

# 25th Annual Report

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# 2011-2012



**SURYA INDUSTRIAL CORPORATION LIMITED**

## **CORPORATE INFORMATION**

### **DIRECTORS**

Mr. Vivek Jain : Chairman cum Managing Director  
Mr. Rahul Jain : Director  
Mr. Abhinav Sharma : Additional Director  
Mrs. Bhavi Jitendra Sanghavi : Additional Director

### **Statutory Auditors**

M/s KKJ & Associates  
Chartered Accountants  
1332, Behind Kamdhenu Dairy,  
P. L. Sharma Road,  
Meerut - 250001

### **Registrar & Transfer Agent**

Skyline Financial Services Private Limited  
D-153, 1st Floor,  
Okhla Industrial Area, Phase-I  
New Delhi-110020

### **Annual General Meeting**

Date : 31<sup>st</sup> December, 2012  
Time : 10:30 A.M.  
Day : Monday  
Venue : B-9, Industrial Estate,  
Partapur, Meerut,  
Uttar Pradesh – 250 103

### **Name of the Stock Exchanges at which the Company's shares are listed**

1. Bombay Stock Exchange Ltd
2. The Delhi Stock Exchange
3. The Uttar Pradesh Stock Exchange Association Ltd.
4. The Stock Exchange, Ahemdabad
5. The Jaipur Stock Exchange

### **Registered Office**

B-9, Industrial Estate,  
Partapur, Meerut,  
Uttar Pradesh – 250 103

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**NOTICE**

NOTICE IS HEREBY GIVEN TO ALL SHAREHOLDERS OF SURYA INDUSTRIAL CORPORATION LIMITED, MEERUT THAT XXVth ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON MONDAY THE 31<sup>st</sup> DECEMBER, 2012 AT ITS REGISTERED OFFICE AT 10.30 A.M. TO TRANSACT THE FOLLOWING BUSINESS :

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited annual accounts for the year ended on 30.06.2012 and reports of the Directors and auditors.
2. To elect a director in place of Mr. Vivek Jain who retire by rotation and being eligible, offers himself for re-election.
3. To appoint M/s KKJ & Associates, Chartered Accountants, the Retiring Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as shall be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“RESOLVED THAT Mr. Abhinav Sharma, who was appointed as an Additional director pursuant to Section 260 of the Companies Act, 1956 and Article of Association of the Company to hold office up to the ensuing Annual General Meeting and in respect of whom, the Company has received a notice in writing, from a member of the company pursuant to Section 257(1A) of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.”
5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“RESOLVED THAT Mrs. Bhavi Jitendra Sanghavi, who was appointed as an Additional director pursuant to Section 260 of the Companies Act, 1956 and Article of Association of the Company to hold office up to the ensuing Annual General Meeting and in respect of whom, the Company has received a notice in writing, from a member of the company pursuant to Section 257(1A) of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.”

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY TO BE VALID SHALL BE DEPOSITED AT THE PRINCIPAL OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Member and Share Transfer Books of the company will remain closed from 28.12.2012 to 31.12.2012.
4. For any investor-related queries, communication may be sent by mail to the Registered Office of the company situated at B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh-250103.
5. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No.2B in duplicate (which will be made available on request) to the R&T Agent.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.

8. Members are requested to immediately intimate any change in their addresses registered with the company quoting their respective Folio Number (s).

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956****ITEM NO. 4**

Mr. Abhinav Sharma was appointed as an Additional Director on the Board of Directors w.e.f. 18<sup>th</sup> August, 2012 to hold office until the date of ensuing Annual General Meeting.

The Company has also received a Notice, from a member of the company, in terms of Section 257(1A) of the Companies Act, 1956, proposing his candidature as Director of the Company.

The Board recommends the said resolution for Member's approval by way of an Ordinary Resolution.

None of the Directors of the Company except Mr. Abhinav Sharma is, in any way, concerned or interested in the resolution.

**ITEM NO. 5**

Mrs. Bhavi Jitendra Singhavi was appointed as an Additional Director on the Board of Directors w.e.f. 1<sup>st</sup> November, 2012 to hold office until the date of ensuing Annual General Meeting.

The Company has also received a Notice, from a member of the company, in terms of Section 257(1A) of the Companies Act, 1956, proposing his candidature as Director of the Company.

The Board recommends the said resolution for Member's approval by way of an Ordinary Resolution.

None of the Directors of the Company except Mrs. Bhavi Jitendra Singhavi is, in any way, concerned or interested in the resolution.

**By Order of the Board of Directors**  
**Sd/-**  
**(Vivek Jain)**  
**Chairman cum Managing Director**

**Date :** 06.12.2012

**Place :** Meerut

**Additional Information required to be furnished under clause 49 of the Listing Agreement for Directors seeking appointment/reappointment**

Name	Mr. Vivek Jain
Age	45 years
Qualification	B.Tech.(Aeronauticals)
Expertise	Having good experience of Managing the board and dealing with issues arised thereon
Other Directorship	Surya Tyres Ltd.

Name	Mr. Abhinav Sharma
Age	25 years
Qualification	Commerce Graduate, LLB
Expertise	Experience in the field of Law, Taxation, Management Consultancy, Accounts & Finance
Other Directorship	NIL

Name	Mr. Bhavi Jitendra Sanghavi
Age	32 years
Qualification	M.com
Expertise	Accounts & Finance
Other Directorship	Touchline Securities P. Ltd. & Tirth Vidit Securities P. Ltd.

**DIRECTORS' REPORT**

To  
The Members  
Surya Industrial Corporation Limited  
Meerut

Ladies and Gentlemen,

The Board of Directors of your Company has pleasure in presenting the 25th Annual Report of the Company along with Audited Accounts and the Auditor's Report for the Accounting Year ended 30th June, 2012.

**1. FINANCIAL RESULTS:**

Comparative Figures are as under

<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Sales & Job Work	<b>1194000.00</b>	360000.00
Other Income	<b>5634000.00</b>	6245000.00
Profit on sale of Assets	<b>0.00</b>	97000.00
Reduction in value of Investment	<b>0.00</b>	0.00
Profit before depreciation	<b>4526000.00</b>	4865000.00
Depreciation	<b>2493000.00</b>	2868000.00
Net Profit before tax	<b>718000.00</b>	1997000.00
Net Profit after tax	<b>718000.00</b>	1997000.00
Balance b/f from previous year	<b>(-)72477000.00</b>	(-)73195000.00

**2. OPERATIONS**

Company continues to be under the purview of BIFR for its financial reconstruction. Company has achieved sales of Rs.11.94 Lacs by selling electric laminations & partly job work of production of Tyres. Company is making all efforts to revive its operations. But due to lack of working capital, company could not make any headway in revival of operation of the company to any great extent. Land & Factory building, not in immediate use, have been leased out and earnings of Rent have been used for repayment of loan liabilities of UPFC and PICUP.

**3. FUTURE OUTLOOK**

Your directors have tried to give momentum to business of Manufacturing & Trading of Electric Lamination during the year and are very hopeful. Company is pursuing with UPFC and PICUP for One time Settlement of its outstanding dues.

**4. DIRECTORS**

No sitting fee has been paid to any of the directors.

