

26th ANNUAL REPORT

SURYA INDUSTRIAL CORPORATION LIMITED

YEAR 2012-2013

CORPORATE INFORMATION

DIRECTORS	Mr. Vivek Jain	:	Chairman cum Managing Director
	Mr. Rahul Jain	:	Director
	Mrs. Bhavi Jitendra Sanghavi	:	Director
	Mr. Mukhtar Singh	:	Additional Director
	Mr. Pawan Kumar	:	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 : 09th November, 2013
Time : 04:00 P.M.
Day : Saturday
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, Ahmedabad
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 XXVIth ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON SATURDAY THE 09TH NOVEMBER 2013 AT ITS REGISTERED OFFICE AT 4:00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Annual Accounts for the year ended on 30.06.2013 and reports of the Directors and auditors.
2. To elect a director in place of Mr. Rahul Jain who retire by rotation and being eligible, offers himself for re-election.
3. To appoint M/s KJ & 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."
4. To change the financial year of the Company from June ending to March ending thereby making next financial year closing on March 31, 2014, constituting total of Nine(9) months as financial year for the Financial year ending March31,2014".

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Mukhtar Singh, 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."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Pawan Kumar, 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 08.11.2013 to 09.11.2013.
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. Mukhtar Singh was appointed as an Additional Director on the Board of Directors w.e.f. 13th April, 2013 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. Mukhtar Singh is, in any way, concerned or interested in the resolution.

ITEM NO. 5

Mr. Pawan Kumar was appointed as an Additional Director on the Board of Directors w.e.f. 23rd July, 2013 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. Pawan Kumar 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 : 14.10.2013

Place : Meerut

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

Name	Mr. Rahul Jain
Age	40 years
Qualification	B.Com
Expertise	14 years experience in the field of Accounts, Finance and Law
Other Directorship	Surya Tyres Ltd. Karmveer Electronics Ltd.

Name	Mr. Pawan Kumar
Age	24 years
Qualification	Commerce Graduate
Expertise	Experience in the Secretarial work
Other Directorship	Scriptech Weath Management Services Private Limited

Name	Mr. Mukhtar Singh
Age	44 years
Qualification	Graduate
Expertise	Experience in the field of Accounts, taxation
Other Directorship	Concept Casting Private Limited

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 26th Annual Report of the Company along with Audited Accounts and the Auditor's Report for the Accounting Year ended 30th June, 2013.

1. FINANCIAL RESULTS:

Comparative Figures are as under

Particulars	2012-13	2011-12
Sales & Job Work	445000.00	1194000.00
Other Income	5038000.00	5634000.00
Profit on sale of Assets	0.00	0.00
Reduction in value of Investment	0.00	0.00
Profit before depreciation	2340000.00	4526000.00
Depreciation	1504000.00	2493000.00
Net Profit before tax	17406000.00	718000.00
Net Profit after tax	17406000.00	718000.00
Balance b/f from previous year	(-)72477000.00	(-)72477000.00

2. OPERATIONS

Company has come out of the purview of SICA. Board for Industrial and Financial Reconstruction (BIFR) Bench III, in its directions issued in January, 2013 decided to delist the Company from the purview of SICA.

Company is now optimistic towards its growth and smooth functioning of the Company has been resumed to give the momentum to the Company. Management is hopeful of Growth of the Company, now hereon, in the coming future for the Company. Looking into the future prospectus, the management considered and approved to Sell, lease or otherwise disposal and/or transfer/sale of land, building, machinery and any other assets of the Company situated at 37/4, Village Dungrawali, Meerut bypass Road, Meerut. The Board considered the matter in the Board Meeting of 17th August, 2012 and the matter was duly approved by the Board and subsequently by the shareholders by way of Postal ballot and the results for the same were declared by the Mr. Vivek Jain, Chairman and Managing Director, on 27th October, 2012.

3. 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. Rahul 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. Mukhtar Singh 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. Pawan Kumar 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.

