

**NOTICE**

NOTICE IS HEREBY GIVEN TO ALL SHAREHOLDERS OF M/S SURYA INDUSTRIAL CORPORATION LIMITED, MEERUT THAT XXIII<sup>RD</sup> ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON FRIDAY THE 31<sup>ST</sup> DECEMBER, 2010 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 30.06.2010 and reports of the Directors and auditors.
2. To elect a director in place of Shri 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 auditor as auditor for the next term and fix their remuneration.

**SPECIAL BUSINESS**

4. Resolved that consent is hereby given for payment of Remuneration of Rs.360000.00 during the year ended on 30.06.2010 to Shri Vivek Jain, Managing Director of the company for his working for the company.

**EXPLANATORY STATEMENT**

1. Shri Vivek Jain managing director of the company has been paid remuneration of Rs.360000.00 for his working for the company. Hence this resolution. None of the director is interested in this resolution except recipient director.

**By Order of the Board of Directors**

**Sd/-  
(Vivek Jain)  
MG. Director**

**Date** : 06.12.2010

**Place** : Partapur,  
Meerut – 250130

**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. Member are requested to immediately intimate any change in their addresses registered with the company quoting their respective Folio Number (s).
3. The Register of Member and Share Transfer Books of the company will remain closed on 31.12.2010.

**DIRECTORS' REPORT****To**

The Members  
M/s Surya Industrial Corporation Limited  
Meerut

Ladies and Gentlemen,

1. Your directors are hereby submitting the next Annual Report together with the audited statements for the year ended on 30.06.2010.

**FINANCIAL RESULTS:**

2. Comparative Figures are as under -

<b>Particulars</b>	<b>This Year</b>	<b>Prev. Year</b>
Sales & Job Work	1104089.00	612475.00
Other Income	6132360.00	6026554.00
Operating Profit	4176586.21	5300854.30
Profit on sale of Fixed Assets	5320116.50	0.00
Reduction in value of Investment	5184000.00	0.00
Net Profit before depreciation	4312702.71	5300854.30
Depreciation	3622462.50	4749623.60
Net Profit before tax	690240.21	551230.70
Net Profit after tax	690240.21	551230.70
Balance b/f from previous year	(-)75881828.04	(-)76433058.74

**OPERATIONS AND FUTURE OUTLOOK**

3. a) 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.
- b) Land and building not used in production of tyre and few machineries have been sold during the year and sale proceeds have been used for repayment of liability of UPFC and PICUP
- c) Remaining Machineries to produce Automotive tyres have been used for job work. But business has not found good market.
- d) Your directors have tried to give momentum to business of Manufacturing and Trading of Electric Lamina tion during the year and are very hopeful.
- e) Considering realizable value of Land & Building which is more than liabilities of financial institutions directors are of the opinion that going concern basis is unaffected.

**DIRECTORS**

4. a) Shri Vivek Jain Directors of the company is retiring at the forthcoming Annual General Meeting by rotation and being eligible, offer himself for re-appointment except this there is no change in Board of Directors.
- b) i) No sitting fee has been paid to any of the directors.
- ii) Remuneration of Rs.360000.00 have been paid to Shri Vivek Jain, managing director of the company for his working for the company.

Your consent is to be taken in coming AGM.

**DIVIDEND**

5. In view of past losses your directors regret their inability to declare the dividend.

**AUDIT REPORT & ACCOUNTS****6. We clarify few qualification/observations here under –**

- a) Schedule of repayment of dues of UPFC & PICUP as per OTS could not be adhered. Amount paid to them have been deducted from their dues. Both have cancelled the OTS and adjusted the amount of repayment against interest due. This Action is against the NPA guidelines of RBI and has been disputed. Company has sufficient provision for interest payable to these financial institutions.
- b) Bad financial position of the company had forced your directors to become irregular in depositing statutory dues in past. However, your directors have made their sincere efforts to regularise the position and have succeeded.

**PERSONNEL**

7. a) 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, to this report are - NIL
- b) The information pertaining to conversion of energy, technology absorption and foreign exchange earnings/ outo are – NIL

**DIRECTOR'S RESPONSIBILITY STATEMENT****8. 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 financial 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 :

**AUDITORS**

9. M/s KKJ & Associates., Chartered Accountants, Meerut auditor of the company retire at ensuring meeting are eligible and willing for reappointment.

