

**SUN SOURCE INDIA LIMITED**

**FINANCIAL STATEMENT**

**FOR THE**

**F. Y.**

**2013-2014**

## **NOTICE**

The Annual General Meeting of the members of M/s. **SUN SOURCE (INDIA) LIMITED** is scheduled to be held on Tuesday, the 30<sup>th</sup> September, 2014 at 11.00 A.M. at its Registered Office Situated at One- Sonal Industrial Estate (Khoda), Sanand Viramgam Highway, Ahmedabad – 382170 to transact the following business:

### **ORDINARY BUSINESS:**

- (1) To receive, consider and adopt the Audited Annual Account as at 31<sup>st</sup> March, 2014, Statement of Profit and Loss for the year ended on that date together with Reports of Directors' and the Auditors' thereon.
- (2) To appoint Mrs. Priti Ashokkumar Gajjar as a Director, who retires by rotation and offer himself to re-appoint as a director of the Company.
- (3) To re-appoint Statutory Auditors of the Company and to fix their remuneration.

### **NOTES:**

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME AT WHICH THE MEETING IS SCHEDULED TO BE HELD. THE PROXY FORM IS ATTACHED HEREWITH.
- (2) Register of Index and Registers of members shall remain closed for a period from Saturday, the 27<sup>th</sup> September '14 to Tuesday the 30<sup>th</sup> September 14 (Both days inclusive).
- (3) The company has appointed M/s. Purva Sharegistry (India) Pvt. Ltd., Unit No. 9 , Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai – 400 011 as Registrar and transfer Agent for carry out work relating to transfer as well as dematerialisation of shares. The members/investors have any query in this regards, the same be communicated to this agency at the address mentioned above.
- (4) The company for the purpose of Redressel of investor grievance has created Email ID "info@sunsource.in" This will facilitate to the investors to communicate any complaints/grievance to the company directly.

### **Registered Office:-**

One- Sonal Industrial Estate (Khoda),  
Sanand Viramgam Highway,  
Ahmedabad – 382170

By order of the Board of Directors

-Sd-

Place: - Khoda, Ahmedabad

**Chairman**

Date: - 30<sup>th</sup> May, 2014

## **SUN SOURCE (INDIA) LIMITED**

### **DIRECTORS' REPORT**

To,

The Members

**SUN SOURCE (INDIA) LIMITED**

Your Directors are pleased to present the Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2014.

#### **SUMMARIZED OPERATIONAL RESULTS:**

		<b>For the Year ended <u>31.03.2014</u></b>	<b>For the Year ended <u>31.03.2013</u></b>
Sales (Net)	:	22,443,695	16,326,250
Profit before Tax	:	-2,369,230	-62,050,265
Provision for taxation	:	Nil	-1748
Net Profit after Tax	:	-2,369,230	-62,048,517

#### **DIVIDEND:**

During the year under consideration, due to accumulated losses as well as current year's loss the board could not recommend dividend and regret for the same.

#### **REVIEW OF CURRENT PERFORMANCE:**

As you know that since last many years your directors are starving for getting business and for the same exploring various opportunities in the market. During the year under report the company has part of business activity, had submitted tendered for supply of power to Rajasthan State through conventional method. The same could not materialise and this was the major setback for the company. Even during the year company has generated revenue of Rs. 2.24 Crores as compared to 1.63 Crores of previous year.

The company has not putdown its efforts and exploring more and more avenues.

#### **DIRECTORS:**

During the year under review Mrs. Priti Ashokkumar Gajjar retires by rotation and being eligible, offer himself for re-appointment.

#### **FIXED DEPOSIT:**

During the year under review, the company has not accepted and / or renewed any deposits as provided under section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules 1975. There are no unclaimed or overdue deposits.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures wherever necessary;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 loss of the Company for the year under review.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a 'Going Concern' basis.

#### **AUDITORS OBSERVATIONS:**

The Directors wish to draw attention of the shareholders to Annexure of the Auditors Report which is self-explanatory.

#### **AUDITORS:**

M/s. Joshi Jain & Co., Chartered Accountants, Vadodara shall retire at the ensuing Annual General Meeting and is eligible for re-appointment. The company has also obtained confirmation to that effect.

