

SRI AMARNATH FINANCE LIMITED

22, Rajindra Park, New Delhi-110060 Ph.: 011-32622647

E-mail : sriamarnath@hotmail.com

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **M/S SRI AMARNATH FINANCE LIMITED** will be held at 22, Rajindra Park, New Delhi-110060 on Friday 30th September, 2011 at 11:30 A.M. to transact the following business: -

AS ORDINARY BUSINESS :

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended 31st March, 2011 and the report of Auditors and Directors thereon.
2. To appoint Director in place of **MR. MUKESH KUMAR** who retires by rotation at this meeting and being eligible offers himself for re - appointment.
3. To re-appoint **M/S RDAK & ASSOCIATES** Chartered Accountants as a Statutory Auditors of the Company to hold office from the conclusion of this meeting until, the conclusion of next Annual General Meeting and to fix their remuneration.

BY ORDER OF THE BOARD
For **SRI AMARNATH FINANCE LIMITED**



DIRECTOR

Place: New Delhi

Date : 02.06.2011

NOTES :

- 1) A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of himself /herself and a proxy need not be a member. Proxies in order to be effective must be received by the company, not less than 48 hours, before the time for holding the meeting. The proxy form is enclosed.
- 2) The Register of Members and Share Transfer Books will remain closed from 24th Day of September 2011 to 28th Day of September 2011 (both days inclusive).
- 3) Members are requested to notify the change of address, if any, to the Share Department of the Company.
- 4) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report to the Meeting.
- 5) As per the Provisions of the amended Companies Act, 1956 facilities for making nomination is now available to the shareholder of the company in respect of shares held by them.
- 6) Members are requested to affix their signatures at the space provided for on the attendance sheet annexed to the proxy form and hand over the slip at the entrance to the place of the meeting.

DIRECTOR'S REPORT

To
The Members,
M/s SRI AMARNATH FINANCE LIMITED

Your Directors have pleasures in presenting the Annual Report of the Company together with the audited accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

The Business of the Company during the year under review resulted in a Loss of Rs. 6,84,237/- (Profit of Rs. 54,308/- in previous year).

GENERAL CORPORATE MATTERS

The company is currently engaged in sale and purchase of shares & securities. The year under report has been difficult for the Stock Market as the market behaved with great volatility and Market Index showed movement both upward and downward frequently. Moreover, payment problems affecting Stock Market also caused considerable damage to the investor's confidence in the market. It also affected the overall turnover in the Stock Market. The Stock Market Index as on 31st March, 2011 were at low levels as a result of which there was low valuation of stock held by the company at the end of the year. The company also intends to make expansion in providing loans and advances and finance to different persons, firms and bodies corporate

CORPORATE GOVERNANCE

Your company has always striven to incorporate appropriate standard for good corporate governance and has been practicing these principles since inception. Corporate Governance has evolved in the company over the years, not only on account of regulatory requirements but also on account of sound management values for enhancing and meeting stockholder's expectations. The company is taking adequate steps in ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchange are complied within the time schedule laid down by Stock Exchange.

GENERAL INFORMATION

The shares of your company are listed on the Delhi Stock Exchange & Kanpur Stock Exchange, Pursuant to the SEBI Guidelines the company's Equity Share has been under process to be converted in to electronic mode.

DIVIDEND:

Due to Nominal profit earned by the company during the year your directors are not in a position to recommend any dividend. But the directors are hopeful better result in ensuring future.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) which was introduced by the Company (Amendment) Act, 2000 your Director confirm that:-

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The Director had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March, 2011 and of the Profit of the Company of the year ended 31st March, 2011.
- c) The Director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
- d) The annual accounts are prepared on a going concern basis.

AUDITORS :

To re-appoint **M/S RDAK & ASSOCIATES** Chartered Accountants as a Statutory Auditors of the Company to hold office from the conclusion of this meeting until, the conclusion of next Annual General Meeting and to fix their remuneration.

AUDITORS' REMARKS

The observations made by the Auditors with reference to note on the accounts for the year under report are self explanatory and need no further comments from the Directors.

