



# **SURYA INDUSTRIAL CORPORATION LIMITED**

**(CIN- L15311UP1988PLC010285)**

**29TH ANNUAL REPORT 2015-16**

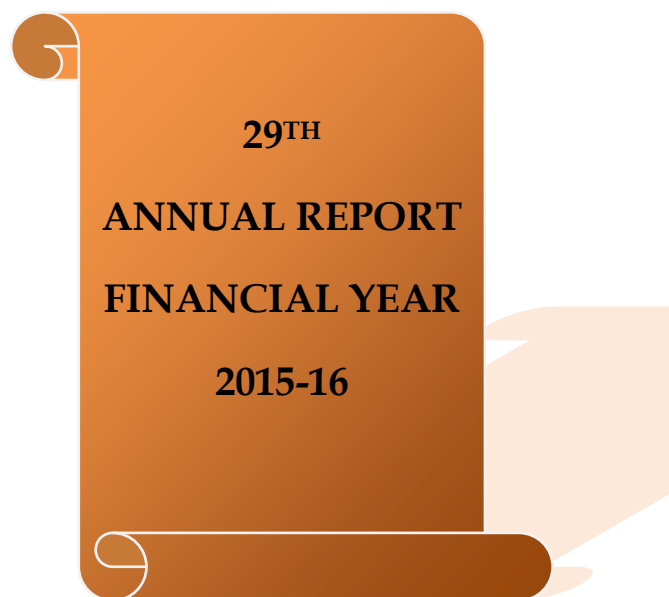
**COMPANY INFORMATION**

**SURYA INDUSTRIAL CORPORATION LIMITED**  
**CIN: L36912UP1988PLC010285**

<b>BOARD OF DIRECTORS</b>	:	<b>Mr. Pratik Kumar Mehta</b> Managing Director  <b>Ms. Bhavi JitendraSanghavi</b> Independent Director (Women Director)  <b>Mr. Naitik Kumar Shah</b> Independent Director
<b>STATUTORY AUDITORS</b>	:	<b>M/s. AGARWAL DESAI AND SHAH</b> Chartered Accountants (FRN - 124850W) Ground Floor, Bandra Arcade Building, Opp. Railway Station, Bandra (W), Mumbai – 400 050
<b>REGISTRAR &amp; TRANSFER AGENT</b>	:	<b>Skyline Financial Services Private Limited</b> D-153, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020 011 - 26812682 / 83 & 64732681 to 88 E-mail: admin@skylinerta.com; Website: www.skylinerta.com
<b>LISTED ON STOCK EXCHANGES</b>	:	<b>Bombay Stock Exchange,</b> <b>Delhi Stock Exchange,</b> <b>Ahmedabad Stock Exchange,</b> <b>Jaipur Stock Exchange,</b> <b>Uttar Pradesh Stock Exchange</b>
<b>REGISTERED OFFICE</b>	:	<b>B-9, Industrial Estate, Partapur, Meerut,</b> <b>Uttar Pradesh – 250 103</b>
<b>CORPORATE OFFICE</b>	:	<b>120-121, Swati Chambers, Galemandi Main Road</b> <b>Near Delhi Gate, Surat – 395003</b> <b>Tel. No. - 0261 - 2535577</b> <b>E-mail: <a href="mailto:sic1388@gmail.com">sic1388@gmail.com</a></b> <b>Website: <a href="http://www.sicl.co.in">www.sicl.co.in</a></b>

**CONTENTS:**

- Notice
- Director's Report
- Management Discussion & Analysis
- Extract of Annual Return
- Secretarial Audit Report
- Report on Corporate Governance
- Certificate on Corporate Governance
- CFO Certificate
- Auditor's Report
- Balance Sheet
- Profit & Loss Account
- Schedules & Notes to Accounts
- Cash Flow Statement
- Proxy Form, Attendance slip & Updation form



Members are requested to bring their copy of Annual Report at the time of AGM

**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 29<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY M/S SURYA INDUSTRIAL CORPORATION LIMITED, WILL BE HELD ON FRIDAY, 30<sup>TH</sup> DAY OF SEPTEMBER, 2016 AT HOTEL MADHUR REGENCY, RAMA PLAZA, WESTERN KUNTCHERY ROAD, MEERUT, UTTAR PRADESH - 250001 9:30 A.M. TO TRANSACT FOLLOWING BUSINESS:

**ORDINARY BUSINESS:****1. ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2016 and the Reports of the Board of Directors and the Auditors thereon.