In accordance with the provisions of the Companies Act, 1956 and the Article of Association of the Company, Mr. Vivek Jain, Director of the Company, retires by rotation and being eligible, seeks re-appointment.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the article of association of the Company, Mr. Abhinav Sharma was appointed as Additional Director of the Company and shall hold office till the date of the ensuing Annual General Meeting. Your Company has received notice in writing from the existing members proposing their candidature along with the requisite deposit pursuant to the provisions of Section 257(1A) of the Companies Act, 1956. Your Directors recommends their appointment to the board of the company.

Pursuant to the provisions of Section 260 of the Companies Act, 1956 and the article of association of the Company, Mr. Bhavi Jitendra Sanghavi was appointed as Additional Director of the Company and shall hold office till the date of the ensuing Annual General Meeting. Your Company has received notice in writing from the existing members proposing their candidature along with the requisite deposit pursuant to the provisions of Section 257(1A) of the Companies Act, 1956. Your Directors recommends their appointment to the board of the company.

Brief details of the Directors seeking appointment/re-appointment as stipulated under clause 49 of the Listing Agreement with the Stock Exchange is enclosed with Notice.

**6. DIVIDEND**

In view of accumulated losses, your directors regret their inability to declare the dividend to shareholders.

**7. AUDIT REPORT & ACCOUNTS**

No Qualification of Auditor has been found.

**8. PARTICULARS OF EMPLOYEES**

Particulars of employees required to be furnished under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended in 2011 to this report are - NIL

**9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies' (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy And Technology Absorption are not applicable to the Company. The Company mainly deals in domestic market and has NIL sales on account of exports, thereby resulting NIL foreign exchange earnings and outgo during the accounting Year 2011-12

**10. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuance to section 217(2AA) we state –

- i) That in the preparation of the annual accounts the applicable accounting standards had been followed and there is no material departure;
- ii) That your directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the accounting year and of the profit or loss of the company for that year;
- iii) That your directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- iv) That your directors had prepared the annual accounts on a going concern basis.

**11. AUDITORS**

M/s KKJ & Associates., Chartered Accountants, Meerut, Auditor of the company retire at ensuing annual general meeting and being are eligible & willing for re-appointment.

The Company has received a confirmation from the Auditors to the effect that their re-appointment if made would be in the limits prescribed under the Section 224(1B) of the Companies Act, 1956.

**12. COMPLIANCE CERTIFICATE**

Pursuant to requirements of Section 383A(1) of the Companies Act, 1956, with respect to Compliance Certificate, the Company has obtained Compliance Certificate from Practicing Company Secretary, for the Accounting Year ended 30.06.2012. The same has been attached in Director's Report.

**13. ACKNOWLEDGEMENT**

Your directors wish to convey their thanks to their Banker, financier and auditors for continuance of their support.

**By Order of the Board of Directors  
For Surya Industrial Corporation Ltd.**

**Sd/-  
(Vivek Jain)  
Chairman cum Managing Director**

**Sd/-  
(Rahul Jain)  
Director**

**Date** : 06.12.2012

**Place** : Meerut

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## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. OPERATING RESULTS OF THE COMPANY**

During the Financial Year under consideration the performance of the Company, considering all the financial constraints that company is facing, was satisfactory. Net Profit for the year 2011-12 stood at Rs. 718000 as against Profit of Rs.1997000 in the year 2010-11. Earning per Share (EPS) of the Company is 0.16.

### **2. INDUSTRY STRUCTURE AND DEVELOPMENT**

Land and Factory building not in immediate use have been leased out and earnings of Rent have been used for repayment of loan liabilities of UPFC and PICUP. Machineries to produce automotive tyres have been used for job work. But business has not found lucrative market. Your directors have started business of Manufacturing & Trading of Electric Lamination and are very hopeful.

### **3. OPPORTUNITY**

Keeping in mind the positive result form the Board for Industrial and Financial Reconstruction and company is also in the process of settlement with PICUP & UPFC and management is hoping that it will result in the favor of the company. If all this come in company favor, then management is hopeful to revive its production once again.

### **4. PROSPECT & OUTLOOK**

The management of the company is trying its best effort in takeout the company form the crisis situation. They are on the process of settlement with the PICUP & UPFC and hoping for the waiver of the interest from them.



**COMPLIANCE CERTIFICATE**

CIN: L15311UP1988PLC010285  
Nominal Capital: Rs. 100,000,000.00

To,  
The Members  
**SURYA INDUSTRIAL CORPORATION LIMITED**  
B-9, Industrial Estate,  
Partapur, Meerut,  
Uttar Pradesh-250103

We have examined the registers, records, books and papers of **SURYA INDUSTRIAL CORPORATION LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Accounting Year ended on **30<sup>th</sup> June, 2012**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, and its officers, we certify that in respect of the aforesaid accounting Year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies/Regional Director/Central Government/CLB or other authorities as required under the Act and the rules made thereunder.
3. The Company is a public limited Company.
4. The Board of Directors duly met 9 (Nine) times on 29/08/2011, 30/09/2011, 10/11/2011, 14/11/2011, 31/12/2011, 10/02/2012, 07/03/2012, 24/04/2012, 29/06/2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company had closed its Register of Members from 26 December,2011 to 31 December,2011 for the purpose of Annual General Meeting, held on December 31, 2011. There are no Debenture holders in the Company.
6. The Annual General meeting for the Accounting Year ended on 30.6.2011 was held on December 31, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the Accounting Year.
8. Company has not given any loan to Directors as the provisions u/s 295 of the Act during the Accounting Year.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act during the Accounting Year.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the Financial Year.
13. The Company has:
  - (i) delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year;
  - (ii) declared no dividend including interim dividend, hence no amount is required to be deposited in a separate bank a/c;
  - (iii) no liability to pay/post warrant for dividend to all the members within 30 days from the date of declaration as it has not declared any dividend that it has no unclaimed/unpaid dividend which are required to be transferred to Unpaid Dividend Account of the Company with its bank;

- (iv) no amount is outstanding in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of 7 years, hence nothing is required to be transferred to Investor Education and Protection Fund;
- (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. No Additional/Alternate/director in Casual Vacancy is appointed during the Accounting year.
  15. The Company has not appointed any managing Director/ Wholetime Director during the current Accounting Year.
  16. The Company has not appointed any sole selling agent during the Accounting Year.
  17. The Company has not obtained any approvals of the Central Government, CLB, Regional Director, ROC and/ or such other authorities as may be prescribed under the various provisions of the Act during the Accounting Year.
  18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act, and Rules made there under.
  19. The Company has not issued any equity shares during the Accounting Year.
  20. The Company has not bought back any shares during the Accounting Year.
  21. There was no redemption of preference shares or debentures during the Accounting Year.
  22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
  23. The Company has not invited/accepted any deposits under Section 58A of the Companies Act, 1956 during the accounting Year.
  24. The amount borrowed by the Company from Directors, members, Banks, Financial Institutions and other during the Accounting Year ending on June 30, 2012 is within the borrowing limits of the Company as per the provisions of section 293 (1)(d) of the Company Act, 1956.
  25. During the year ending on June 30, 2012 the Company has given loans and advances. Balance of the Loans and advances account stands at 169.02 lacs (Previous Yr.147.31lacs).
  26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
  27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
  28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
  29. The Company has not altered the provisions of the memorandum with respect to the share capital of the capital.
  30. The Company has not altered its articles of association during the Financial Year.
  31. There was no prosecution initiated against or show cause notices received by the Company, during the Financial Year, for offences under the Act.
  32. The Company has not received any money as security from its employees during the Accounting Year.
  33. The Company has not constituted provident fund for its employees and as such provisions of Section 418 of the Act are not applicable

Place : Delhi  
Date : 06-12-2012

-Sd/-  
(Parmal Singh)  
Company Secretary in Practice  
C.P. No. 10943

**ANNEXURE – A****REGISTERS AS MAINTAINED BY THE COMPANY**

(Attached with and forming part of our Compliance Certificate issued under Rule 3 of the Companies (Compliance Certificate) Rules, 2001 in the matter SURYA INDUSTRIAL CORPORATION LIMITED for the year ended on 30.06.2012)

- Register of Members u/s 150 (1)
- Minute Books of Board of Directors u/s 193 (1).
- Minute Books of proceedings of General Meetings u/s 193(1) &196(1).
- Register of Directors u/s 303(1) of the Act.
- Books of Accounts u/s 209(1)
- Register of Returns and register under section 163
- Register of Charge under section 143.
- Share Transfer Register.
- Register of Share Application & Allotment.