AUDIT COMMITTEE

Present members of the Audit Committee are **Mr. Surendra Jain, Mrs. Priti Jain & Mr. Mukesh Kumar**. All the members of the Committee are non-executive and independent directors. All the members of the Committee are having financial and accounting knowledge. **Mr. Surendra Jain** is the chairman of the Committee and quorum of the Committee is two members. The company secretary acts as secretary to the Committee. The role company terms of reference, the authority and power the committee are in conformity with the requirements of the Companies Act, 1956.

The Committee met four times during the year under review.

The Committee also met prior to finalization of accounts for the year ended 31st March, 2011.

PARTICULARS OF EMPLOYEES:

There are no employees in receipt of remuneration in excess of amount specified in Section 217(2A) read with Companies (Particular of employees) rules 1975 as amended.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public, within the meaning of Section 58 – A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

STATUTORY INFORMATION

The Company's (Disclosure of particulars in the report of Board of Directors) Rules 1988, requires the disclosures of particulars regarding conservation of energy in Form A and technology Absorption in Form B prescribed by the rules. The requirement of Forms A and B are not applicable, as the company is not manufacturing company. The company had no foreign Exchange out-go or inflow during the year.

ACKNOWLEDGEMENT:

Your Director express their sincere appreciation for the co-operation, patronage, assistance and guidance by their business associates bankers and clients.

The Board members also place on record their appreciation of the service rendered by the dedicated employees of the company.

The Board also beholden to you all, partners in our enterprises, for your confidence, encouragement and unstinting support.

FOR AND ON BEHALF OF THE BOARD



CHARIMAN

Place : New Delhi

Dated : 02.06.2011

Auditors' Report to the members of
SRI AMARNATH FINANCE LIMITED

We have audited the attached Balance Sheet of **SRI AMARNATH FINANCE LIMITED** as at 31st March 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order (Amended), 2004, issued by the Central Government of India, in terms of Section 227(4A), of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the annexure referred to above, we report that: -

- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of such books;
- c. The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of accounts;
- d. In our opinion, the Balance Sheet and Profit and Loss Account of the Company, comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956.
- e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that none of the said directors are disqualified as on 31st March 2011 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit & Loss Account, read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view;



- I. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011 and
- II. In the case of the Profit & Loss Account of the Loss of the Company for the year ended on that date.

For **RDAK & Associates**
Chartered Accountants


(**Deepak Modi**)

Partner
M.No. 502363
FRN - 019502N

Place: Delhi

Date : 02.06.2011

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph (3) of our report of even date of SRI AMARNATH FINANCE LIMITED, for the year ended 31st March 2011;

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets.
(b) These Fixed Assets have been physically verified by the management at reasonable intervals; the same has been properly dealt with in the books of accounts.
(c) The Company has not disposed off any Fixed Assets during the year.
2. (a) On the basis of information and explanation provided by the management, Inventories / Investment in the form of Shares have been physically verified by the management during the year. In our opinion, frequency of verification is reasonable.
(b) In our opinion, procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion, the company is maintaining proper records of inventory. We have been explained that discrepancies noticed on physical verification as compared to book records were not material and the same have been properly dealt with in the books of account.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act:-
(a) The company has neither granted nor taken any unsecured loan from such parties.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to the purchase of inventory, fixed assets and for the sales of goods and shares.
5. (a) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of opinion that the transactions that need to be entered into a register maintained under section 301 of the Companies Act, 1956 are being so entered.
(b) As per the audit procedures applied by us, and according to the information and explanations given to us, with respect to the transaction as entered in the register maintained under section 301, exceeding the value of five lac rupees in respect to any party during the financial year, the prices at which these have been made are reasonable having regard to the market prices prevailing at the time of the transaction.
6. The company has not accepted deposits from the public as defined in section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) rules, 1975.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the year under review.



