

ANNUAL REPORT 2008-09



HARYANA SURAJ MALTINGS LIMITED



HARYANA SURAJ MALTINGS LIMITED

BOARD OF DIRECTORS

Mukesh Agarwal	<i>Managing Director</i>
Subha Aggarwal	<i>Whole Time Director</i>
Ajay Inder Singh	<i>Independent Director</i>
Samir Chhabra	<i>Independent Director</i>

AUDITORS

M/s. O.P. Bagla & Co.,
Chartered Accountants,
8/12, Kalkaji Extension,
New Delhi-110019

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Beetal Financial and Computer Services Private Limited,
BEETAL HOUSE, 3rd Floor, 99, Madangir,
Behind Local Shopping Centre, New Delhi - 110062

REGISTERED OFFICE & WORKS

96th Km. Stone, Delhi-Jaipur Road,
Bawal, Distt. Rewari, Haryana.
Ph: (01284)- 260068 /69 /70: Fax: (01284) - 261948
Email: hsml2004@yahoo.com

BANKERS

State Bank of Bikaner and Jaipur
HDFC Bank Ltd
State Bank of India

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HARYANA SURAJ MALTINGS LIMITED

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the members of Haryana Suraj Maltings Limited will be held on Wednesday, the 30th day of September, 2009 at 10:00 A.M. at the Registered Office of the Company at 96th Km. Stone, Delhi-Jaipur Road, Bawal, and Distt. Rewari, Haryana to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2009 and Profit and Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mukesh Agarwal, who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

By order of the Board
For Haryana Suraj Maltings Limited,

SUBHA AGGARWAL
Whole Time Director

Dated: 29th July, 2009
Place: Bawal, Distt Rewari

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HARYANA SURAJ MALTINGS LIMITED

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and Share Transfer Book of the Company will remain closed from 24th September, 2009 to 29th September, 2009 (both days inclusive).
3. The members are requested to bring the copy of the Annual Report and Attendance slip with them to the Annual General Meeting.
4. Members attending the Annual General Meeting are requested to bring with them the following:-
 - a) Members holding share in dematerialized form are requested to bring with them their DP & Client ID Numbers.
 - b) Members holding shares in physical form are requested to bring with them their folio numbers.
5. Members holding shares in the same name or same order of names under different ledger folios are requested to apply for consolidation of such folios, to the company's registrars and transfer agents.
6. Nomination facility for shares is now available for members. The prescribed format in this regard can be obtained from the company's registrars and transfer agents.
7. Members holding shares in the dematerialised form are requested to notify all changes with respect to their address, bank details to their depository participant.
8. **A. THE INFORMATIONS REQUIRED TO BE DISCLOSED UNDER THE LISTING AGREEMENT REGARDING THE DIRECTOR PROPOSED TO BE RE-ELECTED ARE AS UNDER:**
 - a) Name : Mr Mukesh Agarwal
 - b) Date of Birth : 02.07.1963
 - c) Experience/Employment record : An M.B.A from United States of America, has more than 18 year of experience in the malt iindustry.
 - d) Directorships and Memberships of Board Committees - 3
 - e) Shareholding in Haryana Suraj Maltings Limited - 8,93,270 equity shares

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**By order of the Board
For Haryana Suraj Maltings Limited,**

**Mukesh Agarwal
Managing Director**

**Dated: 29th July, 2009
Place: Bawal, Distt Rewari**

HARYANA SURAJ MALTINGS LIMITED**DIRECTORS' REPORT**

To
The Members of
Haryana Suraj Maltings Limited

Your Directors have pleasure in presenting the 19th Annual Report together with the audited accounts for the financial year ended on 31st March, 2009.