**ANNEXURE – B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ending on 30th June 2012.

Sl. No.	Forms filed	Under Section of Companies Act, 1956	Date of Filing	Whether filed within prescribed time	If Delay in filing whether requisite Additional fee paid
1.	Form 23AC&ACA (ANNUAL ACCOUNTS) for the Accounting year ending 2011	220	11/02/2012	No	Yes
2.	Form 20B for the Accounting year ending 2011	159	05/04/2012	No	Yes
3.	Form 66 for the Accounting year ending 2011	Proviso to Section 383A(1)	26/01/2012	Yes	NA
4.	Form 32	Section 303(2)	31/03/2012	No	Yes
5.	Form 32	Section 303(2)	26/01/2012	Yes	NA
6.	Form 32	Section 303(2)	10/10/2011	Yes	NA
7.	Form 32	Section 303(2)	08/09/2011	No	Yes
8.	Form 32	Section 303(2)	22/08/2011	No	Yes

Place : Delhi  
Date : 06-12-2012

-Sd/  
(Parmal Singh)  
Company Secretary in Practice  
C.P. No. 10943

## REPORT ON CORPORATE GOVERNANCE

Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The objective of Corporate Governance is "Enhancement of long term shareholders value and ensuring the protection of rights of the shareholders" and your company reiterates its commitment to good Corporate Governance.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company policy on Corporate Governance is attainment of the highest levels of transparency, accountability and equity in all facets of its operations. Good Corporate Governance therefore, embodies both enterprise (performance) and accountability (performance).

### BOARD OF DIRECTORS

#### (i) Composition of the Board

The Board of Directors consists of three Promoter Directors and three Non-Executive/Independent Directors. None of the Directors on the board are member on more than 10 committees and chairman of more than 5 committees (as specified in clause 49 of the Listing agreement), across all the company in which they are Directors. The directors have made the necessary disclosures regarding committee memberships. The composition of the Board and other relevant details relating of Directors as on 30<sup>th</sup> June, 2012 are given below:

Name of the Director	Designation	Category	Directorship of other Companies	Membership/ Chairmanship in Board Committees
Mr. Vivek Jain	Chairman cum Managing Director	Promoter Executive	1	2
Ms. Seema Jain	Director	Promoter Non-executive	2	1
Mr. Rahul Jain	Director	Promoter Executive	2	1
Mr. Laleshwar Kumar Raut	Director	Independent	1	1
Mr. Mahender Singh	Director	Independent	2	2
Mr. Navdeep Gupta	Director	Independent	1	1

#### (ii) Number of Board Meetings held and attended by Directors

- During the year under review nine meetings of the Board of Directors were held and gap between two meetings did not exceed four months. The date of which the Board Meetings were held are as follows: 29/08/2011, 30/09/2011, 10/11/2011, 14/11/2011, 31/12/2011, 10/02/2012, 07/03/2012, 24/04/2012, 29/06/2012.
- The attendance record of each of the Directors at the Board Meeting during the year ended on June 30, 2012 and of the last Annual General Meeting are as under:

Name of the Director	No. of Board Meeting Attended	Attendance at the last AGM held on December 31, 2011
Mr. Vivek Jain	9	Yes
Ms. Seema Jain	8	Yes
Mr. Rahul Jain	9	Yes
Mr. Laleshwar Kumar Raut	8	Yes
Mr. Mahender Singh	8	Yes
Mr. Navdeep Gupta	8	Yes

**(iii) Code of Conduct**

The Board of Directors of the Company has approved and adopted a Code of Conduct for the members of the Board of the Company.

**AUDIT COMMITTEE:**

Constitution of Audit committee by listed public company pursuant to the listing agreement is mandatory. The Composition of Audit Committee is as follows:

Name of the Director	Designation	Category
Mr.Navdeep Gupta	Chairman	Independent Director
Mr.Mahender Singh	Member	Independent Director
Mr.Vivek Jain	Member	Executive Director
Ms. Seema Jain	Member	Non Executive Director

During the year under review, five Audit Committee Meetings were held on July 5, 2011, October 6, 2011, December 6, 2011, January 5, 2012 and April 6, 2012. Details of attendance of each director and attended Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Mr.Navdeep Gupta	Chairman	5	5
Mr.Mahender Singh	Member	5	4
Mr.Vivek Jain	Member	5	4
Ms. Seema Jain	Member	5	3

Quarterly results of the company are reviewed & duly approved by the committee.

**REMUNERATION COMMITTEE:**

Constitution of remuneration committee by listed public company pursuant to the listing agreement is voluntary. Presently the Company has not constituted any remuneration committee.

**SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE:**

The Shareholders/Investors Grievances Committee is constituted for good corporate governance. The Composition of Shareholders/ Investors Grievances Committee is as follows:

Name of the Director	Designation	Category
Mr.Mahender Singh	Chairman	Independent Director
Mr.Vivek Jain	Member	Executive Director
Mr.Laleshwar Kumar Raut	Member	Independent Director
Ms Seema Jain	Member	Non-Executive Director

Details of attendance of each member of Shareholders/ Investors Grievances Committee Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Mr.Mahender Singh	Chairman	4	4
Mr.Vivek Jain	Member	4	4
Mr.Laleshwar Kumar Raut	Member	4	2
Ms. Seema Jain	Member	4	2

Share Transfers are processed and duly approved by the committee. The roles and responsibilities of Shareholders/ Investors Grievances Committee are as follows:

**ROLE AND RESPONSIBILITIES:**

The role of Shareholders/ Investors Grievances Committee includes the review of following:  
To monitor the process of expeditious transfer of shares or debentures.

To monitor and review the shareholders complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc.

To monitor and review from time to time the systems/ procedures relating to processing of transfer of shares, dematerialization/ re-materialization of share certificates, re-issued of share certificates against split, cancellation, consolidation and lost share certificates etc.

To investigate any activity and seek information from any employee of the company, in discharging its duties.

To obtain outside legal or professional services, if consider necessary.

To fix the record date for the purposes as required under the Companies act and/or listing agreement. To consider and approve issue of duplicate share certificate in lieu of those reported lost, misplaced, torn, mutilated etc.

Any other powers which are specifically delegated by the board from time to time.