9. (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax and any other statutory dues with the Appropriate Authorities.
- (b) According to information and explanation given to us and as per the books and records examined by us, there are no dues of income tax, custom duty, excise duty, sale tax, wealth tax and cess which have not been deposited on account of any dispute.
10. There are accumulated losses in the company but it does not exceed 50% of its Net Worth. The company has neither incurred cash loss in the current financial year nor in the immediately preceding financial year.
11. According to the information and explanations given to us and as per the books and records examined by us, the company has not defaulted in repayment of dues to the financial institutions and banks.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, during the year under audit.
13. In our opinion, the company is not a chit fund or nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order (Amended) 2004 are not applicable to the company.
14. The Company has maintained proper records of the transactions and contracts regarding dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Act.
15. On the basis of information and explanation provided, the company has not given any guarantee for loans taken by others from the banks during the year.
16. On the basis of records available and information and explanation given to us, during the year the company has not taken any terms loan.
17. On the basis of information and explanation given to us and an overall examination of the balance sheet, we report that no funds raised on short-term basis have been used for long-term investments.
18. The company has not made any preferential allotment of shares during the year.
19. During the period covered by our audit report, the company has not issued any debentures.
20. The company has not raised any money by public issues during the year.
21. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or report during the year, nor have we been informed of such case by the management.

For **RDAK & Associates**
Chartered Accountants


(Deepak Modi)
Partner
M.No. 502363
FRN - 019502N

Place: Delhi
Date : 02.06.2011

SRI AMARNATH FINANCE LIMITED

BALANCE SHEET AS AT 31st MARCH 2011

PARTICULARS	SCHEDULE	RUPEES	
		AS AT March 31, 2011	AS AT March 31, 2010
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDER'S FUNDS</u>			
Share Capital	(1)	99,800,000.00	99,800,000.00
Reserve & Surplus	(2)	450,009,280.00	450,222,419.61
Total :-		<u>549,809,280.00</u>	<u>550,022,419.61</u>
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross: Block	(3)	1,839,030.61	2,370,301.61
Less: Depreciation		416,882.00	531,271.00
Net Balance		<u>1,422,148.61</u>	<u>1,839,030.61</u>
<u>INVESTMENTS</u>	(4)	<u>284,225,150.00</u>	<u>284,225,150.00</u>
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
Cash & Bank Balances	(5)	740,822.90	670,807.98
Loan & Advances	(6)	73,131,825.00	72,647,697.89
Stock in Trade	(7)	190,903,177.13	190,903,177.13
		<u>264,775,825.03</u>	<u>264,221,683.00</u>
<u>LESS : CURRENT LIABILITIES & PROVISION</u>	(8)	<u>1,228,315.00</u>	<u>702,370.00</u>
Net Current Assets		<u>263,547,510.03</u>	<u>263,519,313.00</u>
<u>MISCELLANEOUS EXPENDITURE</u>			
(To the extent not written off or Adjusted)			
Preliminary Expenses		280,800.00	374,400.00
Add : Deffered Tax Assets		23,460.00	64,526.00
Profit & Loss Account		310,211.36	-
Total :-		<u>549,809,280.00</u>	<u>550,022,419.61</u>

Significant Accounting Policies and notes forming part of the accounts (10)