**2. RATIFICATION OF APPOINTMENT OF AUDITORS AND TO FIX THEIR REMUNERATION**

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any amendment, modification, or variation thereof, the Company hereby ratifies the appointment of M/s. AGARWAL DESAI AND SHAH Chartered Accountants, Mumbai (FRN - 124850W), as Statutory Auditors of the Company to hold office from the conclusion of this 29<sup>th</sup> Annual General Meeting (AGM) till the conclusion of the 30<sup>th</sup> Annual General Meeting to be held in the year 2017, to examine and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration as may be mutually agreed between the Board of Directors and the Auditors.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and/or otherwise considered by them with consultation of audit committee to be in the best interest of the Company.”

**By order of the Board of Directors**  
For, Surya Industrial Corporation Limited

**Registered office:**  
B-9, Industrial Estate,  
Partapur, Meerut,  
Uttar Pradesh – 250 103  
CIN : L36912UP1988PLC010285

Sd/-  
**Pratikkumar Sharadkumar Mehta**  
Managing Director  
DIN-06902637  
Place: Surat  
Date: 13-08-2016

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

3. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. Pursuant to Regulation 42 of SEBI (LODR) Requirements Rules, 2015 of the Uniform Listing Agreement read with section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books will remain closed from Saturday 24<sup>th</sup> September, 2016 to Friday 30<sup>th</sup> September, 2016 (Both days inclusive) for the purpose of AGM.
9. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/Registrars and Transfer Agents to record additional details of Members, including their Permanent Account Number details ("PAN"), email address, bank details for payment of dividend, etc. Further, the Securities and Exchange Board of India ("SEBI") has mandated the submission of PAN by every participant in the securities market. **Attached 'Annexure-V' as Updation of shareholder information.**

A form for capturing the above details is appended to this Notice. Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.

10. Members are requested to notify any correction /change in their name /address including Pin Code number immediately to the Companies Register/ Depository Participant .In the event of non – availability of Members latest address either in the Companies records or in Depository Participant's records, members are likely to miss notice and other valuable correspondence sent by the company.
11. Members are requested to kindly mention their Folio Number/ Client ID Number (in case of demat shares) in all their correspondence with the Companies Registrar to enable prompt reply to their queries.
12. With a view to using natural resources responsibly, we request shareholders to update their email address, with their Depository Participants to enable the Company to send communications electronically. The Annual Report 2015-16 is being sent through electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2015-16 are being sent by the permitted mode.
13. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules 2015, and of the Listing Agreement, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository limited ("NSDL"). Apart from e-facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are appended herein below.



14. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.
15. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
16. The shareholder needs to furnish the 'attendance slip' along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license, to enter the AGM hall.
17. As per provisions of the Companies Act, 2013, facility for making nominations is available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down loaded from the website of the Ministry of Company affairs.

#### THE INSTRUCTIONS FOR E-VOTING ARE AS UNDER:

1. Members whose shareholding is in the dematerialized form and whose email addresses are registered with the Company/Depository Participant(s) will receive an email from NSDL informing the User-ID and Password.
  - a) Open email and open PDF file; the said PDF file contains your user ID and password/PIN for e-voting.
  - b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com> Click on Shareholder - Login.
  - c) Put User ID and password as initial password noted in step (1) above and Click Login.
  - d) Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password.
  - e) Home page of remote "e-Voting" opens. Click on e-Voting: -- Active Voting Cycles.
  - f) Select "EVEN" of **Surya Industrial Corporation Limited**.
  - g) Now you are ready for "e-Voting" as "Cast Vote" page opens.
  - h) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
  - i) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - j) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - k) Members can cast their vote online from **September 27 2016 (9:00 A.M.) IST till September 29, 2016 (5:00 P.M.) IST**. Kindly note that vote once casted cannot be modified. For EVEN, you can log-in any number of times on e-voting platform of NSDL till you have voted on all the resolutions or till the end of voting period.
  - l) E-Voting shall not be allowed beyond said time i.e. September 29, 2016, 5:00 P.M.
  - m) Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [csniteshchaudhary@gmail.com](mailto:csniteshchaudhary@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.

Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).

At the Annual General Meeting, at the end of the discussion of the resolutions on which voting is to be held, the Chairman shall with the assistance of the Scrutinizer/representative of scrutinizers order voting for all those members who are present but have not cast their vote electronically using the remote e-voting facility shall be entitled to cast their vote through Ballot Paper.

Please note that a Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a Member casts votes through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.

**Please note that:**

a) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on, **23<sup>th</sup> September, 2016** (the "Cut Off Date") only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Annual General Meeting through e-voting or ballot paper. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.

b) Persons who have acquired shares and became members of the Company after the dispatch of the notice of AGM and holding shares as on the Cut Off date of **23<sup>th</sup> September, 2016**, may obtain their user ID and password for Remote E-voting from the Company's Registrar and Share Transfer Agent (RTA) or NSDL.