According to the Section 139(1) of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 which has become effective from 1<sup>st</sup> April, 2014, the auditor appointed at the ensuing present Annual General Meeting shall hold office from the conclusion of present Annual General Meeting till the conclusion of Forthcoming Fifth Annual General Meeting of the Company.

#### **AUDIT COMMITTEE**

During the year, the audit committee meeting were conducted as per the requirements of the listing agreement with the stock exchanges read with section 292A of the Companies Act 1956. The details about role, power etc. of audit committee enumerated in the Corporate Governance Report, forming part of this report.

#### **CORPORATE GOVERNANCE**

In pursuance to clause 49, as amended from time to time, of the Listing Agreement with the stock exchange, the corporate governance report and management discussion and analysis report are given elsewhere and forming part of this report.

#### **PERSONNEL**

None of the employee of the Company is in receipt of remuneration which attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with Section 217 (2A) of the Companies Act, 1956. Hence, information in this regard not provided.

#### **FOREIGN EXCHANGE EARNING AND OUTGO**

During the year under consideration company has not earned any foreign exchange nor any out go.

#### **INSURANCE:**

All moveable and fixed Assets are adequately insured

#### **DISCLOSURES:**

##### **(a) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO:**

The particulars prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable mainly the company has not carried out any commercial activity hence not provided for.

##### **(b) ENVIRONMENTAL CONTROL AND ABATEMENT OF POLLUTION :**

Your Company is not in manufacturing business and hence not generating pollution and hence not applicable.

#### **ACKNOWLEDGEMENT:**

Your Directors wish to place on record their sincere thanks for the valuable assistance and guidance given by Banks, Central Government and State Government from time to time. Your Directors also wish to note the dedicated services of all the officers and employees of the Company.

#### **Registered Office:**

One- Sonal Industrial Estate (Khoda),  
Sanand Viramgam Highway,  
Ahmedabad – 382170

By order of the Board of Directors

-Sd-

Place: - Khoda, Ahmedabad

Chairman

Date: - 30<sup>th</sup> May, 2014

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF SUN SOURCE INDIA LIMITED**

**Report on the Financial Statements:**

We have audited the attached Balance Sheet of **SUN SOURCE INDIA LIMITED** as at 31<sup>st</sup> March 2014, the Statement of Profit & Loss for the year ended on that date and cash flow statement and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements:**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in 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 on 31st March, 2014;
- (b) in the case of the Statement of the Profit & Loss, of the Profit of the Company for the year ended on that date.
- (c) In case of the Cash Flow Statement, the cash flow of the company.

**Emphasis of Matter**

We draw attention to Note no. 25 relating to non provision of Employee Benefits as per Accounting Standard 15 with respect to Gratuity and Leave Benefits.

Continuation Sheet: 2

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) the Balance Sheet, Statement of Profit and Loss, and dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the balance sheet and statement of profit and loss, comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September 2013, of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
  - (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**Joshi Jain & Co**  
Chartered Accountants  
ICAI Firm Reg. No. : 128820W

Place: Vadodara  
Date: 30-May-2014

Sd/-  
**Sachin Joshi**  
Partner  
Membership No. 119560

**ANNEXURE TO AUDITORS' REPORT**

[Referred to in paragraph (1) of our report of even date to the Members of SUN SOURCE INDIA Limited on the financial statements for the year ended on 31st March 2014].

- (i)
  - (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
  - (b) This year all the fixed assets were physically verified by the Management. According to the information and explanations give to us, no material discrepancies were noticed on such verification.
  - (c) The Company has not disposed off any substantial part of its Fixed Assets so as to affect its going concern status.
- (ii)
  - (a) Physical verification of inventory has been conducted once during the year by the Management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of the business.
  - (c) The Company is maintaining proper records of its inventory. Discrepancies noticed on physical verification were not material and has been properly dealt with in the books of account.

Continuation Sheet: 3

**ANNEXURE TO AUDITORS’ REPORT (...contd)**

[Referred to in paragraph (1) of our report of even date to the Members of SUN SOURCE INDIA Limited on the financial statements for the year ended on 31<sup>st</sup> March 2014].