As per our report of even date attached

For RDAK & ASSOCIATES
CHARTERED ACCOUNTANTS


DEEPAK MODI
PARTNER

M. NO. 502363

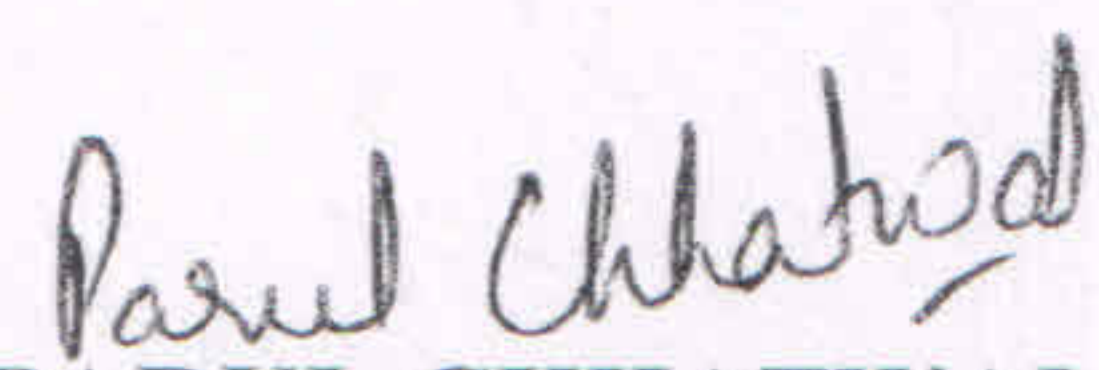
Place :- New Delhi

Dated :- 02.06.2011

FOR SRI AMARNATH FINANCE LIMITED


SURENDRA JAIN
DIRECTOR


PRITI JAIN
DIRECTOR


PARUL CHHATWAL
COMPANY SECRETARY


PANKAJ KAPOOR
MANAGER ACCOUNTS

SRI AMARNATH FINANCE LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011

	RUPEES	
PARTICULARS	Year Ended March 31, 2011	Year Ended March 31, 2010
INCOME		
Interest on Loan (Gross TDS Rs.3,10,265/- Previous Year 8,54,042/-)	2,975,986.00	5,796,859.00
Sale of Shares	4,125,000.00	167,309,896.71
Closing Stock	190,903,177.13	190,903,177.13
Dividend	6,338.00	-
Total :-	198,010,501.13	364,009,932.84
EXPENDITURE		
Purchase of Shares	4,071,250.00	360,682,527.13
Opening Stock	190,903,177.13	1,524,699.00
Accounting Charges	8,500.00	7,580.00
Auditors Remuneration	5,510.00	5,510.00
Bad Debts W/Off	959,849.42	-
Bank Charges	54,626.08	25,129.15
Car Insurance	22,593.00	22,159.00
Car Repair & Maintenance Expenses	98,772.00	17,030.00
Conveyance Expenses	48,562.00	1,568.00
Depreciation	416,882.00	531,271.00
Filing Fee	8,000.00	6,000.00
Festival Expenses	9,658.00	8,465.00
Legal Expenses	-	17,500.00
Listing Fee	10,000.00	30,787.00
Misc. Expenses	18,456.00	17,255.00
Office Repair & Maintenance	25,489.00	25,256.00
Postage & Telegram	8,965.00	4,862.00
Preliminary Expenses w/o	93,600.00	93,600.00
Printing & Stationery	18,265.00	18,685.00
Salary & Wages	498,000.00	795,020.00
Staff Welfare	25,185.00	-
Security Transaction Tax (STT)	-	4,418.42
Software Charge	-	800.00
Sundry Balances W/Off	11,266.47	-
Telephone Expenses	9,658.00	9,556.00
Travelling & Conveyance	-	105,947.00
Total :-	197,326,264.10	363,955,624.70
Net Profit during the year	684,237.03	54,308.14
Add: Excess Provision for FBT	-	5,000.00
Less : Short Provisions for Taxaion	64,807.00	-
Less : Contingent Provision for Standard Assets	886,715.00	-
Less : Provision for Taxations	215,000.00	16,500.00
Profit after Taxation	(482,284.97)	42,808.14
Less : Deffered Tax Assets	41,066.00	64,526.00
Add : Balance of Last Year	213,139.61	105,805.47
Profit Available for Appropriation	(310,211.36)	213,139.61
APPROPRIATIONS :		
Transfer to Reserve under Section 45 (1C) of the Reserve Bank of India, (RBI) Act, 1934	-	42,628.00
Surplus carried over to Balance Sheet	(310,211.36)	170,511.61

