

More
Joys

More
Success



More
Smiles

More
Growth



**Adding Joys to Life.
Bringing Success to Business.**

VISION

To diversify in all fields of entertainment, hospitality, retail and gems & jewellery in order to touch the ever rising heights of success by turning the steering wheels of prosperity in the emerging globalized economy and to be recognized as a company that everyone wants to be associated with.

MISSION

To be the most admired organization with zeal to work for society where excellent services are provided through advanced innovations; employment opportunities are created with the sense of social responsibility and every step is taken to constantly upgrading our skills, competencies & knowledge.

VALUES

We believe in simplicity and maintain clear and effective communication in the organization.

We believe in teamwork with well-defined responsibilities and accountability.

We strive to provide best value for money to our customers by synergising our intellectual resources and experience.

We believe in according top priority to our customers through prompt and appropriate response.

We believe in respect and care for all those associated with us by meeting commitments.



Dirty Picture's starcast @ SRS Cinemas, Gurgaon



Kahani's starcast @ SRS Cinemas, Faridabad



Dharti's starcast @ SRS Cinemas, Patiala



Tere Naal Love Ho Gaya's starcast @ SRS Cinemas, Patiala



Ready's starcast @ SRS Cinemas, Patiala



Pure Punjabi's starcast @ SRS Cinemas, Patiala

EVENTS

Excitement, Vibrancy, Thrill...some of the keywords that define what brand SRS means to people. This spirit gets showcased in a myriad of activities, big and small, at SRS. Featured here are just a few of them, wherein the stars of Bollywood and regional cinema came over to SRS Cinemas for various promotions and events. Needless to say, the audience and the media simply loved it.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Anil Jindal	-	Chairman
Sh. Sunil Jindal	-	Managing Director
Sh. Raju Bansal	-	Whole-Time Director
Sh. Vinod Kumar	-	Whole-Time Director
Sh. Praveen Kumar Kapoor	-	Non-Executive Director
Sh. Jitender Kumar Garg	-	Non-Executive Director
Sh. Praveen Gupta	-	Independent Director
Sh. Shiv Mohan Gupta	-	Independent Director
Sh. Nishant Goel	-	Independent Director
Sh. Joginder Lal Chhabra	-	Independent Director
Sh. Kailash Kumar	-	Independent Director
Sh. Lalit Kumar	-	Independent Director

COO & COMPANY SECRETARY

Dr. (Ms.) Navneet Kwatra

CFO

Sh. Bhagwan Dass

DEPUTY COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Mamta Rastogi

STATUTORY AUDITORS

M/s. S. S. Kothari Mehta & Co.

INTERNAL AUDITORS

M/s. Naresh Jai & Associates

M/s. Singla & Singla

M/s. Goel Mintri & Associates

M/s. R.G. Sharma & Co.

COST AUDITORS

M/s. Ashok Kumar & Associates

BANKERS

State Bank of India

State Bank of Patiala

Union Bank of India

Bank of India

State Bank of Travancore

State Bank of Bikaner & Jaipur

Oriental Bank of Commerce

Indian Overseas Bank

Corporation Bank

Central Bank of India

REGD. OFFICE

"SRS Multiplex",
 Top Floor, City Centre,
 Sector – 12,
 Faridabad (NCR Delhi) – 121007
 Ph. : 0129-4282801-08
 Fax : 0129-4282809-10

REGISTRAR AND SHARE TRANSFER AGENT

BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.
 Behind Local Shopping Centre,
 Near Dada Harsukh Dass Mandir, New Delhi – 110062
 Ph. : 011-29961281 Fax: 011-29961284

Dear Shareowners,

It is with great joy that I welcome you to the Company's 12th Annual General Meeting, and significantly, the first AGM after our successful IPO last year. The IPO was an important milestone and the next step in the ladder is to take the Company to a higher level of growth and operational scale. It will also be fair to say that by virtue of being a listed Company on the Bombay Stock Exchange and the National Stock Exchange, the stature of your Company has also increased in the business and financial community. At the same time, this has showered more responsibilities on us, which we are sure to take care with the support of our team.

A wonderful benefit of this opportunity was the addition of a number of new shareowners into the SRS family, and I along with the Board and all the existing shareowners warmly welcome them and look forward to a bright future together with everyone's strong support and participation.

The Company did quite well in FY 2011-12, reporting a rise in its revenues and profits as can be seen from the Annual Report. In keeping with the performance, the Board of Directors of the Company has recommended a dividend of Re.1 per Share.

