

MD	✓		BKC	✓
CS	✓		DPY	999
RO	✓		DIV	99
TRA	✓		AC	✓
AGM	✓	✓	SHI	✓
YF	✓	✓		







ANNUAL REPORT 1996-97

Chairman Shri Arun Bharat Ram

Directors Shri Scott Bayman
Shri Pramod Bhasin
Shri Raghuram Raju
Shri Rakesh Chopra

Chief Executive Officer Shri Avinash Chopra

Company Secretary Shri R. Sriram

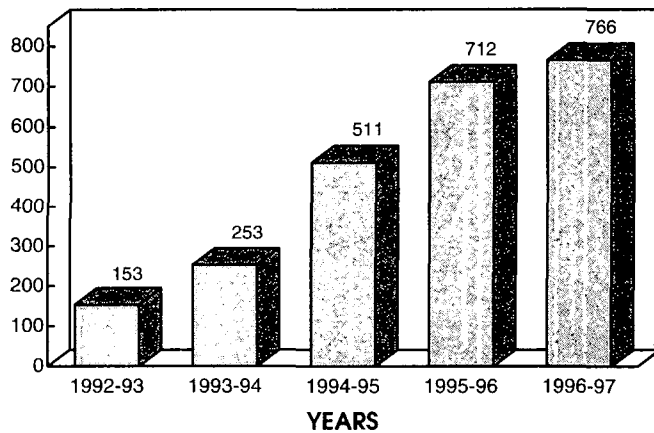
Auditors Thakur, Vaidyanath Aiyar & Co
New Delhi

Registered Office AB/4 Safdarjung Enclave
New Delhi - 110 029

Bankers Central Bank of India
Dhanalakshmi Bank Ltd.
Indian Bank
Punjab & Sind Bank
State Bank of India
State Bank of Patiala
State Bank of Bikaner & Jaipur
State Bank of Hyderabad
State Bank of Mysore
The Karur Vysya Bank Ltd.
The Federal Bank Ltd.
The Lakshmi Vilas Bank Ltd.
The United Western Bank Ltd.
Times Bank Ltd.
Union Bank of India

