Rs 700~800 million). Any decline in gold prices, will expose the company to the losses due to decline in value of the inventory. Due to annual volume contract with banks for purchase of gold, the company is able to purchase gold on lower brokerage in relation to other smaller traders. The pricing to the customer is done based on the prevailing gold prices and making charges are added depending on the credit period offered to the wholesale customer.

The company manufactures jewellery at its manufacturing unit, located in Delhi and its export oriented manufacturing unit at Noida SEZ. The company has got the possession of 645 sq meter of land out of total requirement of around 1800 sq meter at Noida SEZ and it commenced operations from this facility in April 2011. The domestic wholesale jewellery business is carried out through its two outlets located in Delhi, in addition to which it has three retail outlets in Delhi NCR. Wholesale jewellery trading accounted for over 99% of the jewellery division revenues in FY 2011.

Table 9: Operational and financial performance in jewellery business:

	2008-09	2009-10	2010-11
Revenue (Rs Million)	157.89	8213.45	14579.91
% OPBDITA	3.1%	8.1%	5.9%

Source: Company, ICRA Estimates

Limited presence in retailing, however aggressive growth plans in retail business; Jewellery retailing business to benefit from the SRS brand recognition:

While the company currently derives almost its entire sales from the wholesale business, the company has ventured into jewellery retailing business and plans to increase its retail stores to around 20 from the IPO proceeds. Retail segment commenced operations in March 2009 and the company currently has three stores catering to the retail customers. SRS does not have an in house design team and procures standard designs, with some modifications from various vendors.

Financial Position

Strong growth in revenues and profits; mainly driven by growth in jewellery and cash & carry businesses; decline in profit margins due to trading nature of these businesses:

SRS has shown a considerable revenue growth over past few years, which has been mainly driven by its cash and carry business during the period FY 2008 and FY 2009 and later due to growth in jewellery manufacturing and trading businesses during 2010 and FY 2011. In addition to the contribution from these businesses, the other businesses; i.e. cinemas, retail and food courts have also shown steady growth and contributed to the revenue growth.

Table 10: Profitability & Earnings

Rs in Million	2006-07	2007-08	2008-09	2009-10	2010-11
Operating Income (OI)	496.09	1716.18	5003.49	13077.65	20408.01
Growth		246%	192%	161%	56%
OPBDITA	97.73	181.36	233.18	723.09	921.35
OPBDITA/ OI (%)	19.7%	10.6%	4.7%	5.5%	4.5%
PAT	101.11	104.75	55.91	261.57	373.88
PAT / OI (%)	20.4%	6.1%	1.1%	2.0%	1.8%
EPS (Rs/Share)	3.57	2.12	0.60	2.55	3.59
EPS Growth (%)		-41%	-72%	325%	41%
ROCE (%)	12.2%	7.9%	4.8%	13.2%	13.6%
RONW (%)	13.5%	7.5%	2.6%	9.5%	11.9%

OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortization; PAT: Profit After Tax, RoNW, Return on Net Worth, RoCE: Return on Capital Employed

Source: Company, ICRA Estimates

While the segmental OPBDITA margins continue to remain comfortable, the overall operating profitability margins of the company have consistently declined over the past years due to higher revenue contribution from lower margin businesses, i.e. retail and jewellery businesses, which offer OPBDITA margin of around 2% and 5.9% respectively during FY 11. The RoCE declined sharply in FY 2008-09 due to decline in profit margins in retail business following the economic slowdown as well as increase in capital employed following the commissioning of new stores and cinemas. Despite a satisfactory RoCE in FY 2010 and FY 2011, the RoNW in has remained

below satisfactory levels due to consistent equity infusion from the promoter group, thereby resulting in lower leveraging. The RoNW has slightly improved in FY 11 despite a modest increase in RoCE, due to increase in leverage levels.

Comfortable gearing levels following steady equity infusion and accretion to reserves; almost 80% of debt attributable to working capital requirements;

With steady increase in number of cinema screens, retail outlets and F& B outlets; the gross block has steadily increased over past years; a major portion of which has been funded through steady equity infusion from the promoters as well as internal accruals. As a result of equity funding, despite an increased investments, the long term debt accounted for around 20% of the total debt of the company; thereby resulting in comfortable capital structure with an overall gearing of 0.90 times as on March 31 2011.

Table 11: Capital Structure

Rs in Million	2006-07	2007-08	2008-09	2009-10	2010-11
Total Debt (TD)	437.34	1283.06	1543.01	1622.86	2737.72
Tangible Net Worth (TNW)	746.89	1396.62	2142.74	2767.36	3130.53
Total Debt / Net Worth (time)	0.59	0.92	0.72	0.59	0.87
TD/OPBDITA	4.47	7.07	6.62	2.24	2.97

Source: Company, ICRA Estimates

With increase in revenues and working capital intensive nature of jewellery business, the company's working capital borrowings have increased sharply and it accounted for almost 80% of the company's debt as on March 31 2011. Increased working capital debt has resulted in increase in gearing levels during FY 2011 to 0.90 times from 0.59 times in previous year; however it continues to remain comfortable.

Working Capital Intensity is moderate as majority of sales in non-jewellery business on limited credit period:

Since most of the sale in cinemas, retail and F&B outlets is on limited credit period, the debtors are mainly attributable to Jewellery business. While the overall inventory days are comfortable at around 1 month, out of the total inventory of around Rs 1 billion at the end of FY 11; a majority of the inventory is attributable to jewellery business. The creditors of the company are mainly attributable to non-jewellery businesses.