All future communications will be sent in electronic form to your registered e-mail address. Please inform the changes, if any, in your e-mail address to your Depository Participant or Registrar and Share Transfer Agent (RTA) of the Company, as the case may be.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990. For any further grievance related to the Remote E-voting, members may contact NSDL at the contact: Ph. No. +91 22 24994600/24994738, Email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

2. Members who do not have access to remote voting by voting through e-voting facility may vote in AGM by Ballot Form (enclosed with the Annual Report), the company has appointed to Mr. Nitesh Chaudhary, Practicing Company Secretaries as scrutinizer to conduct the Remote Voting and Ballot voting for the purpose of AGM to be held in transparent and fair manner. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Company.
4. The Results of e-voting, Ballot Voting shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sicl.co.in](http://www.sicl.co.in) and the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and communicated to the Stock Exchange.

The results shall also be displayed on the notice board at the Registered Office of the Company.

5. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1.00 pm on all working days except holidays, up to and including the date of the Annual General Meeting of the Company.

\*\*\*\*\*

## DIRECTORS REPORT

To  
**The Members**  
**Surya Industrial Corporation Limited**  
**Meerut**

The Board of Directors of your Company has pleasure in presenting 29th Annual Report of the Company along with Audited Accounts and the Auditor's Report for the Accounting Year ended 31<sup>st</sup> March, 2016.

### FINANCIAL PERFORMANCE:

Comparative Figures are as under:

Particulars	31.03.2016	31.03.2015
Sales & Job Work	389825690.03	7,37,75,039.00
Other Income	5987952.20	1509159.52
Profits on sale of Assets	0.00	0.00
Reduction in value of Investment	0.00	0.00
Profit (Loss) before Depreciation	3064473.75	462015.77
Depreciation	0.00	0.00
Net Profit before tax	3064473.75	462015.77
Net Profit after tax	2983483.75	462015.77

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis as required by the Listing Regulations is incorporated herein by reference and forms an integral part of this report (**Annexure 1**)

### OPERATIONS:

The Company has earned profit after tax of Rs. 30,64,473.75/- during the financial year 2015-16 as against Rs. 4,62,000.00/- earned during the previous financial year 2014-15. Net Profit after tax is 2983483.75/- as compared to (-) 197,000.00/- in previous year.

### DIVIDEND:

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

### DEPOSITS:

During the year under review, the company has not invited or accepted any Deposits from the public.

### ALLOTMENT OF SHARE:

The Company has not allotted any shares during the year.

### ECONOMIC OUTLOOK:

According to the International Monetary Fund (IMF), the global economy is expected to grow at approximately 3.2% in 2016. USA is showing signs of strong fundamentals (low unemployment, consumer spending etc.), which continue to support recovery. Asia contributed on an average two-thirds to the global economic growth in the past few years and is expected to continue driving this growth in 2016. Japan is expected to remain steady while China is expected to witness a marginal slowdown in growth.

Risks to global growth in the form of deflation, slowdown in China, lower commodity prices and interest rate hike in USA continue to weigh heavily on the growth momentum and outlook.



GDP growth in Europe is expected to remain low as the strength of supportive factors (accommodative monetary policy, low energy prices and Euro depreciation) diminishes, amidst uncertainty relating to Britain's referendum, migrant crisis and geo-political tensions. Europe continues to face multiple headwinds due to high debt levels, a fragile banking sector and increasing political impasse.

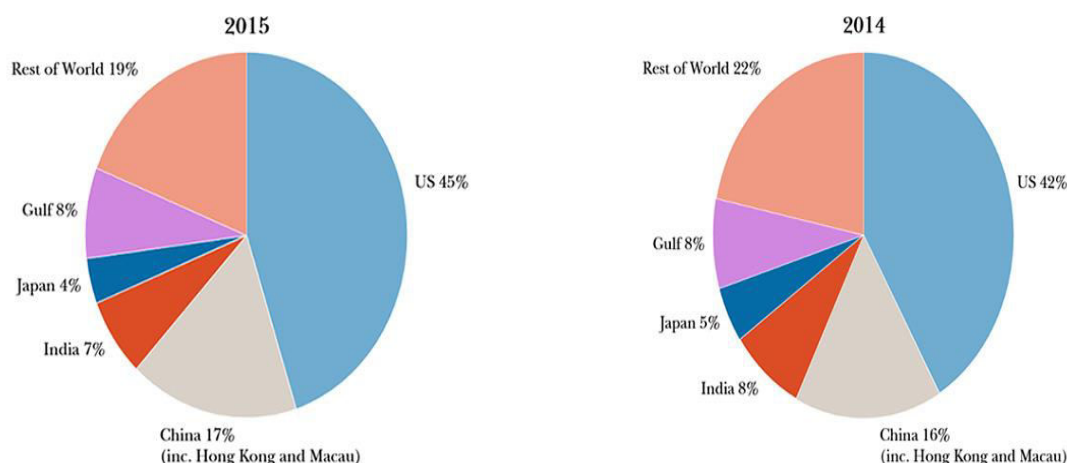
India is expected to continue its growth momentum in Financial Year 2016-17 on the back of robust manufacturing sector growth. Further, various measures such as 'Make in India', 'Smart Cities', 'Digital India' that the Government has been taking in the last couple of years are beginning to show results and the gradual implementation of structural reforms will continue to broaden and contribute towards higher growth.