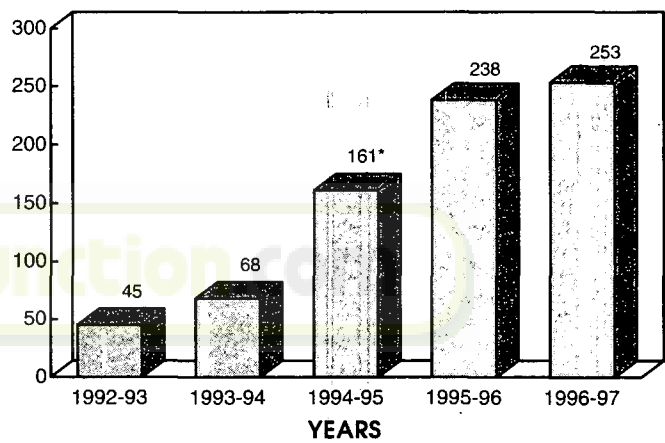
GROSS ASSETS 1992-1997

Rs. in Crores



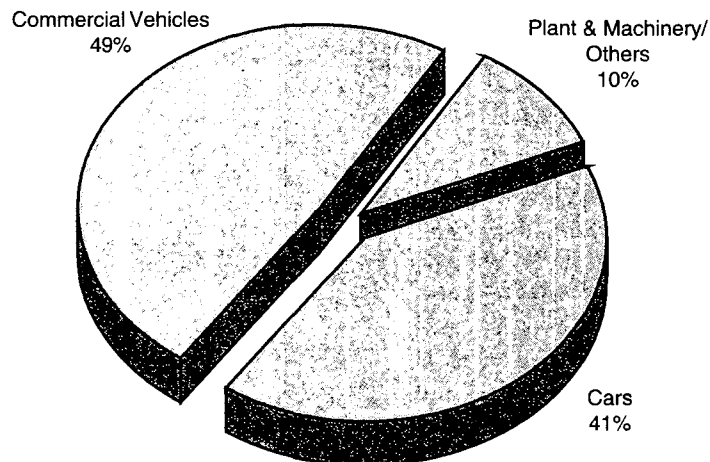
AUTO DISBURSEMENTS 1992-1997

Rs. in Crores



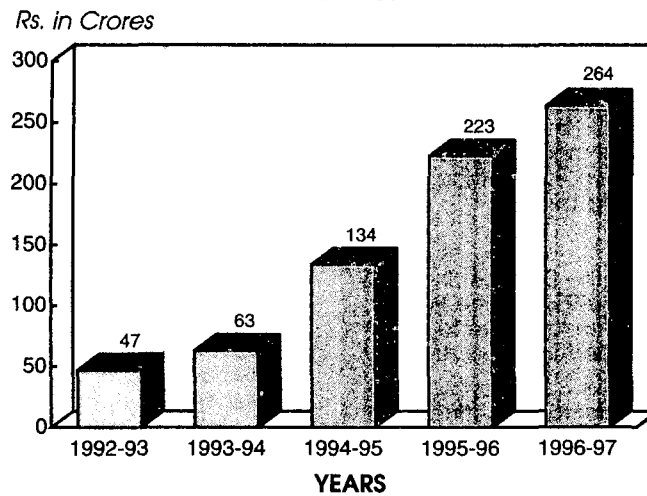
*1994-95 figures exclude car bookings.

BREAKDOWN OF ASSET DISBURSEMENTS 1996-97

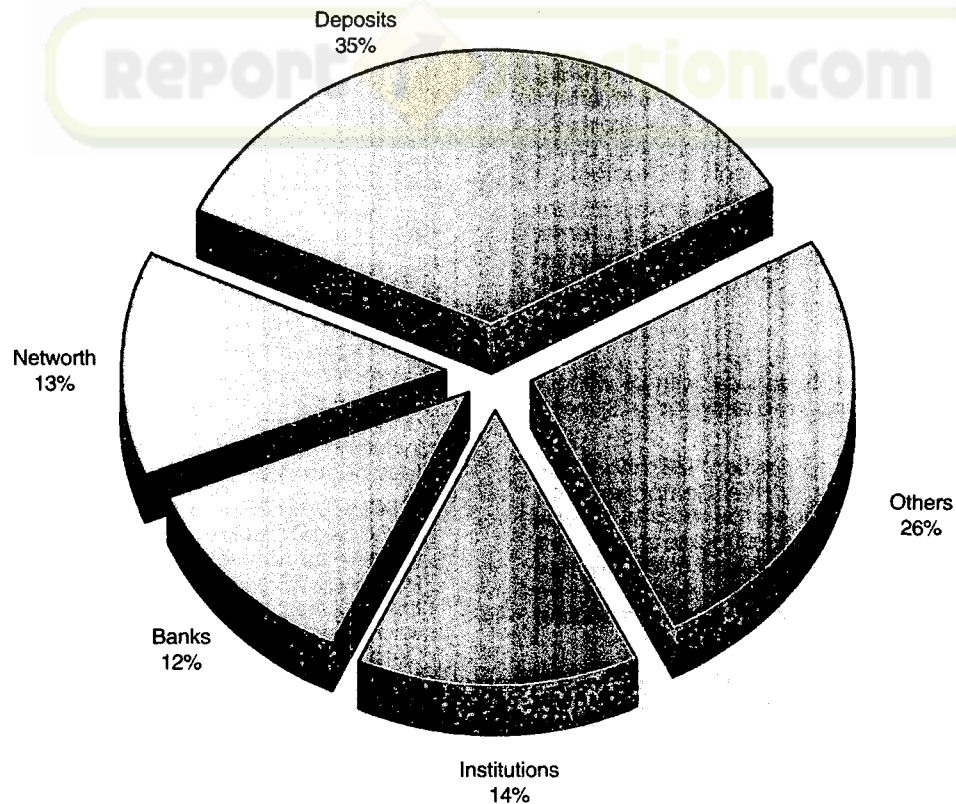


Total Asset Disbursements for 1996-97: Rs. 280 Crores.

