

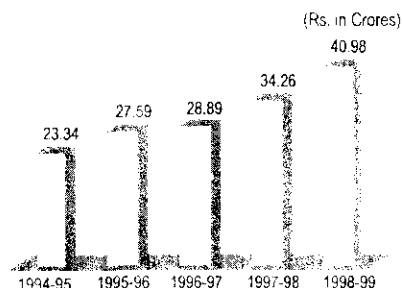
Annual Report 1998-99



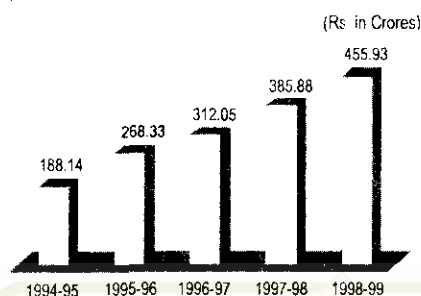
SURYA ROSHNI LIMITED

Scaling New Heights

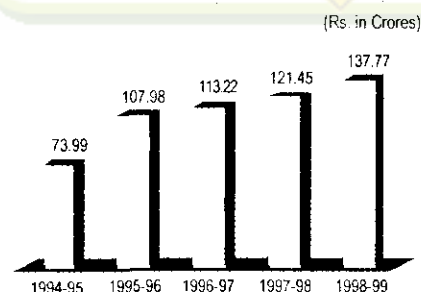
GROSS PROFIT



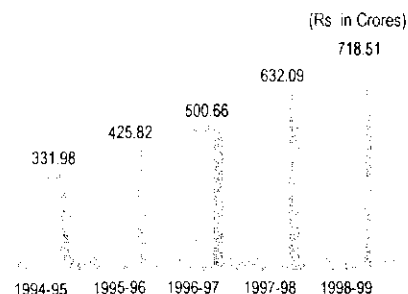
FIXED ASSETS



NET WORTH



TURNOVER



Our Cherished values

We shall endeavour to maintain leadership through quality products and cost control, explore new avenues in product development, marketing, and exports, create a stronger bond with our employees, suppliers and shareholders, contribute to social development, and constantly strive for excellence in all spheres of our global activities.



Mr. B. D. Agarwal
Chairman and
Managing Director

Two and a half decades of success. From a humble beginning in 1973 to being India's leading manufacturer of Steel Pipes & Lighting Products, SURYA has come a long way. Travelling a terrain dotted with economic, political and global changes, it has always been in the forefront. At the core of this trail blazing performance lies a simple premise. A passion for excellence. Overcoming challenges, constantly seeking new avenues, nurturing professionalism, focussing on the future, targeting at the latest in technology, and never compromising on quality is what has put Surya Roshni way ahead of others.

Essentially a quality driven company, Surya Roshni under the dynamic leadership of Mr. B.D. Agarwal and his illustrious son Mr. J.P. Agarwal, has attained a steep growth profile with its turnover crossing Rs. 700 crore mark. Its advanced state-of-the-art manufacturing facilities with ISO 9002 approvals at all three locations viz. Bahadurgarh,

The Vision to be present in the future

Kashipur and Malanpur have achieved international reputation and appreciation.

Surya Roshni with its extraordinary vision to be present in the future has developed a vast network of branches, distributors, dealers and retailers across the country forming the core team responsible for this phenomenal growth. The company has also achieved a significant presence around the world with its lighting and steel products being exported to over 40 countries. It has over the years built a strong reputation for expertise and reliability.



Mr. J. P. Agarwal
Vice Chairman and
Joint Managing Director



W

hen you keep surpassing the standards that you have set for yourself, you don the mantle of leadership. Today, Surya Roshni is an unmistakable brand leader in the lighting category.

Leadership, brought to light



With two state-of-art fully integrated large plants at Kashipur (U.P.) & Malanpur (M.P.), the division manufactures an entire range of high quality lighting systems for diverse purposes general lighting systems (GLS) Lamps, fluorescent tube lamps, auto halogen lamps, luminaries, special lamps, HID lamps, dichroic halogen lamps & components. An ISO 9002 certification plus 100% vertical backward integration ensure that the products have an edge to stay in the forefront.

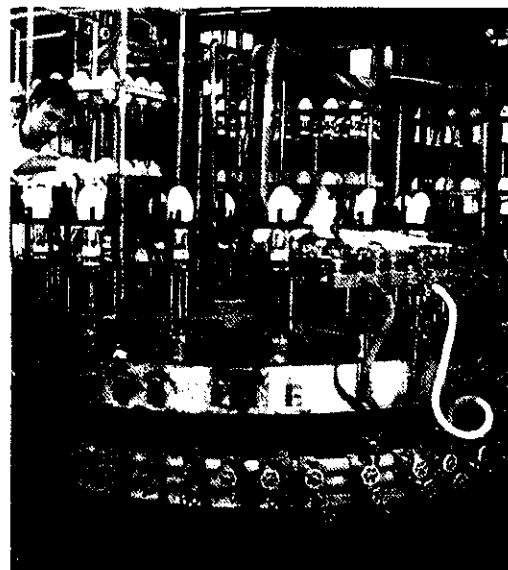
It has also emerged as a large exporter of fluorescent tube lamps.