#### COMPLIANCE OFFICER OF THE COMPANY

**Mr. Vivek Jain**

**Chairman cum Managing Director**

#### GENERAL BODY MEETING:-

YEAR	DATE	VENUE	TIME
2011	31.12.2011	B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh – 250 103	10.30 a.m.
2010	31.12.2010	B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh – 250 103	10.30 a.m.
2009	31.12.2009	B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh – 250 103	10.30 a.m.

All resolutions proposed for the above said meetings were duly passed by show of hands. None of the resolution was passed neither proposed to be passed through Postal Ballot last year.

#### STATUTORY DISCLOSURES:-

Transactions of material nature have been entered into by the company with the promoters, directors, their related companies, firms, subsidiaries or relatives etc. in relation to this the disclosure as per accounting standard 18 has been annexed with the balance sheet.

#### DISCLOSURES:

The Board of Directors receives from time to time disclosures relating to financial and commercial transactions from key managerial personnel of the company where they and /or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large.

The details of the Related Party Transactions are placed before and reviewed by the Company's Audit Committee.

The Company has complied with the requirements of the Stock Exchanges/ Securities and Exchange Board of India/ Statutory Authorities on all matters relating to capital markets, during the last three years.

#### RISK MANAGEMENT:

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the risk management and mitigation plan from time to time.

#### ANNUAL GENERAL MEETING

Date	:	31 <sup>st</sup> December 2012
Time	:	10.30 a.m.
Venue	:	B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh – 250 103

**FINANCIAL CALENDER (tentative)**

Accounting Year	-	1st July 2011 to 30th June 2012
Financial Reporting for the First Quarter ending	-	1st July 2011 to 30th September 2011
Financial Reporting for the Second Quarter ending	-	1st October 2011 to 31st December 2011
Financial Reporting for the Third Quarter ending	-	1st January 2012 to 31st March 2012
Financial Reporting for the Quarter & Year ending	-	1st April 2012 to 30th June 2012

**DATE OF BOOK CLOSURE**

The Register of Member and Share Transfer Books of the Company will remain closed from 28<sup>th</sup> December, 2012 to 31<sup>st</sup> December, 2012.

**LISTING ON STOCK EXCHANGE:**

1. Bombay Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
2. The Delhi Stock Exchange, Delhi, DSE House, 3/1 Asaf Ali Road, New Delhi-110002
3. The Stock Exchange, Ahmedabad, Kamdhemu Complex, Opp. Sahajanand College Near Panajara Pole Ambawadi, Ahmedabad- 380015
4. The Jaipur Stock Exchange, JSEL Building, J.L.N Marg, Malviyanagar Jaipur, Rajasthan-302001
5. The Uttar Pradesh Stock Exchange, Padam Towers, 14/113, Civil Lines, Kanpur-208001

**MARKET PRICE DATA**

No data available for last accounting year as no trading has taken place for the same period.

**REGISTRAR & TRANSFER AGENT**

Skyline Financial Services Private Limited  
D-153, 1<sup>st</sup> Floor,  
Okhla Indl. Area, Phase-I,  
New Delhi-110020

**SECRETARIAL AUDIT**

Pursuant to Clause 47( C) of the Listing Agreement with the Stock Exchanges, Certificates on half yearly basis have been issued by the Company Secretary in practice for due Compliance of Share Transfer formalities of the Company. To reconcile the total admitted capital, total issue and listed capital a secretarial audit is carried out by a Practicing Company Secretary on quarterly basis.

**DISTRIBUTION OF SHAREHOLDING**

Distribution of shareholding as on 30.06.2012 is given below:

Range in (No. of Shares)	Number of Shareholders	% to Total Shareholders	No. of Shares held	% to Total Capital
1 - 5000	692	96.51	1385700	31.02
5001 - 10000	12	1.67	78100	1.75
10001 - 20000	2	0.28	35000	0.78
20001 - 30000	1	0.14	25400	0.57
30001 - 40000	0	0.00	0	0.00
40001 - 50000	3	0.42	145000	3.25
50001 - 100000	0	0.00	0	0.00
100001 and above	7	0.98	2797500	62.63
<b>Total</b>	<b>717</b>	<b>100%</b>	<b>4466700</b>	<b>100.00%</b>

**STATUS FOR SHAREHOLDERS' COMPLAINTS FOR THE PERIOD 01.07.2011 TO 30.06.2012**

Complaint received from the shareholders of the company during the year was duly resolved upto the satisfaction of our shareholders & no complaint was pending at the end of financial year.

**SHAREHOLDING PATTERN OF THE COMPANY**

<b> Holders</b>	<b>No. of Shares</b>	<b>% of Total</b>
<b>Promoters</b>		
(a) Indian	2766900	61.95
(b) Foreign	-	-
<b>Non Promoters</b>		
Financial Institution and Banks	-	-
Non-Resident, OCB's, Foreign Banks	47400	1.06
Other Bodies Corporate	25900	0.58
Mutual Funds	-	-
Clearing member	-	-
Public	1626500	36.41
<b>Total</b>	<b>4466700</b>	<b>100</b>

**ADDRESS FOR CORRESPONDENCE**

B-9, Industrial Estate, Partapur,  
Meerut, Uttar Pradesh - 250 103  
Phone no. – 0121 2440658  
E-mail ID – sicl1388@gmail.com

**DECLARATION**

None of the Director of the Company is a Director of more than 15 Companies and member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director.



**DECLARATION BY THE CEO UNDER CLAUSE 49(I)(D) OF THE LISTING AGREEMENT**

To  
The Members  
SURYA INDUSTRIAL CORPORATION LIMITED  
Meerut, UP

I hereby confirm, that the company has obtained from all the Members of the Board and Senior Management Personnel, affirmation that they have complied with the code of conduct for Directors and Senior Management Personnel in respect of financial year 2011-2012.

**For SURYA INDUSTRIAL CORPORATION LIMITED**

**DATE** : 06-12-2012  
**PLACE** : MEERUT (UP)

**Sd/-**  
**(Vivek Jain)**  
**Chairman cum Managing Director**

**CEO/CFO CERTIFICATION**

To The Board of Directors  
**SURYA INDUSTRIAL CORPORATION LIMITED**

Dear Sir,

- (a) We have reviewed financial statements and the cash flow statement for the year ended 30<sup>th</sup> June 2012 and to the best of our knowledge and belief that:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
  - iii. No transactions entered into by the Company during the above said period which are fraudulent, illegal or violation of the company's code of conduct.
- (b) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (c) We have indicated to the auditors and the Audit committee
- i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For SURYA INDUSTRIAL CORPORATION LIMITED**

**Sd/-**  
**(Vivek Jain)**  
**Chairman cum Managing Director**

**Sd/-**  
**(Rahul Jain)**  
**Director**

**Date** : 06.12.2012  
**Place** : Meerut (U.P.)

**AUDITOR'S CERTIFICATE**

The Members,

**SURYA INDUSTRIAL CORPORATION LIMITED**

We have examined the compliance of conditions of corporate governance by **SURYA INDUSTRIAL CORPORATION LIMITED** for the year ended on 30<sup>th</sup> June 2012 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement as required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance relating to the shares is pending for a period exceeding one month against the company as per the records made available to us.