DEPOSITS 1992-1997



RESOURCES 1996 - 97



Total Resources : Rs. 766 Crores



NOTICE

Notice is hereby given that the ELEVENTH ANNUAL GENERAL MEETING of the members of SRF Finance Limited is scheduled to be held on Tuesday, the 23rd September, 1997, at 11.30 A.M. at FICCI Golden Jubilee Auditorium, Tansen Marg, New Delhi 110 001 to transact the following business:-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March, 1997 and the Profit & Loss Account for the year ended on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Scott Bayman who was co-opted as an Additional Director with effect from 25th July, 1997 and whose term of office expires at this Annual General Meeting. Mr. Scott Bayman being eligible, offers himself for appointment as Director.
3. To appoint a Director in place of Mr. Pramod Bhasin, who was co-opted as an Additional Director with effect from 25th July, 1997 and whose term of office expires at this Annual General Meeting. Mr. Pramod Bhasin being eligible, offers himself for appointment as Director.
4. To appoint a Director in place of Mr. Rakesh Chopra, who was co-opted as an Additional Director with effect from 25th July, 1997 and whose term of office expires at this Annual General Meeting. Mr. Rakesh Chopra being eligible, offers himself for appointment as Director.
5. To appoint a Director in place of Mr. Raghuram Raju, who was co-opted as an Additional Director with effect from 25th July, 1997 and whose term of office expires at this Annual General Meeting. Mr. Raghuram Raju being eligible, offers himself for appointment as Director.
6. To appoint Auditors and to fix their remuneration. M/s Thakur, Vaidyanath Aiyar & Co., Chartered Accountants, New Delhi, Auditors of the Company retire at this Annual General Meeting, and being eligible, offer themselves for reappointment.

SPECIAL BUSINESS

7. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :
 "RESOLVED THAT pursuant to Section 163 and other applicable provisions, if any, of the Companies Act, 1956 approval of the members be and is hereby accorded to keep the Registers and Indexes of members and share transfer books of the Company at the premises of the Registrar and Share Transfer Agents of the Company, MAS Services Pvt. Ltd., at AB/4, Safdarjung Enclave, New Delhi 110029."
8. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :
 "RESOLVED THAT in partial modification of Resolution No.9 passed at the 10th Annual General Meeting held on 11th September, 1996, and subject to such approvals, consents, sanctions and/or permissions as may be required, including from Government of India, Reserve

Bank of India and such other approvals and pursuant to the guidelines issued by the Securities and Exchange Board of India (SEBI), in this regard, consent of the Company be and is hereby accorded in terms of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 in favour of the Board of Directors of the Company (hereinafter referred to as 'the Board' which expression shall include any Committee or Sub-Committee thereof) to issue and allot Equity Shares, subject to the Articles of Association of the Company, to any one or more persons including GE or GE Capital, Group Companies, Affiliates, Associates and subsidiaries, Indian/Foreign Bodies Corporate, Resident/Non-Resident Indians, Foreign Nationals, Foreign Financial Institutions, Mutual Funds whether Indian, Foreign or Offshore, Multilateral Development Financial Corporations/Institutions, Financial/ Investment Institutions whether Indian or Foreign, any other person/ Institution/Bodies Corporate, employees, by way of Preferential Allotment or in any other form, whether in Indian markets and/or any one or more Foreign markets, and whether at a premium or discount to market price, but in any case, not lower than the nominal value, or a price determined in accordance with SEBI Guidelines, which ever is higher, such issue being made in Indian currency and/or in freely convertible foreign currencies through global depository receipt or otherwise to be subscribed in the currencies whether Indian or foreign.

RESOLVED FURTHER THAT the aggregate amount of the issues which may be made in one or more tranches, shall not exceed Rs.200 Crores provided, however, that where the Board makes one or more issues in the course of International offerings the amount of such issues shall be in addition to the above said limit of Rs.200 Crores and shall not exceed US \$ 100 million in the aggregate.

RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such arrangements with any Merchant Banker/Lead Manager/ underwriters/Guarantors/Depositories/Custodians and all such agents/intermediaries as may be involved or concerned in such offerings of securities and to remunerate all such agents/intermediaries including by way of payment of commission, brokerage, fees or the like.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted on the exchange of any type of securities made pursuant to this resolution or exercise of any options attached to the said securities, whether by way of Naked Warrants/ Detachable Warrants or otherwise, as per the terms of the issue or as per the conditions prevalent in Indian/ International market.