Mega Milestones

- US\$6 million to US\$ 150 million in less than a decade.
- Presence in over 44 countries in less than 10 years.
- Achieved the No.1 rank in India in fluorescent tube lights.
- Recipient of "E"MARK from BIS, UK and TUV, Germany.
- Several National Safety Awards.
- Asia's largest Ribbon Glass Plant to its credit.



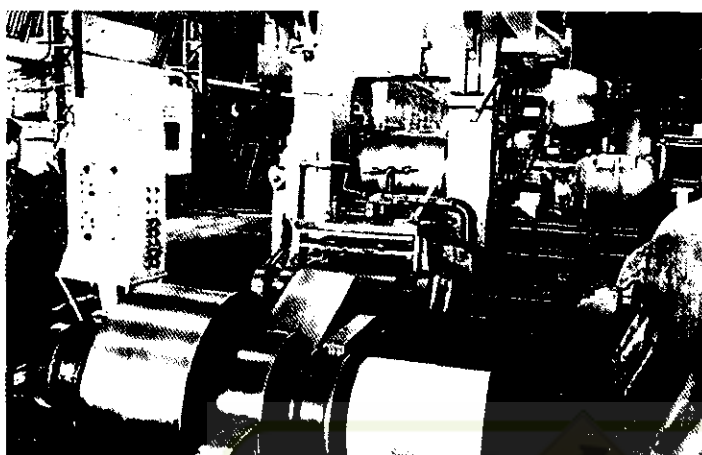
The fusion of sophisticated technology, large production capacity & quality supremacy make the lighting division synonymous with exclusive lighting products in India.



The very first venture, the foundation on which the mega conglomerate rests. Nurtured by an extraordinary vision, this maiden venture foresaw all the demand of housing, industry, agriculture, gas-oil and construction sectors.

Today, the highly sophisticated and technically competent plant at Bahadurgarh in Haryana produces Steel Pipes

Strengths in steel



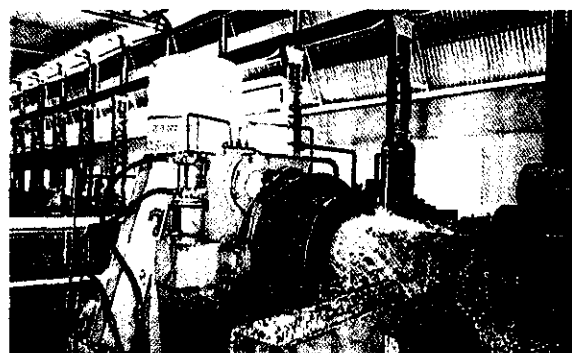
Mega Milestones

- Major supplier to oil & gas sector, specifically to new refineries
- Upgrading of Pipe Mill with ultrasonic on-line strip testing and automatic ultrasonic pipe testing equipment
- Development of ultra extra deep drawn C R strips for critical automobile components
- I S Q 9002 accreditation for the entire manufacturing facility and API license.
- Broadest product range in ERW pipes in the domestic market from 15mm NB to 400mm NB and meeting major international stringent specifications.

and CR strips to a wide range of sizes and grades. The product spectrum covers ERW steel pipes from 1/2" to 16" dia and cold rolled strips in drawn, deep drawn and extra deep drawn qualities. This division also produces pipes API 5L grade A, B & 5 L X 42, X 46 & X 52 to meet the exacting specifications of oil & gas industry.

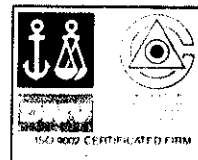
In CR strips Surya Roshni has proved its mettle with the production of high value added products to meet the sophisticated markets of automobile components, electric stamping, white good industry etc.

The manufacturing facilities in Bahadurgarh enjoy the coveted ISO 9002 accreditation. The combination of high technology, quality products, skilled work force and wide network has enabled the steel division to make a sustained and steady growth.



Quality supremacy

Demonstrating its commitment to meet the global quality norms,



Surya Roshni has created at

all levels a quality culture that brooks no compromise, be it, in the selection of raw materials or in the manufacturing process or in the inspections for quality assurance.

The focus has always been on strict adherence to quality parameters and to remain a quality leader. Little wonder, it has several certifications of its quality supremacy both in the steel and lighting segments.

As the new century dawns, Surya

Roshni stands poised to reinforce its strengths and spread its wings far and wide.