Notes forming part of the Accounts (10)
As per our report of even date attached

For RDAK & ASSOCIATES
CHARTERED ACCOUNTANTS

DEEPAK MODI
PARTNER
M. NO. 502363

Place :- New Delhi
Dated :- 02.06.2011

FOR SRI AMARNATH FINANCE LIMITED

S Surendra Jain
SURENDRA JAIN
DIRECTOR

Parul Chhatwal
PARUL CHHATWAL
COMPANY SECRETARY

Priti Jain
PRITI JAIN
DIRECTOR

Pankaj Kapoor
PANKAJ KAPOOR
MANAGER ACCOUNTS

SRI AMARNATH FINANCE LIMITED

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2011

PARTICULARS	AMOUNT(Rs.) 31.03.2011	AMOUNT(Rs.) 31.03.2010
SCHEDULE (1) "AUTHORISED SHARE CAPITAL"		
1,00,00,000 Equity Shares of Rs.10/- Each	100,000,000.00	100,000,000.00
ISSUED SUBSCRIBED & PAID UP CAPITAL		
99,80,000 Equity Shares of Rs. 10/- each fully paid up	99,800,000.00	99,800,000.00
	99,800,000.00	99,800,000.00
SCHEDULE (2) " RESERVES & SURPLUS"		
Investment Allowance	9,280.00	9,280.00
Balance Carried from Profit & Loss Account	-	42,628.00
Reserve under Section 45 (1C) of the RBI Act, 1934	-	170,511.61
Transferred from Profit & Loss Account	-	-
Share Premium A/c	450,000,000.00	450,000,000.00
	450,009,280.00	450,222,419.61

SCHEDULE - (3) " FIXED ASSETS"

Particulars	GROSS BLOCK		DEPRECIATION			NET BLOCK		
	As at 01-04-2010	As at 31.03.2011	As at 01.04.2010	During the year	Deletion during the year	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
Air Conditioner	91,000.00	91,000.00	3,823.00	12,126.00	-	3,823.00	87,177.00	87,177.00
Motor Car (Endeavour)	1,902,655.00	1,902,655.00	598,352.00	337,684.00	-	598,352.00	1,304,303.00	1,304,303.00
Furniture & Fixture	895,524.61	895,524.61	453,484.00	66,306.00	-	453,484.00	442,040.61	442,040.61
Stablizer	6,400.00	6,400.00	890.00	766.00	-	890.00	5,510.00	5,510.00
TOTAL :-	2,895,579.61	2,895,579.61	1,056,549.00	416,882.00		1,056,549.00	1,839,030.61	1,839,030.61

SCHEDULE (4) " INVESTMENT (AT COST)

"QUOTED"

Name of the company	Qty	Qty	N.Value	Amount	Amount
Shalini Holdings Ltd	560300	560300	10/-	284,225,150.00	284,225,150.00
				284,225,150.00	284,225,150.00

Note:-

	AMOUNT (RS)		MARKET VALUE (RS)	
	As At 31.03.2011	As At 31.03.2010	As At 31.03.2011	As At 31.03.2010
Aggregate Amount	284,225,150.00	284,225,150.00	-	-
Quoted Investments	284,225,150.00	284,225,150.00	-	-
	284,225,150.00	284,225,150.00	-	-

SCHEDULE (5) "CASH & BANK BALANCE"

Bank Balance in scheduled Banks	381,916.27	364,458.35
Cash in Hand	358,906.63	306,349.63
	740,822.90	670,807.98



SCHEDULE (6) " LOANS & ADVANCES

Loans/Advances/Debtors Recoverable in Cash or in Kind

for value to be Receivable/Received.

Accrued Interest

Share Application Money

Refund for the A.Y. 10-11

Refund for the A.Y. 2009-2010

Tax Deducted at Source (A.Y. 2009-10)

Tax Deducted at Source (A.Y. 2010-11)

70,460,650.00	66,182,214.42
-	11,266.47
-	4,000,000.00
760,735.00	-
1,600,175.00	-
-	1,600,175.00
310,265.00	854,042.00
<u>73,131,825.00</u>	<u>72,647,697.89</u>

SCHEDULE (7) " STOCK IN TRADE)

NAME OF THE COMPANY	QTY.	QTY.	NOMINAL VALUE	AMOUNT	AMOUNT
Apoorva Leasing Finance & Investmetn Co. Ltd.	1809500	1809500	10	189,997,500.00	189,997,500.00
Bharat Heavy Electrical Ltd	50	50	10	119,914.64	119,914.64
L & T Ltd.	50	50	10	82,951.22	82,951.22
Ranbaxy Laboratory Ltd.	200	200	2	96,855.32	96,855.32
Reliance Capital Ltd.	200	200	2	118,693.70	118,693.70
Reliance Industries Ltd.	200	200	10	222,328.29	222,328.29
Reliance Power Ltd.	600	600	10	10,803.00	10,803.00
Siemens Ltd.	100	100	2	75,016.64	75,016.64
State Bank of India	50	50	10	104,905.49	104,905.49
Tata Motors Ltd.	100	100	2	74,208.83	74,208.83
TOTAL				190,903,177.13	190,903,177.13