RESOLVED FURTHER THAT the Board be and is hereby authorised to fix the terms and conditions including differential levels of premia if considered appropriate for different types of issues and/or issues to different persons and/or issues in different tranches, pursuant to any regulations/ directions/ guidelines prescribed by any

authority in this behalf, terms of options (in case of Warrants), and the benefits accruing to such securities and the Board be and is hereby further authorised to decide the form and manner and the persons to whom such securities may be issued including the terms and conditions thereof at their sole discretion and to attach any special benefits to the said instruments/shares/warrants whether by way of detachable warrants resulting in shares/other entitlements in future or otherwise as they may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make and/or to accept any modifications in the proposal as may be required by the authorities/institutions/other appropriate authorities as they may impose at the time of according their approval, consents, sanctions or permissions, as the case may be and as agreed to by the Board.

RESOLVED FURTHER THAT the ranking and other rights attached to securities to be issued from time to time including the voting rights in respect of equity shares, if permissible, shall be determined by the Board at the time of each respective issue and shall be in accordance with the applicable law including guidelines issued in this behalf by SEBI regarding pricing, upfront payment, transferability, etc. and the terms and conditions of the Articles of Association of the Company at such time, with liberty to the Board either to issue non-voting shares in the event that issue of such shares is permissible at the relevant time or to participate in any contracts/agreements with regard thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing, the Board be and is hereby authorised in its discretion, inter-alia, and from time to time, to make or carry out any alterations or modifications to the above as suggested or recommended by any of the concerned authorities/agencies without requiring any further approval of the members and further to do all such acts, deeds, matters and things as they may, in their absolute discretion, consider necessary, expedient, usual or proper and to settle any question, or remove any difficulty or doubt that may arise with regard to the terms and conditions including utilisation of the proceeds of the Issue."

9. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

RESOLVED that the subject to the approval of the Central Government and such other approvals as may be necessary under Section 21 of the Companies Act, 1956, consent of the Company be and is hereby accorded for changing the name of the Company from "SRF Finance Limited" to "GE Capital Transportation Financial Services Limited" and that after the new name becoming effective, the name, "SRF Finance Limited" wherever it appears in the Memorandum of Association of the Company shall be substituted by the new name.

RESOLVED FURTHER that pursuant to the provisions of Section 31 of the Companies Act, 1956, the name, "SRF Finance Limited" wherever it appears in the Articles of Association of the Company shall be substituted by the

new name "GE Capital Transportation Financial Services Limited".

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

RESOLVED that in addition to the resolution passed at the 9th Annual General Meeting held on 28th September, 1995, and pursuant to the provisions of Section 293(1)(d), and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing monies from time to time, for the business and purpose of the Company, by issuing Redeemable Secured or Unsecured Non-convertible Debentures, Bonds or other instruments in the nature of debentures, from time to time, in one or more tranches, privately placed or otherwise and at a coupon rate to be decided by the Board of Directors or a Committee thereof not exceeding Rs.500 crores in the aggregate.

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

RESOLVED that pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging by hypothecation or otherwise, the whole or substantially the whole of the undertaking of the Company including its current assets/leased assets wherever situate, present and future, with the right to take over the management of the business and undertaking of the Company in certain events, to or in favour of the Trustees (to be appointed by the Board) for the holders of the proposed Non-convertible Debentures aggregating upto Rs.500 crores to secure the repayment thereof together with interest thereon at the agreed rates, compound/additional interest, liquidated damages, commitment charges, premium on redemption, costs, charges, expenses and other monies in terms of respective Trustees' Agreement/Debenture Trust Deed/Deed of Hypothecation/ Subscription Agreement other security documents to be executed by the Company in respect of the said Debentures.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with the Trustee(s) the form, extent and manner of the agreement(s), document(s) and deed(s) for creating the mortgage(s) and/or charge(s) and to do all such acts, deeds and matters as may be necessary for giving effect to this resolution.

12. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

"RESOLVED that pursuant to Section 94 (1)(a) of the Companies Act, 1956, and subject to such approvals, consents, sanctions and/or permissions as may be required including from Government of India, Reserve Bank of India and such other approvals, and pursuant to the guidelines issued by the Securities and Exchange Board of India (SEBI), in this regard, consent of the Company be



and is hereby accorded in terms of Sections 80, 81 and other applicable provisions, if any, of the Companies Act, 1956 in favour of the Board of Directors of the Company (hereinafter referred to as 'the Board' which expression shall include any Committee or Sub-Committee thereof) to issue and allot 50,00,000 (Fifty lacs) Cumulative or Non-Cumulative, Convertible or Non-Convertible Redeemable Preference Shares ("the said Preference Shares") of Rs.100/- (Rupees one hundred) each forming part of the increased authorised share capital of the Company, subject to the Articles of Association of the Company, to any one or more persons including GE or GE Capital, Group Companies, Affiliates, Associates and subsidiaries, Indian/Foreign Bodies Corporate, Resident/Non-Resident Indians, Foreign Nationals, Foreign Financial Institutions, Mutual Funds whether Indian, Foreign or Offshore, Multilateral Development Financial Corporations/Institutions, Financial/Investment Institutions whether Indian or Foreign, any other person/Institution/Bodies Corporate, employees, by way of Preferential Allotment or in any other form and whether at a premium or discount, but in any case, not lower than the nominal value, or a price determined in accordance with SEBI Guidelines, whichever is higher, such issue being made in Indian currency.

RESOLVED FURTHER THAT the said Preference Shares be issued and allotted upon the following terms and conditions and subject to the following rights :

1. The said preference shares confer on the holders thereof the right out of the profits of the company which it shall be determined to distribute in dividends on the capital for the time being and from time to time paid-up thereon, such dividend to be calculated from such date or dates (being not later than the date of allotment) as may be fixed by the Directors, without any deduction therefrom on account of income tax payable by the Company and the right in a winding up, to payment of capital and arrears of dividend whether earned, declared or not up to the commencement of the winding up, in priority to the equity shares, but shall not confer any further right to participate in the profits or assets of the Company.
2. The Company shall be at liberty to issue further preference shares which shall rank for dividend and capital and in all other respects *pari passu* with the aforesaid preference shares provided however that such issue shall only be made with the consent in writing of the holders of not less than three fourths of the said preference shares then outstanding or with the sanction of a special resolution passed at a separate meeting of the holders of such preference shares.
3. The following provisions shall apply with regard to the redemption of the said preference shares :
 - A. The Company may, subject to the provisions of section 80 and other applicable provisions, if any, of the Companies Act, 1956 on six months' notice to the holders thereof, out of any profits or out of any proceeds of a fresh issue of shares

made for the purpose of redemption or out of any moneys of the Company which may be lawfully applied for that purpose, redeem at par all or any of the said preference shares, and shall so redeem all the said shares provided that the Company shall not apply any of its profits for that purpose unless at the time when such redemption is effected the dividend on any preference shares not then redeemed shall have been paid down to the last date for payment thereof.

- B. At the time, date and place so specified each preference shareholder, whose share or shares is or are notified for redemption, shall be bound to surrender to the Company the certificate or certificates in respect of the preference share or shares which is or are to be redeemed and upon receiving evidence of such surrender the Company shall cause to be paid to such holder the amount payable to him in respect of such redemption.
- C. The dividend on any share becoming liable to redemption under the foregoing provisions shall cease to accrue as from the due date for redemption thereof, unless payment of the redemption moneys shall be refused, upon the holders demanding on or after the date and at the place specified for redemption, payment of the redemption moneys payable in respect thereof and tendering certificates for such shares and a receipt for the redemption moneys duly signed and authenticated in such manner as the Company may reasonably require; provided that in the event of the payment of the redemption moneys being refused on the due date, dividend at the fixed rate shall continue to accrue up to the actual date of redemption.

RESOLVED FURTHER THAT the Board be and is hereby authorised to enter into and execute all such arrangements with any Merchant Banker/Lead Manager/Underwriters/Guarantors/Depositories/Custodians and all such agents/intermediaries as may be involved or concerned in such offerings and to remunerate all such agents/intermediaries including by way of payment of commission, brokerage, fees or the like.