Looking at the overall picture and business environment, I feel we have made good progress in FY 2011-12, inspite of the fact that your Company's Board and management had intensively invested its time and resources to roll out the Company's IPO successfully. Now, we should be able to post even better results next year as we are all set to strongly focus on taking our business to higher levels of operational excellence and growth. This gives me the confidence to say that with God's blessings, team's hard work and your support, we shall be able to report stellar results for the next year.

Last year, while the Company progressed well, the same cannot be said for the business environment of the country. India, after a few years of rapid growth, was tripped from its well-poised strides by sudden weak sentiments. This resulted in important policy-decisions being held back, and added with stubborn inflation, high interest rates, weakening rupee and fiscal deficit, eventually brought down the growth rate.

In this backdrop, the business performance of your Company becomes all the more commendable. This clearly was the result of adroit management and sound business strategy. During this period, your Company took a focused look at its existing operations and aptly redeployed resources to ensure that all our business segments stood on a strong foundation, with ample of growth potential to maximize shareowners wealth. The Company went in for robust expansion and added a new multiplex at Ludhiana taking the overall tally to 33 screens across 12 properties in 7 cities. The Jewellery business gathered strength by launching two new premium stores at Ghaziabad (NCR Delhi) and Faridabad (NCR Delhi) and wholesale outlet in Mumbai (Maharashtra). The Retail operations saw more stores opening up at premium locations in NCR Delhi at Gurgaon, Faridabad and Noida. In retail, we experimented with the franchisee model and launched the Company's first franchised store at Sonapat, Haryana. Leveraging our expertise

in the hospitality sector, we also took over the managerial control of SRS Lakshya, a 4 star hotel property in the holy city of Haridwar with 78 premium category rooms. In addition to our expanding reach, brand building got special attention with the Company investing significantly in such efforts to enhance its visibility, appeal and loyalty.

So, what next? In backdrop of the recent success, we are taking care to stay away from complacency by taking growth for granted. Today, with the weakening Rupee, high crude prices, crisis in the overall European Union, policy and growth breakdown, high inflation, steep interest rates etc. are making their effect felt at the ground level. Growth therefore will not come easily; it will instead have to be all the more hard-earned now against firm consumer and competitive forces.

To proceed, the Board believes that the Company will need to follow a very sharp business strategy that is in line with the Company's higher scale, status and ambitions. There are three pillars to this – one is to nurture the brand SRS to make it even more trusted, preferred and vibrant. Second is to focus strongly on our consumers and deliver a fabulous experience on a sustained basis across each of our business vertical. The third is to look at expansion with a very careful eye to reach out to areas that offer a good catchment, have optimal overheads and are not in a demand over supply scenario. This is the clear endeavour of your Company's management, and is bound to yield fruitful results.

You are the shareowner of a Company that is well-diversified and is fortunate to have enormous inherent strength. With your support, I am confident of leveraging opportunities and overcoming challenges to report exciting success in the coming times as well. Thank you once again for your unstinted support to the Company and your unwavering belief in the Board and the Management.

Warm regards,

Dr. Anil Jindal
Chairman

MESSAGE FROM THE CHAIRMAN



MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

The world's eleventh largest in terms of nominal GDP and the third largest by purchasing power parity. Member of the powerful G-20 group of nations. A huge middle-class of 300 million and growing. Rising services and manufacturing sector along with unprecedented development in commerce, trade, industry and science & technology. A trillion-dollar plus economy whose per capita income more than tripled from Rs 19,040 in 2002-03 to Rs 60,972 during 2011-12.

This magical land is India, the incredible India that the world is fighting for a pie of.

Sadly, a quick reality check of events over the last one year shows that this sheen is wearing off fast. GDP growth rate came crashing down from 9.4% in the first quarter of 2010 to 6.1% in the fourth quarter of 2011. Inflation at 7% plus remained high and stubborn, mocking the RBI's measures to control it in the face. . The fiscal deficit increased, the rupee became weaker, manufacturing growth shrunk and the government went into a low-action mode, holding back important reforms and clearances.

The result of these negative factors has been grave indeed. FDI thinned significantly because of the inaction on the policy front. With India's macro economic factors in a state of imbalance, other emerging nations became attractive by comparison, taking away what was India's share of the FDI and triggering capital outflows. So much so that talks are doing rounds that the 'India' in BRICS should be replaced by 'Indonesia'. It could not sound any worse than that, but that captures the reality of the picture and the sentiments of the investors.

However, our fundamental strengths are still intact, and with the right governmental reforms and push, the off-track economy can be made to accelerate soon enough.