SCHEDULE (8) 'CURRENT LIABILITIES & PROVISION'

Audit Fee Payable

Contingent Provision for Standard Assets

Legal & Professional Charges Payable

Listing fee Payable

Provision for Taxation

Salary Payable

TDS Payable

Sundry Creditors

5,510.00	5,510.00
886,715.00	-
111,090.00	197,340.00
10,000.00	-
215,000.00	16,500.00
-	52,000.00
-	99,020.00
-	332,000.00
<u>1,228,315.00</u>	<u>702,370.00</u>

SCHEDULE (9) 'MISCELLANEOUS EXPENDITURE'

Opening Balance

Less : Preliminary Expenses W/o

374,400.00	468,000.00
<u>93,600.00</u>	<u>93,600.00</u>
<u>280,800.00</u>	<u>374,400.00</u>



SRI AMARNATH FINANCE LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE PART IV OF SCHEDULE VI OF COMPANIES ACT.1956

I.	<u>Registration Details</u>	
	Registration No.	020194
	State Code –	55
	Balance Sheet Dated	31.03.2011
II.	Capital raised during the year (Amount in Rs. Thousand)	
	<u>Public Issue</u> <u>Rights Issue</u> <u>Bonus Issue</u> <u>Private Placement</u>	
	N.A. N.A. N.A. N.A.	
III.	Position of Mobilization and Development of Funds (Amount in Rs. Thousand)	
	<u>Total Liabilities</u>	<u>Total Assets</u>
	5,49,809	5,49,809
	<u>Source of Funds</u>	
	<u>Paid-up Capital</u> <u>Secured Loan</u> <u>Reserve & Surplus</u> <u>Unsecured Loans</u>	
	99,800 NIL 4,50,009 NIL	
	<u>Application of Funds</u>	
	<u>Net Fixed Assets</u> <u>Investments</u> <u>Misc. Expenditure</u>	
	1,422 2, 84,225 281	
	<u>Accumulated Loss</u> <u>Deffered Tax Assets</u> <u>Net Current Assets</u>	
	310 23 2, 63,548	
VI.	Performance of company (Amount in Rs.Thousand)	
	<u>Turnover</u>	<u>Total Expenditure</u>
	1,98,010	1,97,326
	<u>Profit /Loss before Tax</u> + -	<u>Profit/Loss After Tax</u> + -
	684	(482)
	(Please tick appropriate box + for profit, - for loss)	
	<u>Earning Per Share in Rs.</u>	<u>Dividend rate %</u>
	NIL	N.A.

Generic Names of Three Principal Products/Services of Company
(as per monetary terms)
Item Code No. (ITC Code)
Product Description

**FOR RDAK & ASSOCIATES
CHARTERED ACCOUNTANTS**


**DEEPAK MODI
PARTNER
M. NO. 502363**

FOR SRI AMARNATH FINANCE LIMITED


**SURENBRA KU. JAIN
DIRECTOR**


**PRITI JAIN
DIRECTOR**

Place : New Delhi
Dated : 02.06.2011


**PARUL CHHATWAL
COMPANY SECRETARY**


**PANKAJ KAPOOR
MANAGER ACCOUNTS**

SRI AMARNATH FINACNE LIMITED

SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS SCHEDULE "10"

(A) GENERAL:-

- (a) The Financial Statements are drawn up in accordance with historical cost convention and on the going concern concept income and expenses are accounted for on accrual basis except where otherwise indicated.
- (b) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the company.

(B) INCOME FROM INVESTMENTS & LOANS

Income from Investments in interest bearing securities, Loans and Advances is account ed for on accrual basis. Dividend income from investments in shares is recognized accruing as income of that year in which dividend is received by the company.