RESOLVED FURTHER THAT the Board be and is hereby authorised to fix the terms and conditions including differential levels of premia, terms of conversion, if considered appropriate for different types of issues and/or issues to different persons and/or issues in different tranches, pursuant to any regulations/ directions/ guidelines prescribed by any authority in this behalf, terms of options (in case of Warrants), and the benefits accruing to such securities and the Board be and is hereby further authorised to decide the form and manner and the persons to whom such securities may be issued including the terms and conditions thereof at their sole discretion and to attach any special benefits to the said instruments/shares/warrants whether by way of detachable warrants resulting in shares/other entitlements in future or otherwise as they may deem fit.



RESOLVED FURTHER THAT the ranking and other rights attached to securities to be issued from time to time including the voting rights in respect of preference shares, if permissible, shall be determined by the Board at the time of each respective issue and shall be in accordance with the applicable law including guidelines issued in this behalf by SEBI and the terms and conditions of the Articles of Association of the Company at such time, with liberty to the Board either to issue non-voting shares in the event that issue of such shares is permissible at the relevant time or to participate in any contracts/agreements with regard thereto.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing, the Board be and is hereby authorised in its discretion, inter-alia, and from time to time, to make or carry out any alterations or modifications to the above as suggested or recommended by any of the concerned authorities/agencies without requiring any further approval of the members and further to do all such acts, deeds, matters and things as they may, in their absolute discretion, consider necessary, expedient, usual or proper and to settle any question, or remove any difficulty or doubt that may arise with regard to the terms and conditions including utilisation of the proceeds of the issue."

13. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :

"RESOLVED that Article 73A of the Articles of Association of the Company be and is hereby deleted from the Articles of Association of the Company."

By Order of the Board of Directors
for SRF FINANCE LIMITED

Place: New Delhi
Date : 19th August, 1997

Arun Bharat Ram
Chairman

NOTES :

1. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is enclosed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY

COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HERewith.

3. Members requiring information about the Accounts to be explained at the meeting, are requested to send their queries ten days prior to the meeting to the Registered Office of the Company.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 16th September, 1997 to Tuesday, the 23rd September, 1997 (both days inclusive) for the purpose of the Annual General Meeting.
5. In case of joint holder(s), if more than one holder intends to attend the meeting, they may obtain additional admission slip(s) on request from the Registered Office of the Company on or before 16th September, 1997 to avoid inconvenience.
6. Members/proxy-holders are requested to produce at the entrance the attached Admission Slip duly completed and signed for admission to the meeting hall.
7. Members who have not yet paid Allotment/Call Money (as applicable) are requested to pay the outstanding amount together with interest calculated thereon at the rate of 15% per annum from the last date of payment till the actual date for payment by a demand draft payable at New Delhi and drawn in favour of SRF Finance Limited.
8. As per provisions of Section 205A of the Companies Act, 1956 the unclaimed interim dividend amount for the year ended 31st March, 1994 has been transferred to the General Revenue Account of the Central Government. Members, who have not encashed dividend for the said period, can claim directly from the Registrar of Companies, Delhi & Haryana, New Delhi. Individual intimation is being sent to the members whose dividend has been transferred to the Central Government, separately.

Similarly, final dividend for the year ended 31st March, 1994 is required to be transferred by November 1997. Members who have not encashed their final dividend warrants for 1993-94 may, therefore, approach the Company for issue of duplicate warrants.



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

ITEM NO. 7

Pursuant to Section 163 of the Companies Act, 1956 the Registers of Members, Index of Members, etc. are required to be kept at the Registered office of the Company provided, however, such Registers can be kept at a place within the city, town or village in which the Registered Office of the Company is situated other than the Registered Office of the Company subject to approval of the Members by a Special Resolution at the General Meeting.