**For M/s KKJ & Associates  
Chartered Accountants**

**Sd/-  
(CA. K.K. JAIN)  
Partner  
M.No. 71281**

**Date** : 18.08.2012  
**Place** : Meerut (U.P.)

**AUDITOR'S REPORT**

To  
The Members  
Surya Industrial Corporation Limited  
Meerut

1. We have audited the attached Balance Sheet of Messrs Surya Industrial Corporation Limited as at 30<sup>th</sup> June, 2012 and also Statement of Profit and Loss of the company for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express opinion on these financial statements based on our audit.
2. 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, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 of India (the 'Act'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable to the company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
  - i) We have obtained all the information & explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books;
  - iii) The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of accounts;
  - iv) In our opinion, Statement of Profit and Loss and Balance Sheet dealt with by this report comply with the mandatory accounting standards referred to in section 211(3C) of the Companies Act, 1956;
  - v) On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 30<sup>th</sup> June, 2012 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Statement of Profit & Loss read together with and subject to the notes forming part of accounts appearing thereon specially Note No.(3) thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in the conformity with the accounting principles generally accepted in India:
    - a) in the case of the balance sheet, of the state of affairs of the company as at 30<sup>th</sup> June, 2012 and
    - b) in the case of Statement of profit & loss of the Profit of the company for the year ended on that date.
    - c) in the case of the cash flow statement of the cash flows for the year ended on that date.

For **KKJ & ASSOCIATES**  
Chartered Accountants

**Date** : 18.08.2012  
**Place** : Meerut (U.P.)

**Sd/-**  
**(CA. K.K. JAIN)**  
Partner  
M.No.71281

**ANNEXURE TO AUDITOR'S REPORT OF SURYA INDUSTRIAL CORPORATION LIMITED  
ON THE ACCOUNTS MADE UPTO 30TH JUNE, 2012**

With reference to paragraph 3 of our report of even date on the accounts for the year ended on 30<sup>th</sup> June, 2012, we report as under –

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification as compared to the book records. In our opinion frequency of verification is reasonable.
- (c) During the year, the company has not disposed of substantial part of fixed assets, hence going concern status of the company is not effected.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable.
- (b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification of inventory between the physical stocks and the book records were not material.
- (iii) (a) The company has not taken any loan from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956. There are three parties covered in the register maintained under section 301 of the Companies Act 1956 to which the company has granted Advances/Loans. The maximum amount involved during the year was Rs.191.19 lacs and the year end balance of Advances/Loans granted to such parties was Rs.169.02 lacs.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been given to parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (c) N.A.being no repayment
- (d) N.A. being no overdue amount
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 of the Act have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposit from the public within the meaning of sections 58A and 58AA of the Act and the rules framed thereunder .
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub section (1) of section 209 of the Act of any product of the company.
- (ix) (a) In our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues applicable to it.
- (b) As per information and explanations given to us we are submitting in a statement attached to this annexure extent of undisputed and disputed arrears of outstanding statutory dues as at 30.06.2012 for a

period of more than six months from date they became payable and also in case of dispute, then the amounts involved and the forum where dispute is pending.

- (x) In our opinion, the accumulated losses of the company as at 30.06.12 are more than 50% of its Net Worth. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) The company has defaulted in the repayment of dues to UPFC & PICUP, the particulars of which are submitted in the attached statement.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a Nidhi Mutual Benefit Fund Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2004 are not applicable to the company.
- (xiv) The company is not dealing in or trading in shares, securities, debentures and other investments, Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) As per information and explanation given to us in our opinion, the company has not given guarantees for loans taken by others.
- (xvi) No term loans have been taken for any purpose during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) During the period covered by our audit report, the company has not issued any debentures.
- (xx) The company has not raised any money by public issues during the year.
- (xxi) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **KKJ & ASSOCIATES**  
Chartered Accountants

**Date** : 18-08-2012  
**Place** : Meerut (U.P.)

**Sd/-**  
**(CA. K.K. JAIN)**  
Partner  
M.No.71281

**STATEMENT OF POINT {(IXb)} & (XI) OF ANNEXURE TO AUDITOR REPORT OF SURYA INDUSTRIAL CORPORATION LIMITED ON THE ACCOUNTS MADE UPTO 30<sup>TH</sup> JUNE, 2012**

**A. UNDISPUTED DUES**

Central Sales Tax	Rs. 7217.50
EPF	Rs. 39423.0
Trade Tax	Rs. 4188.27

**B. DISPUTED DUES**

Nature of Dues	Period to which amount relates	Amount	Forum where the Disputes is pending
Sales Tax/Trade Tax	1994-1995	0.10 lacs	Sales Tax Tribunal
Sales Tax/Trade Tax	1995-1996	0.95 lacs	Sales Tax Tribunal
Sales Tax/Trade Tax	2000-2001	2.85 lacs	Sales Tax Tribunal
Central Excise		1.65 lacs	CESTAT

**C. DEFAULT IN REPAYMENT OF LOANS**

Name of the Bank/ Financial Institution	Amount (Rs. in Lacs)
UPFC	109.70(excluding intt.)
PICUP	196.37(excluding intt.)

**Note :** The above amount is inclusive of interest taken on estimate basis upto 30.03.2004 but does not include the amount of interest not accounted for.

For **KKJ & ASSOCIATES**  
**Chartered Accountants**

Sd/  
**(C.A. K. K. Jain)**  
Partner  
M. No. - 71281

**Place :** Meerut  
**Date :** 18.08.2012

**BALANCE SHEET AS AT JUNE 30, 2012***(Rupees in Lacs)*

Particulars	Note No.		Current Year	Previous Year
<b>I EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' funds</b>				
(a) Share capital	1	596.77		596.77
(b) Reserves and surplus	2	-724.77	-128.00	-731.95
<b>(2) Current liabilities</b>				
(a) Short-term borrowings	3	306.07		312.07
(b) Trade payables	4	26.95		28.06
(c) Other current liabilities	5	224.59	557.61	210.32
<b>TOTAL</b>			<b>429.61</b>	<b>415.27</b>
<b>II ASSETS</b>				
<b>(1) Non Current Assets</b>				
(a) Fixed assets				
Tangible assets	6	208.08		233.01
(b) Non-current investments	7	5.76		5.76
(c) Long-term loans and advances	8	90.06	303.90	90.06
<b>(2) Current assets</b>				
(a) Current investments	9	0.50		0.00
(b) Inventories	10	0.01		12.06
(c) Trade receivables	11	20.13		9.36
(d) Cash and cash equivalents	12	13.03		7.76
(e) Short-term loans and advances	13	92.04	125.71	57.26
<b>TOTAL</b>			<b>429.61</b>	<b>415.27</b>

In term of our attached report of even date

For **KKJ & ASSOCIATES****Chartered Accountants****By and on behalf of Board of Directors****Sd/-****(C.A. K. K. Jain)**

Partner

M. No. 71281

**Sd/-****(Vivek Jain)**

Chairman cum Managing Director

**Sd/-****(Rahul Jain)**

Director

**Date : 18-08-2012****Place : Meerut**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON JUNE 30, 2012***(Rupees in Lacs)*