(C) INVETORY VALUATION

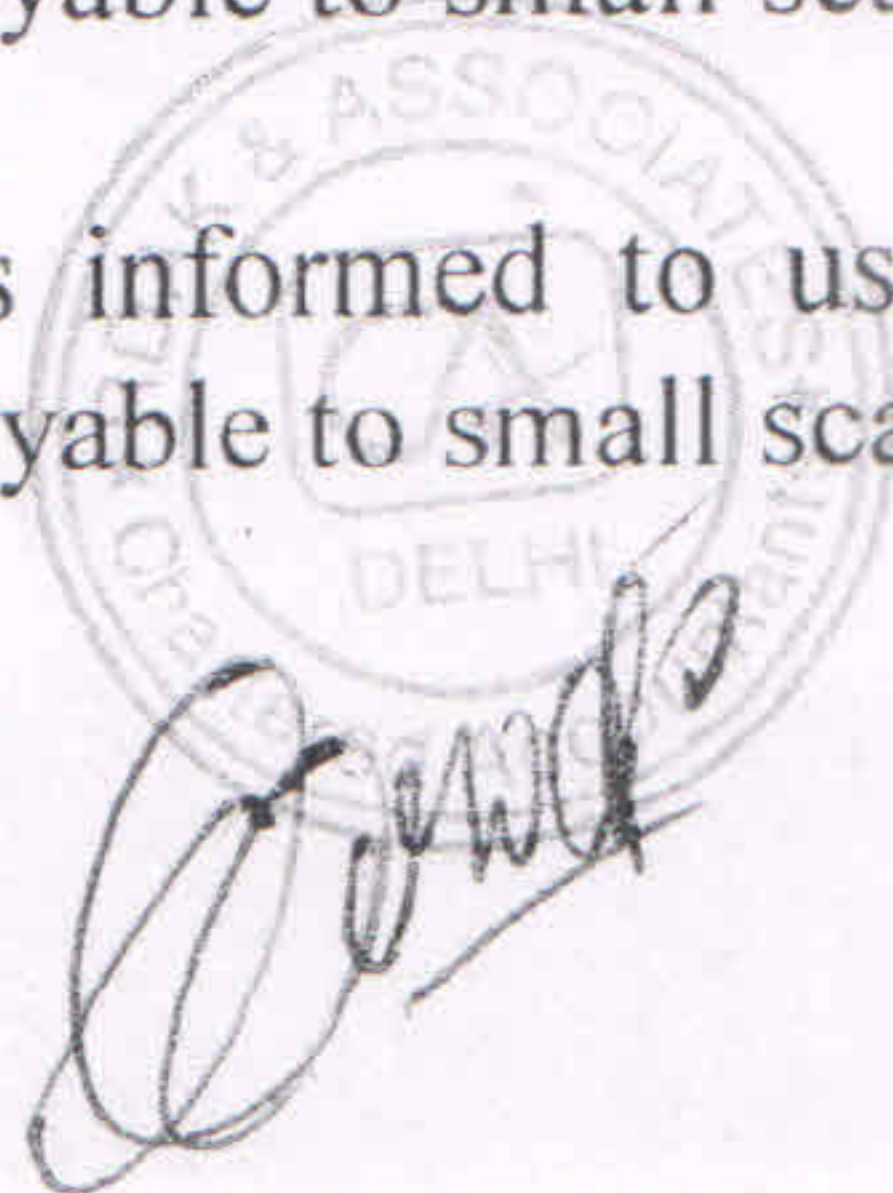
Stock in trade of trade investments in quoted equity shares of joint stock company is valued scriptwise at lower of cost or market value and stock in trade investments in unquoted equity shares joint stock companies is valued scriptwise at lower of cost or breakup/fair value. However stock in trade of trade investments in quoted equity shares of joint stock companies issued on preferential basis is valued at cost as there is not market value or such shares. Furthermore there is no inventory of shares as on 31st March, 2011.

(D) INVESTMENTS

- (a) During the year company has not treated all fresh purchases of shares as investments.
- (b) Investments (Long Term) are valued a acquisition cost (Including Brokerage & Transfer Expenses). No Provision is made for diminution in the value of long term investments. As in the opinion of the management the diminution is temporary and not permanent.