- (iii) (a) The Company has not granted any unsecured loan to Companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, sub clause (a), (b), (c) and (d) are not applicable to the Company.
- (b) The Company has taken interest free unsecured loan of `57,30,000/- from Companies, firms or other parties covered in the register maintained under Section 301 of the Act. According to information and explanation given to us we are of the opinion that the terms of the loan are not prejudicial to the interest of the Company.
- (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 nature of its business for the purchase of Fixed Assets and for the sale of services. Based on information made available to us, there are no instances of continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 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 deposits from public within the meaning of sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under,
- (vii) *The Company does not have an internal audit system uring the year.*
- (viii) As per the information and explanations given to us, in respect of the class of industry the Company falls under, the maintenance of cost records have not been prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including income-tax, custom duty, excise duty, service tax, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and as per the records of the Company, there are no disputed dues of sales tax, income tax, custom duty, wealth tax, excise duty, service tax and cess as at 31<sup>st</sup> March 2014, which have not been deposited on account of any disputes.
- (x) The Company has been registered for more than 5 years. No accumulated losses exceeding 50 % of the Net Worth has been suffered by the Company as at the end of Financial year. However, in our opinion, the Company has incurred cash losses amounting to `( 350,975/-) during the current financial year. Cash loss amounting to `( 368,164/-) has been incurred in the immediately preceding financial year.

Continuation Sheet: 4

**ANNEXURE TO AUDITORS’ REPORT (...contd)**

[Referred to in paragraph (1) of our report of even date to the Members of SUN SOURCE INDIA Limited on the financial statements for the year ended on 31<sup>st</sup> March 2014].

- (xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to any Financial Institution, Bank & Debenture Holders, as at the Balance Sheet date.
- (xii) According to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution during the year.
- (xvi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not availed any term loan during the current year. Accordingly, paragraph 4(xvi) of the Order is not applicable.
- (xvii) On the basis of an overall examination of the Balance Sheet of the Company and according to the information and explanations given to us, in our opinion, the Company has not applied funds raised on short-term basis for long term investments.
- (xviii) The Company has not made preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debenture during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of any fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**Joshi Jain & Co**  
Chartered Accountants  
ICAI Firm Reg. No.:128820W

Sd/-  
**CA Sachin Joshi**  
Partner  
Membership No. 119560

Place: Vadodara  
Date: 30-May-2014

## **REPORT ON CORPORATE GOVERNANCE**

### **A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company has accepted the concept of Corporate Governance as challenge and committed to achieve highest level of Corporate Governance. The Corporate Governance is nothing but transparency, high level of disclosure and fairness and unbiased to the members of the company. The Board of Directors of the Company effectively monitor the Management progress and corporate decisions.

### **B. BOARD OF DIRECTORS**

As per the requirements of Corporate Governance, the composition of Board of Directors consisting only of Non Executive Directors and majority of them are independent directors.

#### **Composition and Category of Board of Directors**

Presently, the Company has 4 (Four) Directors of whom two directors are independent directors. The details of each such director are;

Sr. No.	Name of Directors	Category of Directorship	Directors inter se relationship, if any	No. of other Direct or-ship/Firm	No. of Committee positions held in other Public Company		No. of Share/ (%)
					Chairman	Member	
1	Mr. Ashok Kantilal Gajjar	Promoter/ Non Executive Director	Father of Mrs. Priti Amin	Nil	Nil	Nil	0.03
2	Mrs. Priti Kurendu Amin	Non Executive Director	Daughter of Mr. Ashok Gajjar	Nil	Nil	Nil	Nil
3	Mr. Ikshit Manish Amin	Non Executive/ independent Director	N.A.	Nil	Nil	Nil	Nil
4	Mr. Dinesh Velji Patel	Non Executive/ independent Director	N.A.	Nil	Nil	Nil	Nil

- Mr. Ashok Gajjar is the Chairman of the Company, None of the Directors are inter related with each other's except Mr. Ashok Gajjar and Mrs. Priti Amin.

- **No. of Board Meetings held during 01-04-2013 to 31-03-2014**