Particulars	Note No.		Current Year		Previous Year
<b>REVENUE</b>					
Revenue from operations	14	11.94		3.60	
Other Income	15	56.34	68.28	62.45	66.05
<b>TOTAL REVENUE</b>			<b>68.28</b>		<b>66.05</b>
<b>EXPENSES</b>					
(i) Cost of materials consumed	16	11.73		0.00	
(ii) (Increase)/Decrease in inventories of finished goods work-in-progress and Traded goods	17	0.32		-0.03	
(iii) Employee benefits expenses	18	7.23		7.08	
(iv) Depreciation -Tangible only		24.93		28.68	
(v) Other expenses	19	3.14	47.35	10.35	46.08
<b>TOTAL EXPENSES</b>			<b>47.35</b>		<b>46.08</b>
Profit before exceptional items and tax			20.93		19.97
Exceptional items	20		13.75		0.00
Profit before tax			7.18		19.97
Tax expense :					
(1) Current tax		0.00		0.00	
(2) Deferred tax		0.00		0.00	
			0.00		0.00
Profit (Loss) for the year			7.18		19.97
Earnings per equity share :					
Basic / Dilut	21		0.16		0.45

In term of our attached report of even date

For **KKJ & ASSOCIATES****Chartered Accountants****By and on behalf of Board of Directors****Sd/-****(C.A. K. K. Jain)**

Partner

M. No. 71281

**Sd/-****(Vivek Jain)**

Chairman cum Managing Director

**Sd/-****(Rahul Jain)**

Director

**Date** : 18.08.2012**Place** : Meerut



**NOTES ON FINANCIAL STATEMENT AS ON JUNE 30, 2012***(Rupees in Lacs)*

Particulars	Current Year		Previous Year	
	No.	Amount	No.	Amount
<b>1 SHARE CAPITAL</b>				
<b>1.1. Authorised</b>				
Equity shares of Rs.10/- each :				
At the beginning of the year	10000000	1000	10000000	1000
<b>1.2. Issued Share Capital</b>				
Equity shares of Rs.10/- fully paid up :				
At the beginning of the year	7960900	796.09	7960900	796.09
<b>1.3. Subscribed Share Capital</b>				
Equity shares of Rs.10/- fully paid up :				
At the beginning of the year	74588000	746.88	74588000	746.88
<b>1.4. Paid up Capital :</b>				
Equity shares of Rs.10/- fully paid up :				
At the beginning of the year :				
Paid up amount	74588000	746.88	74588000	746.88
Less : Shares forfeited		300.21		300.21
		446.67		446.67
Add : Paid up amount on shares forfeited		150.10		150.10
At the end of the year		596.77		596.77

1.5. Out of above shares 120000 Equity Shares have been allotted as fully paid up bonus shares by capitalisation of General Reserve.

1.6. There has been no movement in the equity shares during the year.

1.7. The company has only one class of equity shares having a par value of Rs.10/- share. Each holder of equity shares is entitled to one vote per shares.

1.8. Shareholders holding more than 5% shares in the company -

Name of Share holder	No. of shares	No. of shares
Shri I.K. Jain	394150	394150
Shri I.K. Jain (HUF)	400000	400000
Shri Vikas Jain	700000	700000
Shri Vivek Jain	713250	713250
Smt. Jaya Jain	305500	305500

**2. RESERVE AND SURPLUS****2.1. Profit and Loss Account :**

At the beginning of the year	-731.95	-751.91
Add : Profit/(loss) for the year	7.18	19.96
As at the end of the year	-724.77	-731.95

(Rupees in Lacs)

Particulars	Current Year	Previous Year
-------------	--------------	---------------

**3. SHORT TERM BORROWINGS****(SECURED Borrowings)****3.1 From Financial Institutions**

U.P.F.C. OTS accounts	109.70	115.70
P.IC.U.P. OTS accounts	196.37	196.37
	<u>306.07</u>	<u>312.07</u>

- 3.1.1 (i) Loan of U.P. Financial Corporation's is secured by hypothecation of Plant & Machineries/Equipments and collaterally secured by mortgage of all immovable and movable properties and personal guarantees of Shri Vikas Jain and Shri Vivek Jain. Balance payable to UPFC as per OTS scheme after repayment has been shown as secured loan. Provision of Interest and penal Interest has not been done. However sufficient provision already exist as (Interest Payable) under the head Other Current Liabilities against this contingent liability. Balance is subject to confirmation.
- (ii) Loans of PICUP's is secured by hypothecation of plant & machineries/equipment and collaterally secured by joint equitable mortgage with UPFC of all immovable and movable properties and personal guarantees of Shri Vikas Jain and Shri Vivek Jain. Balance payable to PICUP as per OTS scheme after repayment has been shown as secured loan. Provision of Interest and penal Interest has not been done. However sufficient provision already exist as (Interest Payable) under the head Other Current Liabilities against this contingent liability. Balance is subject to confirmation.

**4. TRADE PAYABLES**

For Goods	9.75	9.79
For Services	17.20	18.27
	<u>26.95</u>	<u>28.06</u>

- 4.1. Total outstanding dues of "Small Scale Industrial Undertakings" and "other than Small Scale Industrial Undertakings" and the name of the Small Scale Industrial Undertakings to whom the company owe a sum of exceeding Rs.1.00 lac which is outstanding for more than 30 days are not disclosed on the balance sheet as the suppliers have not indicated their status whether they are Small Scale Industrial Undertaking or not on their documents and accordingly it was not possible for the company to bifurcate the trade creditors.

**5. OTHER CURRENT LIABILITIES**

A. Security Deposits	16.40	16.40
B. Tax / Duty payable	1.58	1.81
C. Other Advances	14.50	0.00
D. Interest Payable :		
Financial Institutions	192.11	192.11
	<u>224.59</u>	<u>210.32</u>

**6. FIXED ASSETS - Tangible**

(Figure in rupees)

Particulars of Assets	Rates of Dep.	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		Balance As on 01.07.2011	Addition during the year	Duduction during the year	Balance As on 30.06.2012	Balance As on 01.07.2011	Deduction during the year	Provided during the year	Balance As on 30.06.2012	As on 30.06.2012	As on 30.06.2011
	(%)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)
Land		3868200	0	0	3868200	0	0	0	0	3868200	3868200
Building	10.00%	15923115	0	0	15923115	10540307	0	538280	11078587	4844528	5382808
Plant & Machinery	13.91%	46801768	0	0	46801768	32751518	0	1954388	34705906	12095862	14050250
<b>TOTAL</b>		<b>66593083</b>	<b>0</b>	<b>0</b>	<b>66593083</b>	<b>43291825</b>	<b>0</b>	<b>2492668</b>	<b>45784493</b>	<b>20808590</b>	<b>23301258</b>
Prev. Year		66690889	0	97806	66593083	40439003	15438	2868260	43291825	23301258	26251886

*(Rupees in Lacs)*

Particulars	Current Year	Previous Year
<b>7. NON-CURRENT INVESTMENTS</b>		
Non Trade Investment : at market price In Equity Shares of Subsidiaries Company Unquoted, fully paid up 160000.00 Equity shares of Rs.10/- each of M/s Surya Tyres Ltd.	5.76 5.76	5.76 5.76
<b>8. LONG TERM LOANS &amp; ADVANCES</b> (Unsecured by considered good)		
Deferred Payment to Related Party	90.00	90.00
Security Deposits	0.06	0.06
	<u>0.06</u>	<u>0.06</u>
<b>9. CURRENT INVESTMENTS</b>		
Fixed Deposit with Kotak Mahindra Bank	0.50 0.50	0.00 0.00
<b>10. INVENTORIES</b>		
Raw Materials : CRGO	0.00	11.73
Finished Goods : Residual Steel	0.01	0.33
	<u>0.01</u>	<u>12.06</u>
<b>11. TRADE RECEIVABLES</b>		
1. (Unsecured but considered good)		
(i) Outstanding for a period exceeding 6 months from the date they are due for payment	4.91	4.91
(ii) Others	15.22	4.45
	<u>20.13</u>	<u>9.36</u>
<b>12. CASH AND CASH EQUIVALENTS</b>		
Cash on hand	7.19	0.07
Bank Balance :		
In Current Account with :		
Bank of Baroda	1.02	1.24
ICICI Bank	4.19	5.52
Kotak Mahindra Bank	0.63	0.93
	<u>5.84</u>	<u>7.69</u>
	<u>13.03</u>	<u>7.76</u>