FINANCIAL RESULTS:

	31.03.2009 (Rs. in Lacs)	31.03.2008 (Rs. in Lacs)
Sales and other Income	1917.48	1246.53
Operating Profit/Loss	150.47	87.44
Financial Charges	75.31	20.81
Depreciation	45.64	35.15
Profit before Tax	29.51	31.48
Profit after Tax	17.88	0.90

OPERATIONAL REVIEW:

During the year under review, the Company's sale has increased from Rs. 1246.53 lakhs to Rs. 1,917.48 Lacs. The operating profit increased from Rs 87.44 Lacs to Rs 150.47 Lacs and the Profit after tax increased from Rs 0.90 Lacs to Rs 17.88 Lacs. The production has increased from 7128 MT to 9774 MT during the year under review.

The company has undertaken the expansion programme which will increase the installed capacity from 15000 MT to 20000 MT on completion.

DIVIDEND

The directors of the Company have decided to retain the profit for the future expansion of the Company. Hence no dividend is recommended this financial year.

MATERIAL CHANGES, IF ANY

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31st March, 2009 and the date of this Report.

DIRECTORS

Mr. Mukesh Agarwal, Managing Director of the company Retires by rotation and is eligible for re-appointment.

AUDITORS

M/s. O. P. Bagla & Co., Chartered Accountants, New Delhi, the Statutory Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and is recommended for re-appointment. The Company has received a letter from them, to the effect that their appointment, if made would be within the prescribed limits under Sec. 224(1-B) of the Companies Act, 1956. The Auditor's comments on the accounts are self-explanatory and needs no further comments.

AUDITORS' REPORT

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

CASH FLOW STATEMENT

Cash Flow Statement for the year 2008-09 is attached to the Balance Sheet.

LISTING

The equity shares of the Company are listed on Delhi Stock Exchange. The Company has complied with Delisting Guidelines with Stock Exchanges of Ahmedabad, Bangalore and Calcutta, but the approval of delisting is still awaited.

HARYANA SURAJ MALTINGS LIMITED

PARTICULARS OF EMPLOYEES

Particulars as required under Sec. 217(2A) of the Companies Act-1956, read with the Companies (Particulars of Employees) Rules, 1975 are Nil.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars as required under Sec. 217(1)(e) of the Companies Act-1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in the Annexure to this Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of sub-section 2AA of Sec. 217 of the Companies Act, 1956, the Board of Directors hereby states that :

1. In the preparation of the Annual Accounts, the applicable accounting standards had been followed consistently and there is no material departure;
2. The Directors had adopted 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 financial year and of the profit of the Company for that period;
3. The directors had taken proper and sufficient care for the maintenance of proper 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;
4. The directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your company is committed to the best corporate governance practices. The compliance report on corporate governance forms part of the Annual Report. The certificate from the Secretarial Auditors of the Company regarding compliance of conditions of corporate governance as stipulated under clause 49 of the listing agreement is annexed to this report.

ENVIRONMENT AND POLLUTION CONTROL

Your company is committed to the best practices for pollution control and abatement. The company has excellent facilities to treat the effluents as per the norms prescribed by State Pollution Control Board.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance, which the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on behalf of the Board of Directors

Place: Bawal, Distt. Rewari

Dated: 29.07.2009

Subha Aggarwal

Whole Time Director

Mukesh Agarwal

Managing Director

HARYANA SURAJ MALTINGS LIMITED**ANNEXURE TO THE DIRECTORS REPORT**

Information as per Section 217(1)(e) read with Company's (Disclosure of Particulars in the report of Directors) rules 1988 and forming part of the Directors Report for the year ended 31st March, 2009.

I. CONSERVATION OF ENERGY : NIL**II. TECHNOLOGY ABSORPTION**

The Company is installing back pressure turbine of 300 KW capacity

The Company is installing 8 Ton High Pressure Boiler with co-generation system.

III. FOREIGN EXCHANGE EARNING AND OUTGO

There are no foreign exchange earnings and out go during the year under review.