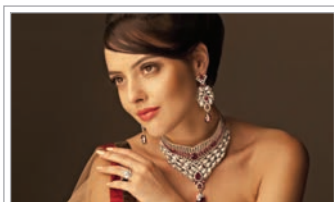
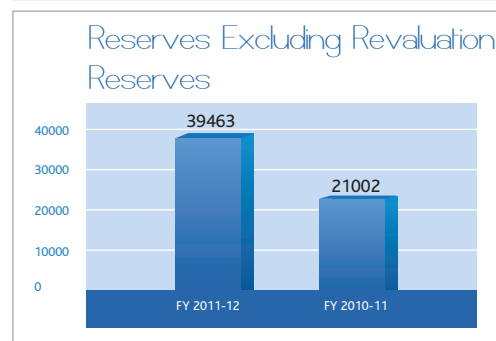
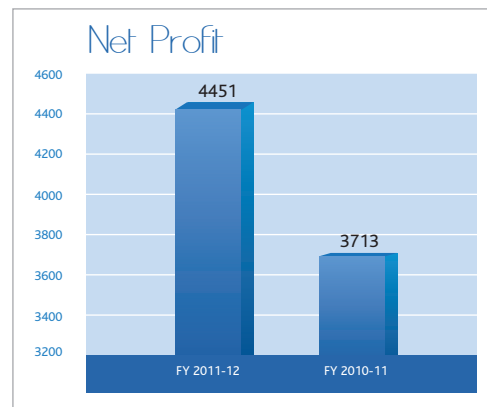
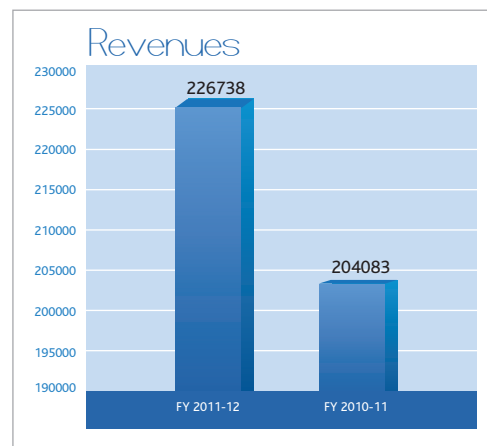
Company Overview

The overall economic scenario did pose serious questions to every business enterprise. However, the intrinsic strength of Companies such as yours, ensured that the operations went off well, reporting good progress across key parameters.

The Company looked at all its business verticals with a sharp focus, expanding confidently in the face of good opportunities and also kept operational health in top form by reviewing and consolidating businesses, wherever required.

As a part of its growth blueprint, the Company launched 2 premium jewellery stores & 1 wholesale jewellery outlet, 3 Screens at 1 cinema property and 6 retail stores (including one franchised retail store at Sonapat, Haryana) in the year gone by, apart from adding strength to its existing operations. As a result, brand 'SRS' has not only widened its footprint, but is also becoming a well recognized name across geographies.

Following is a detailed synopsis on the individual business vertical:-



JEWELLERY



CINEMAS



RETAIL



FOOD COURTS



Gems & Jewellery - SRS Jewells

Industry Overview

With their deep-rooted preference and strong cultural links, Gems and Jewellery hardly need any introduction in India. The strong dazzle of the yellow metal has made the average Indian, rich and poor alike go weak in the knees time after time. Apart from the citizenship of the country, the love for gold is probably the only other thing that all Indians have in common.

So, it's really no surprise that we are largest gold consuming country in the world and import in excess of 1000 tonnes of gold, with our consumption being in excess of 1600 tonnes in recent times. This reflects well in numbers too. With a CAGR of almost 13-15%, the gems & jewellery industry continues to grow from its current size of approximately USD 18 bn, contributing about 17% to India's total merchandise exports.

In recent times, gold has soared to touch new heights, a sharp shift from the last few years suddenly showed a spurt. While the upwardly spiral has delighted investors, the development was not too good for the jewellery industry as such since the purchasers span across the high, middle and low income groups. The high prices of gold along with high inflation levels kept buyers hold back their purchase plans. A fair amount of sales happened on account of compulsive shopping – weddings for example. As a

consequence of the rising prices, the product preference shifted in favour of light-weight but larger looking items.

Apart from this, another development witnessed was that many people started looking at gold as a pure investment avenue, raising the demand for gold biscuits and coins, a development though good for the overall industry, is not beneficial for the value-added jewellery industry.

However, looking at the bigger picture, these setbacks seem to fade away immediately. With its rich legacy of expert craftsmen and skilled workers, coupled with low labour costs, the future for the industry looks bright and promises to richly reward players who are able to understand the pulse of the market and match their offerings accordingly. Jewellery in India always enjoys an intrinsic advantage of having a strong investment value.