		<i>(Rupees in Lacs)</i>	
Particulars	Current Year	Previous Year	
<b>13. SHORT TERM LOANS &amp; ADVANCES</b>			
<b>(Unsecured but considered good)</b>			
(a) Tax & Duty deposited	7.82	6.54	
(b) Advance to Supplier	5.09	8.26	
(c) Prepaid Expenses	0.11	0.00	
(d) Advances to related parties	79.02	42.46	
	<u>92.04</u>	<u>57.26</u>	
<b>14. REVENUE FROM OPERATIONS</b>			
<b>14.1. Sale of Products -</b>			
(a) Sales : Domestic only	11.27	0.00	
	<u>11.27</u>	<u>0.00</u>	
(b) Less : Excise Duty	0.00	0.00	
	<u>11.27</u>	<u>0.00</u>	
<b>14.2. Sale of Service -</b>			
(a) Job work : Domestic only	0.67	3.60	
	<u>0.67</u>	<u>3.60</u>	
(b) Less : Service Tax	0.00	0.00	
	<u>0.67</u>	<u>3.60</u>	
<b>Total (14.1 + 14.2)</b>	<u>11.94</u>	<u>3.60</u>	
<b>14.1.1. Productwise particulars of sales are as under -</b>			
<b>Name of Product</b>			
Electric Lamination	10.62	0.00	
Residual Steel	0.65	0.00	
	<u>11.27</u>	<u>0.00</u>	
<b>14.2.1. Productwise particulars of services are as under -</b>			
<b>Name of Services</b>			
Job Work-Tyre	0.67	3.60	
	<u>0.67</u>	<u>3.60</u>	
<b>15. OTHER INCOME</b>			
<b>Interest</b>			
From Current Investments	6.47	5.75	
From Long Term Investments	0.00	0.00	5.75
	<u>6.47</u>	<u>5.75</u>	
<b>Other Non Operating Income</b>			
Lease Rent	49.87	55.73	
Profit on sale of Capital Assets	0.00	0.97	56.70
	<u>49.87</u>	<u>56.70</u>	
	<u>56.34</u>	<u>62.45</u>	

*(Rupees in Lacs)*

Particulars	Current Year	Previous Year
<b>16. COST OF MATERIAL CONSUMED</b>		
Opening Stock	11.73	0.46
Add : Purchases	0.00	11.27
	<u>11.73</u>	<u>11.73</u>
Less : Closing Stock	0.00	11.73
Consumption during the year	<u>11.73</u>	<u>0.00</u>
<b>16.1 Particulars of Raw Material consumed are as under -</b>		
<b>(a) Name of Raw Material</b>		
CRGO	11.73	0.00
	<u>11.73</u>	<u>0.00</u>
(b) Raw Material consumed - Indigenous 100% (Previous year - Indigenous 100%)		
<b>17. (INCREASE)/DECREASE IN STOCKS</b>		
(a) Opening Stock :		
Finished Goods	0.33	0.30
<b>Total (a)</b>	<u>0.33</u>	<u>0.30</u>
(b) Closing Stock :		
Finished Goods	0.01	0.33
<b>Total (b)</b>	<u>0.01</u>	<u>0.33</u>
Net (Increase) / Decrease	<u>0.32</u>	<u>-0.03</u>
<b>17.1. Particulars of Stocks are as under -</b>		
<b>(a) Name of Finished Goods</b>		
Residual Steel / Scrap	0.01	0.33
	<u>0.01</u>	<u>0.33</u>
<b>18. EMPLOYEES BENEFITS EXPENSES</b>		
Salaries & Wages	2.88	2.88
Directors Remuneration	4.35	4.20
	<u>7.23</u>	<u>7.08</u>
<b>19. OTHER EXPENSES</b>		
<b>(A) Manufacturing Expenses</b>		
Job Work Paid	0.13	0.92
Repair & Maintenance	0.00	4.67
<b>Total A</b>	<u>0.13</u>	<u>5.59</u>

			(Rupees in Lacs)	
Particulars	Current Year		Previous Year	
<b>(B) Selling and Administrative Expenses</b>				
Professional Charges (Consultancy)		1.32		0.71
Filing Fee		0.00		0.01
Printing & Stationery		0.00		0.01
House Tax		1.24		1.70
Custody Fee		0.03		0.00
Postage & Telegram		0.01		0.01
Travelling Expenses		0.00		0.14
Miscellaneous Interest		0.06		0.06
Bank Charges		0.03		0.05
Listing Fee		0.04		1.79
Telephone Expenses		0.03		0.03
Payment to Auditors :				
Statutory Audit Fees	0.20		0.20	
Tax Audit Fee	0.05	0.25	0.05	0.25
		<u>3.01</u>		<u>4.76</u>
<b>Total B</b>		<u>3.01</u>		<u>4.76</u>
		<u>3.14</u>		<u>10.35</u>
<b>Total (A+B)</b>		<u>3.14</u>		<u>10.35</u>

**20. EXCEPTIONAL ITEMS**

(i) Re-Instalment Fee	13.75	0.00
	<u>13.75</u>	<u>0.00</u>

**21. EARNINGS PER SHARE**

(a) Profit / (loss) after tax as per statement of Profit & Loss	7.18	19.97
(b) Number of Equity shares	4466700	4466700
(c) Earnings per share-basic/diluted (Face value - Rs.100.00 Per share)		
(a) » (b)	Rs.0.16	Rs.0.45

**22. EARNINGS & EXPENDITURE IN FOREIGN CURRENCY**

NIL	NIL
-----	-----

**23. CONTINGENT LIABILITIES / COMMITMENTS NOT PROVIDED FOR :**

(a) Listing fee of Stock Exchange (Other than BSE)	Rs.5.10 lacs	(Prev. Year Rs.6.59 lacs)
(b) Electricity Department	Rs.1.26 lacs	(Prev. Year Rs.1.26 lacs)
(c) Interest UPFC	Rs.128.00 lacs	(Prev. Year Rs.100.00 lacs)
(d) Interest PICUP	Rs.160.00 lacs	(Prev. Year Rs.120.00 lacs)
(e) House Tax	Amount Ascertained	

**24. SIGNIFICANT ACCOUNTING POLICIES IMPLEMENTED -****(a) Basis for Accounting**

- (i) The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted Accounting principles, Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof.
- (ii) During the year, Revised schedule VI notified under the Companies Act, 1956 has become applicable to the company for preparation and presentation of its financial statements. The company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

**(b) Revenue Recognition**

- (i) Revenue from sale of goods is recognised on transfer of ownership to the buyer. Sale of goods is recognised net of sales tax and value added tax.
- (ii) Revenue from services rendered is recognised on transfer of services to buyer.

**(c) Fixed Assets**

- (i) Fixed Assets are stated at cost net of recoverable taxes less accumulated depreciation. All cost, including financing costs till commencement of commercial production attributable to fixed assets are capitalised.
- (ii) The interest free security deposit paid to lessor of land Rs.3868200/- has been shown under the head "Land".