For and on behalf of the Board of Directors

Place: Bawal, Distt. Rewari

Subha Aggarwal

Mukesh Agarwal

Dated: 29.07.2009

Whole Time Director

Managing Director

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Company's Corporate Governance philosophy is to continuously strive to attain higher levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Our business culture and practices are founded upon a common set of values that govern our relationships with customers, employees, shareholders, suppliers and the communities in which we operate.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

BOARD OF DIRECTORS

Composition of Board of Directors and other details during the period under review are as under:

Name of Member Director	Executive/ Independent	No. of Meetings Attended	Attendance at AGM held On 30.09.08
Mr. Mukesh Agarwal	Executive	5	Yes
Mrs. Subha Agarwal	Executive	5	Yes
Mr. Ajay Inder Singh	Independent	3	Yes
Mr. Samir Chhabra	Independent	5	Yes

During the financial year under review five (5) Board Meetings were held on 30th June, 2008, 30th July, 2008, 27th October, 2008, 3rd January, 2009 and 31st January, 2009.

AUDIT COMMITTEE

The Company has an Audit Committee in place since 31.01.2001

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE

The functioning and terms of reference of the Audit Committee are as prescribed under Section 292A of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges including their role, powers and duties, quorum of meeting and frequency of meetings. The committee is responsible for effective supervision of the financial reporting process, ensuring financial, accounting and operating controls and ensuing compliance with established policies and procedures. Audit committee also determines adequacy of internal control and ensures its effectiveness. The internal control system is comprehensively reviewed, evaluated and updated on regular basis. Four meetings of audit committee were held during the year.

Director	No. of meetings attended
Mr. Samir Chhabra	4
Mr. Ajay Inder Singh	3
Mr. Subha Aggarwal	4

HARYANA SURAJ MALTINGS LIMITED

SHAREHOLDERS/INVESTORS GRIEVANCE HANDLING COMMITTEE

The company has constituted a shareholders/investors grievance handling committee on 18th June, 2002 and at present Committee comprises of following members:

Mr. Mukesh Agarwal	Managing Director
Mr. Samir Chhabra	Independent Director
Mr. Ajay Inder Singh	Independent Director

During the financial year ended on 31.03.2009, four (4) meetings of Shareholder Grievance Committee were held.

BRIEF DESCRIPTION OF THE TERMS OF REFERENCE

The functioning and terms of reference of the Committee is as prescribed under and in due compliance with the Listing Agreement with the Stock Exchanges with particular reference to transfer, dematerialization, complaints of shareholders etc.

There is no shareholder complaint pending as on the date of this report.

REMUNERATION COMMITTEE

The Company has constituted a remuneration Committee in the Board Meeting held on 29.06.2006 and at present, Committee comprises of following members:

Mr. Mukesh Agarwal	Managing Director
Mr. Samir Chhabra	Independent Director
Mr. Ajay Inder Singh	Independent Director

During the financial year ended on 31.03.2009, one (1) meeting of Remuneration Committee was held.

PREVIOUS THREE ANNUAL GENERAL BODY MEETINGS

Date & Time	Location	Special resolution
30 th September 2006 10:00 A.M.	96 th Km. Stone, Delhi Jaipur Road, Bawal.	NIL
29 th September 2007 10.00 A.M.	— do —	NIL
30 th September, 2008 10:00 A.M.	— do —	NIL

* No postal ballot resolution(s) were passed.

DISCLOSURES

There were no transactions of material nature with its promoters, the directors or their relatives during the year under review.

There are no non-compliance by the company, no penalties or strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years except default due to non payment of listing fee to stock exchanges and delisting of Company's Shares by the Stock Exchange, Mumbai.

MEANS OF COMMUNICATION

The Company is publishing its quarterly results in English and Hindi newspapers of wide circulation and the copies of results are also sent to the stock exchanges.

GENERAL SHAREHOLDER INFORMATION

- a. AGM date, time and venue : 30th September, 2009, at 10:00 A.M. at 96th Km. Stone, Delhi Jaipur Road, Bawal-123501
- b. Book closure date : 24th September, 2008 to 29th September, 2009 (both days inclusive).