(E) DEFFERRED TAXATION

- (a) Tax Liability of the company is estimated considering the provisions of the Income Tax Act, 1961, Deferred Tax is recognized subject to the consideration of prudence, on timing deference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one more subsequent periods.
- (b) As informed to us by the management, Sundry Creditors does not include any amount of payable to small scale industrial units.
- (c) As informed to us by the management, a sundry creditor does not include and amount payable to small scale industrial units.



A circular stamp of a Chartered Accountant is visible, containing the text 'CHARTERED ACCOUNTANT' and 'DELHI'. A handwritten signature is written over the stamp.

- (d) In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary courses of business will not be less than the amount at which these are stated in the Balance Sheet.
- (e) The management has confirmed that adequate provision has been made for all the known and determined liabilities and the same is not in excess of the amount reasonably required. It is further confirmed that there is no liability of the company as on 31st March, 2011 in respect of retirement benefits, if any payable to its employee (s).
- (f) Related party disclosure (As identified by the Management) in terms of accounting standard-18 related party disclosure issued by the institute of Chartered Accountant of India are as follows.
- (g) In the opinion of the management the company has only single business segment of investments & finance activities, therefore no segment reporting has been presented in terms of accounting standard-17 of "Segment Reporting" Issued by the Institute of Chartered Accountant of India.

(h) Payment to Auditors

2011-2011	2010-2010
Rs.5,510/-	Rs.5,510/-

(i) Expenditure & Earning in foreign currency – Nil.

(j) Payment of Directors Remuneration – Nil.

(k) Details of Opening Stock, Purchase, Sales, Closing Stock during the year.

OPENING STOCK (RS.)	PURCHASE (RS.)	SALE STOCK (RS.)	CLOSING STOCK (RS.)
190,903,177/-	40,71,250/-	41,25,000/-	190,903,177/-

(l) Schedule 1 to 10 is the form an integral part of the Balance Sheet and Profit & Loss Account.

As per our report of even date attached

**FOR RDAK & ASSOCIATES
CHARTERED ACCOUNTANT**



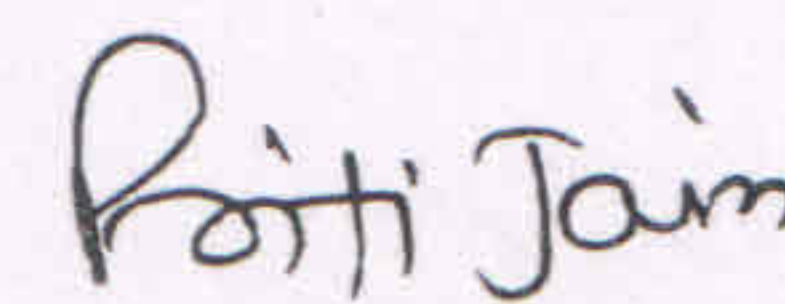
**DEEPAK MODI
PARTNER
M. NO. 502363**

Place : New Delhi
Dated : 02.06.2011

FOR SRI AMARNATH FINANCE LIMITED



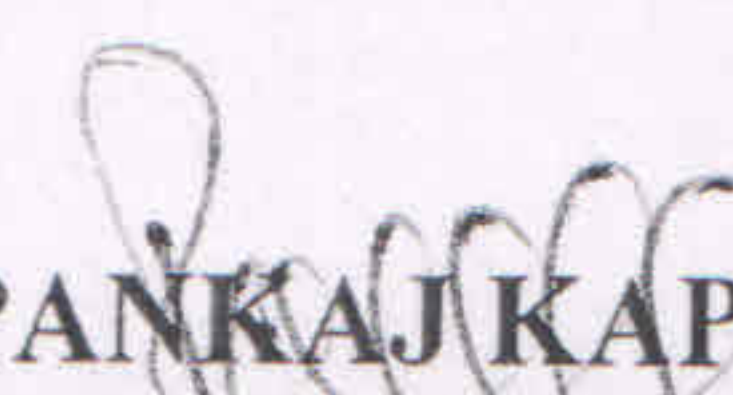
**SURENDRA JAIN
DIRECTOR**



**PRITI JAIN
DIRECTOR**



**PARUL CHHATWAL
COMPANY SECRETARY**



**PANKAJ KAPOOR
MANAGER ACCOUNTS**