**(d) Depreciation and Amortisation**

Depreciation on fixed assets has been provided using W.D.V. method at rates prescribed in Schedule XIV to the Companies Act, 1956

**(e) Inventories**

Inventories of the company have been valued as under -

- |   |   |   |
|---|---|---|
| (i) Finished goods/scrap                          | : | At market price                           |
| (ii) Work in progress                             | : | At estimated cost                         |
| (iii) Raw Material, stores, spares and consumable | : | At cost or market value whichever is less |

Cost of Inventories is generally ascertained on FIFO method taking into account cost of purchase and related overheads incurred in bringing them to their respective present location and condition.

**(f) Investments**

- (i) Long Term Investment are stated at cost minus provision for diminution other than temporary
- (ii) Current Investment are stated at cost or market value whichever is less

**(g) Employee Benefits**

- (i) Short term employee benefits are recognised as an expense in the profit and loss account of the year in which the related service is rendered.
- (ii) There are no post employment and / or long term employee benefits or retirement benefit

**(h) Provision for Current and Deferred Tax**

- (i) Provision for current income tax has been made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961., however current tax liability is NIL due to past losses.
- (ii) Deferred Tax resulting from timing difference between taxable and accounting income and Deferred tax assets has not been recognised due to uncertainty of profit in future.

**(i) Borrowing Costs**

Borrowing costs are charged to profit and loss account

**(j) Contingent liabilities and commitments**

Contingent liabilities and commitments have not been accounted for but have been disclosed by note if any.

**(k) Sales Tax**

- (i) Sales Tax liability was accounted for on the basis of sales tax return filed by the company in the years where the company was in operation. Additional liability on finality of the assessment are being taken into account in the year of finalisation.
- (ii) With the amount of VAT purchase cost of material has been reduced.

- (l) Paid up amount on 3002100 forfeited Equity shares i.e. Rs.15010500/- which have not been reallocated have been shown under the head "Share Capital".

**25. RELATED PARTY DISCLOSURE**

1. Name of Key Management Personnel	Transactions Made		Advance against Property	
	Salary Paid		Year end Balance	Maximum Balance
Vivek Jain, Managing Director	4.35	(4.20 Prev. Year)		
Rahul Jain, Director	-			
Seema Jain, Additional Director	-		2.50	2.50
Lakheshwar Kumar Raut, Additional Director	-			
Mahendra Singh, Additional Director	-			
Navdeep Gupta, Additional Director	-			
<b>2. Name of Relatives of Key Management Personnel</b> (with whom transaction have taken place)				
Shikha Jain, wife of Vivek Jain		Amount Given : 1.00	4.00	4.00
<b>3. Enterprises over which Key Management Personnel and relative have significant influence -</b>			<b>Transactions Made</b>	
			<b>Year end Balance</b>	<b>Maximum Balance</b>
Karamveer Electronics Ltd.	Debtor account	Sale	11.04	11.04
Interest Account		Interest	6.34	8.91
		Deferred Payment	-	90.00
	ICD Account	Amount paid	119.50	63.61
		Amount recd	90.00	63.61
Sagar Wire Industries proprietary firm of Rahul Jain		Amount paid	0.25	0.25

In term of our attached report of even date

For **KKJ & ASSOCIATES**

**Chartered Accountants**

**By and on behalf of Board of Directors**

**Sd/-**  
**(C.A. K. K. Jain)**  
Partner  
M. No. 71281

**Sd/-**  
**(Vivek Jain)**  
Chairman cum Managing Director

**Sd/-**  
**(Rahul Jain)**  
Director

**Date** : 18.08.2012

**Place** : Meerut



**CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2012***(Rupees in Lacs)*

Particulars	As at June 30, 2012	As at June 30, 2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	7.18	19.97
Adjustment for :		
Depreciation	24.93	28.68
Rental income	-49.87	-55.73
Interest received	-6.47	-5.75
Profit on sale of assets	0.00	-0.97
	<u>-24.23</u>	<u>-13.80</u>
<b>Operating profit before working capital changes</b>		
<b>Adjustment for Working Capital :</b>		
Increase / Reduction in inventory	12.05	-11.30
(Increase) / Reduction Trade receivables	-10.77	4.88
Increase / (Reduction) Trade payables	-1.11	-9.60
	<u>-24.06</u>	<u>-23.40</u>
Cash flow before extra ordinary items	0.00	0.00
Provision Tax		
Net cash flow from operating activities	<u>-24.06</u>	<u>-23.40</u>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Intt received	6.47	5.75
Rental income	49.87	55.73
Sale of Fixed Assets	0.00	1.79
Purchase of Investment	-0.50	63.27
	<u>55.84</u>	<u>63.27</u>
<b>Net cash flow from investing activities</b>		
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Repayment) Loan of Financial Institutions	-6.00	-29.00
Income / (Repayment) of Short Term Advances	-34.78	-40.24
Increase/ Reduction of other creditors	14.27	0.00
	<u>-26.51</u>	<u>-69.24</u>
<b>Net cash flow from financing activities</b>		
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	5.27	-29.37
Opening Cash and cash equivalents	7.76	37.13
<b>Closing Cash and cash equivalents</b>	<u>13.03</u>	<u>7.76</u>

In term of our attached report of even date

For **KKJ & ASSOCIATES**

Chartered Accountants

By and on behalf of Board of Directors

Sd/-

(C.A. K. K. Jain)

Partner

M. No. 71281

Sd/-

(Vivek Jain)

Chairman cum Managing Director

Sd/-

(Rahul Jain)

Director

Date : 18.08.2012

Place : Meerut



## SURYA INDUSTRIAL CORPORATION LIMITED

Regd. Office: B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh - 250 103

### PROXY FORM

I/We.....of.....being member/members of the above named Company hereby appoint.....of.....or failing him/her.....of.....as my/our Proxy to vote for me/us behalf at the 25<sup>th</sup> Annual General Meeting of the Company to be held on Monday the 31<sup>st</sup> December, 2012 at 10.30 a.m. at B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh - 250130 and at any adjourned meeting thereof.

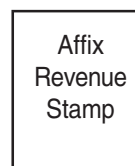
Signed this.....day of .....2012.

Signature.....

Regd. Folio No.....

No. of Shares.....

Address.....



**Note:** The form should be signed across the stamp as per specimen signature registered with the Company. The proxy form must reach the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.



## SURYA INDUSTRIAL CORPORATION LIMITED

Regd. Office: B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh - 250 103

### Attendance Slip

Regd. Folio No.....

Mr./Ms.....

Father's/Husband's Name.....

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the Company at B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh - 250103 at 10.30 a.m. on Monday the 31<sup>st</sup> December, 2012.

Members'/Proxy's Name in BLOCK Letters

Members'/Proxy's Signature

- Note:**
- 1) Please fill in this attendance slip and hand it over at the entrance of the Meeting Hall.
  - 2) Member's Signature should be in accordance with the specimen signature registered with the Company.
  - 3) Please bring your copy of the Annual Report for reference at the Meeting.

\* Applicable for investors holding shares in electronic form

# BOOK-POST

*If undelivered, please return to:*

**Surya Industrial Corporation Limited**

B-9, Industrial Estate, Partapur, Meerut - 250 103 (Uttar Pradesh)