Table 12: Working Capital Indicators

	2006-07	2007-08	2008-09	2009-10	2010-11
Debtor Days	46	8	24	28	48
Inventory Days	32	30	20	36	19
Payable Days	46	29	15	8	9
Net Working Capital/OI	9%	3%	8%	15%	16%

Source: Company, ICRA Estimates

Contingent Liabilities

The company has not provided for the following contingent liabilities as on 31 March 2011

- Claims against the company not acknowledged as debt (excluding interest and penalty) : Rs 5.16 million

Corporate Governance

SRS's Board has been constituted in compliance with the Companies Act and currently constitutes of twelve directors of which six directors are independent, thereby satisfying the requirements under clause 49 of the listing agreement. The company has also constituted following committees for compliance with corporate governance requirements:

- 1) Audit Committee (Constitutes three directors including 2 independent director)
- 2) Investor's service committee (Constitutes three directors; none of them is independent director)
- 3) Remuneration committee and (Constitutes three directors, all of them are independent directors)
- 4) IPO Committee (Constitutes three directors, one of them is independent director)

Out of the six non-independent directors; two are from the Jindal Family occupying the position of Chairman; and Managing Director; one is from the Bansal Family occupying the position of Whole time director. The company

has also enacted the code of conduct for prevention of insider trading and corporate disclosure practices in its Board meeting held in March 2010.

Compliance and Litigation History

Accounting Quality

SRS has restated its past accounts for the qualifications made by the auditors, which had financial impact over the profitability of the company; however auditors of the company, in their audit reports have highlighted few cases where there were slight delays by the company in submission of statutory dues, which do not require any restatement of accounts.

Litigation History: Key litigations

As on the date of filing of Draft Red Herring Prospectus (DRHP); following litigations were pending against the company, promoters, directors and the promoter group.

Table 13: Key Litigations against SRS Limited, its promoters, promoter group and directors

	Against Company		Against Promoters		Against Promoter group		Against directors	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Criminal	1	0.0	4	0.00	1	41.65^	3	0.00
Civil	3	4.93	5	0.00	67	33.73	4	0.00
Labour	2	0.09	0	0.00	0	0.00	0	0.00
Income Tax	5	0.21	3	0.00	10	2.12	2	0.12
Sales Tax	2	0.00	0	0.00	0	0.00	0	0.00
SEBI Notices					2	0.00	0	0.00
Total	13	5.23	12	0.00	78	77.5	9	0.12

^ Amount deposited with Delhi High Court; Note Amount in Rs Million

Source: Company, DRHP, ICRA Estimates

Most of the litigations are against the promoter group companies, which largely include 61 cases against SRS Real Estate Limited (SREL) for delay in construction of the proposed residential housing colony. The criminal case involving Rs 41.65 million of amounts is due to stop payment of the cheque made by SREL against the purchase of land, which was later found disputed. On the instance of Delhi High Court, the company deposited this amount with the Court pending the final order.

During September 2009, two of the promoter group companies received the notices from SEBI in relation to the trading activities in few stocks, enquiring access to any insider information about these stocks with the companies. Later in June 2010, SEBI issued the summons to the director of these promoter group companies which required them to appear before the SEBI for enquiry, where the directors mentioned that these were routine transactions and they were not in possession of any price sensitive information.

In addition to above, following litigations have been initiated by the company, promoters and promoter group companies:

Table 14: Key Litigations filed by SRS Limited, its promoters, promoter group

	By Company		By Promoters		By Promoter group	
	No.	Amount	No.	Amount	No.	Amount
Criminal	3	5.89	2	0.00	338	21.56
Civil	1	0.02	0	0.00	2	0.10
Total	4	5.91	2	0.00	340	21.66

Note: Amount in Rs Million

Source: Company, DRHP, ICRA Estimates

Most of the litigations initiated by the promoter group are under section 138 of Negotiable Instrument Act, where the cheques issued by various persons to promoter companies in relation to their financing business have bounced, and hence the company has filed a complaint against them.

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**ICRA Limited***An Associate of Moody's Investors Service***CORPORATE OFFICE**Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122 002

Tel: +91 124 4545300 Fax: +91 124 4545350

Email: info@icraindia.com, Website: www.icra.in**REGISTERED OFFICE**1105, Kailash Building, IIth Floor, 26 Kasturba Gandhi Marg, New Delhi 110001

Tel: +91 11 23357940-50 Fax: +91 11 23357014

Branches: **Mumbai:** Tel.: + (91 22) 24331046/53/62/74/86/87, Fax: + (91 22) 2433 1390 **Chennai:** Tel + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294, Fax + (91 44) 2434 3663 **Kolkata:** Tel + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008, Fax + (91 33) 2287 0728 **Bangalore:** Tel + (91 80) 2559 7401/4049 Fax + (91 80) 559 4065 **Ahmedabad:** Tel + (91 79) 2658 4924/5049/2008, Fax + (91 79) 2658 4924 **Hyderabad:** Tel +(91 40) 2373 5061/7251, Fax + (91 40) 2373 5152 **Pune:** Tel + (91 20) 2552 0194/95/96, Fax + (91 20) 553 9231

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