The members at the first Annual General Meeting of the Company held on 24th December, 1986 had passed a Special Resolution for keeping the aforesaid documents/records at the premises of M/s. Tata Consultancy Services (TCS) at A-138/3, Shakarpur, Vikas Marg, Delhi-110 092. TCS had taken another premises at A-225, Shivalik, Malviya Nagar, New Delhi-110 017 and had shifted the records there with effect from 5th June 1995 which was approved at the Ninth Annual General Meeting. With effect from 1st April, 1996 the aforesaid documents had been shifted to the new premises at S-1, II Floor, Green Park Extension, New Delhi 110 017 which was approved at the tenth Annual General Meeting.

From 1st January, 1997, the Company had appointed M/s. MAS Service Private Limited, New Delhi as its new Share Transfer Agency and had shifted the Registers of Members, Index of Members, etc. of the Company to their premises at AB/4, Safdarjung Enclave, New Delhi 110029. Advance intimation as required under section 163(iii) of the Companies Act, 1956 had been sent to the Registrar of Companies, NCT of Delhi and Haryana, New Delhi.

The Resolution is for the approval of the Members.

None of the Directors is concerned or interested in the Resolution.

ITEM NO. 8

At the 10th Annual General Meeting held on 11th September, 1996, the shareholders had authorised the Board or any Committee or sub-committee thereof, to allot inter alia, Equity Shares on preferential basis to various identified persons as stated therein including employees and persons of the Management Group.

According to the Securities & Exchange Board of India guidelines, General Meeting Resolutions for preferential allotments of shares should be implemented within a period of three months from the date of passing such resolution. As per SEBI's guidelines if such resolution is not acted upon within the said period of three months, a fresh consent of the shareholders has to be obtained. Therefore, it is necessary to obtain a fresh consent from the shareholders to enable the company to allot shares on preferential basis.

A certificate from the auditors that the shares will be allotted in accordance with the SEBI's guidelines dated 4th August, 1994 will be laid on the table.

The resolution is intended to authorise the Board of Directors afresh to make preferential allotments of shares in accordance with SEBI's guidelines.

None of the Directors is concerned or interested in the resolution.

Item No. 9

In view of the change in the controlling interest in the Company from the affiliates of SRF Limited to GE Capital (Mauritius) Investment Company Limited, the letters "SRF" shall cease to be used with the name of the Company. Therefore, it has become necessary to change the name of the Company to "GE Capital Transportation Financial Services Limited".

The Registrar of Companies, NCT of Delhi & Haryana, New Delhi has made the aforesaid name available to the Company.

The Resolution is for the approval of the Members.

None of the Directors is concerned or interested in the Resolution.

Item No. 10

The Company at the 9th Annual General Meeting held on 28th September, 1995 had accorded its permission to the Board of Directors of the Company to borrow monies, from time to time, for the purpose and business of the Company not exceeding Rs.1500 crores. However, in addition to that limit, the Directors of your Company propose to raise money through issue of Redeemable Secured or Unsecured Non-Convertible Debentures, Bonds or other instruments in the nature of debentures, from time to time, in one or more tranches, privately placed or otherwise at prevailing coupon rates at the time of issue of such debentures, bonds, etc. not exceeding Rs.500 crores in the aggregate. Therefore, consent of the Members of the Company is sought under Section 293(1)(d) of the Companies Act, 1956 in this regard.

The Resolution is for the approval of the Members.

None of the Directors is concerned or interested in the Resolution.

Item No. 11

The Board of Directors intend to issue Redeemable Secured or Unsecured Non-Convertible Debentures, Bonds or other instruments in the nature of debentures, from time to time, not exceeding Rs.500 crores in the aggregate. To secure the repayment thereof together with interest thereon at the agreed rates, compound/additional interest, liquidated damages, commitment charges, premium on redemption, costs, charges, expenses and other monies in terms of respective Trustees' Agreement/Debentures Trust Deed/Deed of Hypothecation/ Subscription Agreements other security documents to be executed by the Company in respect of the said Debentures, the Company need to create mortgage/charge by way of hypothecation or otherwise, on the whole or the substantially the whole of the undertaking of the Company including its current assets/leased assets, etc. Consent of the Members of the Company is sought under Section 293(1)(a) of the Companies Act, 1956 in this regard.

The Resolution is for the approval of the Members.

None of the Directors is concerned or interested in the Resolution.