**ACKNOWLEDGEMENT**

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

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

**Date** : 06.12.2010  
**Place** : Partapur, Meerut - 250130

---

---

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

During the Financial Year under consideration the performance of the Company was satisfactory. Net Profit for the year 2009-10 stood at Rs. 690240.21/- as Profit of Rs 551230.70 /- in the year 2008-09. 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. Few Machineries and building, which were not in use, have been sold during the year and sale proceeds have been used for repayment of liability of UPFC and PICUP. Your directors have started business of Manufacturing and Trading of Electric Lamination during the year 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 than company will again start its production.

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

The management of the company is trying his 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. On settlement with the Syndicate Bank, interest which was accounted for in the past but has been waived by the bank has been written back as exceptional item.

## 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**

The Board provides leadership and strategic guidance, objectively reviews management decisions and exercises control over the company. Your company is continuing maintaining the independence of the board in company. As on date of this report, the board of directors of the company consists of three members.

The Board meeting is held in every quarter to review the financial results and discuss other issues. Besides the quarter, board meeting are also held whenever required. To conduct a board meeting the directors are informed by giving a notice in advance and the agenda of board meeting also dispatch with the notice. The members of board also discuss each agenda in the meeting and take discussion after make a proper discussion and getting all members views. The board members are free to give their suggestions on any agenda item and can also submit their view for improving the performance of 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:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. Vivek Jain	Chairman	Director
Mr. Badri Narain Gupta*	Member	Director
Mr. Virjendra Kumar Singh	Member	Director
Mr. Rahul Jain	Member	Director

Details of attendance of each director and attended Meetings of the company are as follows:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>	<b>No. of Meetings attended</b>
Mr. Vivek Jain	Chairman	Director	4
Mr. Badri Narain Gupta	Member	Director	2
Mr. Virjendra Kumar Singh	Member	Director	4
Mr. Rahul Jain	Member	Director	4

Quarterly result of the company review and 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 are constituted for good corporate governance report.

The Composition of Shareholders/ Investors Grievances Committee is as follows:

Name of the Director	Designation	Category
Mr. Vivek Jain	Chairman	Director
Mr. Badri Narain Gupta*	Member	Director
Mr. Virjendra Kumar Singh	Member	Director
Mr. Rahul Jain	Member	Director

Note : Mr. Badri Narayan Gupta has resigned from the Board of Director of the company and he is no more associated with the company from 02.03.2010.

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

Name of the Director	Designation	Category	No. of Meetings attended
Mr. Vivek Jain	Chairman	Director	1
Mr. Badri Narain Gupta*	Member	Director	1
Mr. Virjendra Kumar Singh	Member	Director	1
Mr. Rahul Jain	Member	Director	1

Note : Mr. Badri Narayan Gupta has resigned from the Board of Director of the company and he is no more associated with the company from 02.03.2010.

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**  
**Managing Director,**  
**Meerut**

**GENERAL BODY MEETING:-**

YEAR	DATE	VENUE	TIME
2009	31.12.2009	B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh – 250 103	10.30 a.m.
2008	31.12.2008	B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh – 250 103	10.30 a.m.
2007	31.12.2007	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 2010
Time	:	10.30 a.m.
Venue	:	B-9, Industrial Estate, Partapur, Meerut, Uttar Pradesh – 250 130

**FINANCIAL CALENDER (tentative)**

Financial Year	-	1 <sup>st</sup> July 2009 to 30 <sup>th</sup> June 2010
Financial Reporting for the First Quarter ending	-	1 <sup>st</sup> July 2009 to 30 <sup>th</sup> September 2009
Financial Reporting for the Half Year ending	-	1 <sup>st</sup> October 2009 to 31 <sup>st</sup> December 2010
Financial Reporting for the Third Quarter ending	-	1 <sup>st</sup> January 2010 to 31 <sup>st</sup> March 2010
Financial Reporting for the Quarter & Year ending	-	1 <sup>st</sup> April 2010 to 30 <sup>th</sup> June 2010