Mr. Abhinav Sharma and Raman Sapra has been appointed as Additional Directors on 18/08/2012 and 17/09/2012 respectively and resigned on 20/06/2013 and 05/11/2012 respectively. Mr. Navdeep Gupta who was appointed on 01/01/2011 got resigned from the directorship of the Company on 10/09/2012. Mahender Singh,

Laleswar Kumar Raut and Seema Jain, Directors of the Company resigned on 18/08/2012 from the directorship 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.

4. DIVIDEND

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

5. AUDIT REPORT & ACCOUNTS

No Qualification by the Auditor has been recommended.

6. 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

7. 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 2012-13.

8. 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.

9. 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.

10. 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 30.06.2013. The same has been attached in Director's Report.

11. ACKNOWLEDGEMENT

Your directors wish to convey their thanks to their Employees, Shareholders, 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**

Date : 14.10.2013

Place : Meerut

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Metal industry has shown the second highest growth rate for steel production in Asia after China in 2006. With a GDP growth of around 8% since 2005-06, Indian economy as well as the industrial development got a boost and this helped to shape the increasing steel demand and production in India. The report "Opportunities in Indian Steel Industry" by RNCOS undertakes a detailed analysis of the forces that have shaped the Indian steel industry in order to predict the future trends and prospects. This section gives a detailed analysis of steel industry in India. This section looks into the factors that have influenced the industry over a period of time, like steel production and raw materials, steel consumption, and export-import of steel products etc. The section also puts forth a comprehensive analysis on the fluctuating performance of the Indian steel industry.

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian steel industry is closely linked with domestic economic growth.

India housing and construction industry is likely to grow in India, which is one of the major steel consuming industries. Growing Indian automobile industry, which depends on steel industry for parts manufacturing, will lead to a strong steel demand in future.

The high cost of electricity in India may hamper the steel industry's production level.

Recent increase in production capacity and foreign investment in India is pushing the Indian steel production. Demand is expected to rise in future with economic and industrial growth

OPPORTUNITY

Company is planning to explore in textile industry as the Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce has made India a sourcing hub. The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. MMF production increased by 9 percent during June 2013. The production increased by about 3 per cent during the year April-June 2013.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirements of the Companies Act, 1956 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

HUMAN RESOURCE DEVELOPMENT

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

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

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

**Date : 14.10.2013
Place : Meerut**

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 **30th June, 2013**. 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 there under.
3. The Company is a public limited Company.
4. The Board of Directors duly met 8 (Eight) times on 18/08/2012, 10/09/2012, 17/09/2012, 05/11/2012, 14/02/2013, 01/05/2013, 15/05/2013, 24/06/2013, 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 28 December, 2012 to 31 December, 2012 for the purpose of Annual General Meeting, held on December 31, 2012. There are no Debenture holders in the Company.
6. The Annual General meeting for the Accounting Year ended on 30.6.2012 was held on December 31, 2012 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. However, shareholders approval was taken for sale of assets u/s 293(1a) of the Act, by way of Postal Ballot, resolution of which was passed u/s 192 A of the Act and results of which were declared, to the Shareholders & exchanges, by the Chairman on October 27, 2012.
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 Mr. Abhinav Sharma and Raman Sapra have been appointed as Additional Directors on 18/08/2012 and 17/09/2012 respectively and resigned on 20/06/2013 and 05/11/2012 respectively.
- Mr. Navdeep Gupta who was appointed on 01/01/2011 got resigned from the directorship of the Company on 10/09/2012.
- Bhavi Jitendra Sanghavi and Mukhtar Singh are appointed as Additional Director on 05/11/2012 and 13/04/2013 respectively. No Director in Casual Vacancy is appointed during the Accounting year.
- Mahender Singh, Laleswar Kumar Raut and Seema Jain, Directors of the Company resigned on 18/08/2012 from the directorship of the Company.
15. The Company has not appointed any managing Director/ Whole time 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, 2013 is within the borrowing limits of the Company as per the provisions of section 293 (1)(d) of the Company Act, 1956.
25. As per Information & explanations provided to us the Company has not made any loans or advances or given guarantees or provided securities to other body corporate in contravention of provisions of Section 372A of the Act.
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 : 14-10-2013

-Sd/-
(Nishi Talwar)
Company Secretary in Practice
C.P. No. 10529