### INSIGHT OF DIAMOND INDUSTRY:

#### i) GLOBAL INSIGHT ON DIAMOND AND JEWELLERY BUSINESS:

Strong growth in demand from US consumers was the main driver for global sales of diamond jewellery in 2015. Consumer demand for diamond jewellery in the US – still comfortably the world's largest market – hit a new record of \$39bn in 2015. Chinese consumers also continued to increase their overall spend on diamond jewellery in 2015, both domestically and when purchasing overseas. The Japanese, Indian and Gulf consumer markets saw some declines in local currency terms, with the strength of the US dollar further impacting growth rates in US dollar terms.

At constant currency, global consumer demand for diamond jewellery grew by two per cent. However, the strength of the US dollar during the year negatively impacted growth at actual exchange rates, with global consumer demand for diamond jewellery in US dollar terms reaching US\$79 billion in 2015 – a two per cent decline on the record US\$81 billion seen in 2014.



The outlook for 2016 is driven by expectations of positive but subdued global economic growth, with a weakening of growth in emerging markets and a fragile recovery in the advanced economies. Downside risks are expected to prevail.

Among the top five consumer diamond markets in the world, the US is expected to continue to be the main driver of demand growth in 2016, sustained through moderately positive economic momentum and cautious consumer optimism.

#### ii) INDIAN INSIGHT DIAMOND AND JEWELLERY BUSINESS:

Despite positive general macroeconomics in India, consumer demand for diamond jewellery dropped four per cent in 2015, as it was negatively affected by a number of factors, impacting overall consumer spending, including structural labour market issues and restricted consumer credit.

The analysis of the polished diamond content (the value of diamonds measured in Polished Wholesale Prices in US dollars) in diamond jewellery consumed around the world shows that the US market, as the fastest growing in 2015, has gained share (from 42 per cent in 2014 to 45 per cent in 2015).



#### a) INTRODUCTION:

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 6-7 per cent of the country's GDP. One of the fastest growing sectors, it is extremely export oriented and labour intensive.

Based on its potential for growth and value addition, the Government of India has declared the Gems and Jewellery sector as a focus area for export promotion. The Government has recently undertaken various measures to promote investments and to upgrade technology and skills to promote 'Brand India' in the international market.

India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. India is the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by government policies. Moreover, India exports 95 per cent of the world's diamonds, as per statistics from the Gems and Jewellery Export promotion Council (GJEPC). The industry has generated US\$ 38.6 billion of revenue from exports in 2015-16, making it the second largest exporter after petrochemicals.

India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). The Government of India has viewed the sector as a thrust area for export promotion. The Indian government presently allows 100 per cent Foreign Direct Investment (FDI) in the sector through the automatic route.

#### b) MARKET SIZE:

The gems and jewellery market in India is home to more than 500,000 players, with the majority being small players.

India is one of the largest exporters of gems and jewellery and the industry is considered to play a vital role in the Indian economy as it contributes a major chunk to the total foreign reserves of the country. UAE, US, Russia, Singapore, Hong Kong, Latin America and China are the biggest importers of Indian jewellery.

The overall gross exports of Gems & Jewellery in April 2016 stood at US\$ 3.23 billion, whereas exports of cut and polished diamonds stood at US\$ 1.78 billion. Exports of gold coins and medallions stood at US\$ 302.67 million and silver jewellery export stood at US\$ 299.69 million in April 2016. The overall gross imports of Gems & Jewellery in April 2016 stood at US\$ 2.90 billion.

According to a report by Research and Markets, the jewellery market in India is expected to grow at a Compound Annual Growth Rate (CAGR) of 15.95 per cent over the period 2014-2019.

The cumulative Foreign Direct Investment (FDI) inflows in diamond and gold ornaments in the period April 2000-December 2015 were US\$ 751.37 million, according to Department of Industrial Policy and Promotion (DIPP).