The Global Goal

With fast disappearing international boundaries, the world is shrinking further everyday. Globalization is no longer a 'mantra'. It is a fact. We at Surya Roshni are proud to be a part of this transformation. Our products both of the lighting & steel divisions are exported to over 40 countries across the world. A feat that has been made possible because at Surya we all speak the global language of quality and technology.

ISO 9002 accreditation and prestigious European mark CE have helped the company to explore and win the much sought after and quality conscious world markets. Surya Roshni has won several export awards and accolades in the recent years.

For the next millennium, we have our agenda clearly marked.



SURYA ROSHNI LIMITED

BOARD OF DIRECTORS

Shri B.D. Agarwal	Chairman and Managing Director
Shri T.R. Tuli	
Shri S.D. Jadhav	IDBI Nominee
Shri P.C. Gupta	
Shri V.K. Bhalla	UTI Nominee
Shri S.N. Arya	
Shri Rajendra Arya	
Shri J.P. Agarwal	Vice-Chairman and Joint Managing Director

MANAGEMENT EXECUTIVES

Lighting Division

Shri S.C. Mehta	Senior General Manager Kashipur Unit
Shri A.P. Sharma	Chief General Manager Malanpur Unit

Steel Division

Shri R.R. Sharma	Senior Executive Director
Shri S.N. Bansal	Executive Director

COMPANY SECRETARY

Shri B.B. Singal

AUDITORS

Sastry K. Anandam & Company
Chartered Accountants

BANKERS

State Bank of India
Punjab National Bank
IDBI Bank Limited

REGISTERED OFFICE AND WORKS-STEEL DIVISION

Prakash Nagar, Sankhol, Bahadurgarh-124507 (Haryana)
E-mail : srlakash@ndf.vsnl.net.in

WORKS-LIGHTING DIVISION

7 k.m. Stone, Kashipur-Moradabad Road,
Kashipur-244713 Distt. Udham Singh Nagar (Uttar Pradesh)

J - 7, 8 & 9, Malanpur Industrial Area
Malanpur, District Bhind (Madhya Pradesh)
E-mail : srlmlpr@gwr1.dot.net.in

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**NOTICE**

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of SURYA ROSHNI LIMITED will be held on Friday the 24th day of September, 1999 at 10.30 A.M., at the Registered Office of the Company at Prakash Nagar, Sankhol, Bahadurgarh 124507 (Haryana) to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Accounts of the Company and the Reports of Directors and Auditors thereon for the year ended 31st March, 1999.
2. To declare dividend.
3. To appoint a Director in place of Shri P C Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri T R Tuli, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to mortgaging and/or charging by the Board of Directors of the Company of all the immovable and movable properties of the Company wheresoever situated, present and future and the whole of the undertaking of the Company and/or to giving the power to takeover the management of the business and concern of the Company in certain events whether such power is contained in the documents creating the mortgage/charge or otherwise to or in favour of Industrial Development Bank of India (IDBI) for itself, as trustee for debentureholders and as agent of SIDBI, SBI, PNB & IDBI Bank Ltd. to secure:

- a) Rupee Term Loan of Rs.1000 lac (Rupees one thousand lac only) lent and advanced/agreed to be lent and advanced by IDBI to the Company;

- b) Rupee Term Loan of Rs.500 lac (Rupees Five hundred lac only) lent and advanced/agreed to be lent and advanced by IDBI to the Company;
- c) Non-Convertible Debentures upto a sum of not exceeding Rs. 1500 lac (Rupees one thousand five hundred lac only) by way of Private Placement with Financial Institutions/Banks/Mutual Funds;
- d) Bill Discounting Limit of Rs.300 lac (Rupees Three hundred lac only) lent and advanced/agreed to be lent and advanced by Small Industries Development Bank of India (SIDBI) to the Company;
- e) The Working Capital Limits of Rs.15200 lac, secured on Second Charge basis, lent and advance/agreed to be lent and advance by State Bank of India, Punjab National Bank & IDBI Bank Ltd. to the Company. The details are as under:

Sl.	No. Banks	(Rs. in lacs)
	1. State Bank of India	7475
	2. Punjab National Bank	6775
	3. IDBI Bank Ltd.	950
	Total	15200

- f) Together with interest thereon at the respective agreed rates, interest tax, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to IDBI, for itself and as Trustee of the Debentureholders, SIDBI, SBI, PNB and IDBI Bank Ltd. under Loan Agreements/ Debenture Trustee Agreement(s) entered into/to be entered into by the Company in respect of the aforesaid loans".

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee of Directors authorised by the Board in this behalf be and is hereby authorised to finalise all agreement(s) for creating mortgage and/or charge as aforesaid and to do all such acts, deeds and matter as may be necessary or expedient for giving effect to the above resolution."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

SURYA ROSHNI LIMITED

"RESOLVED THAT pursuant to section 31 and all other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the Company be altered in the following manner:

(A) Insert the following definitions in the Article 2 after the definition of "Seal".

"Member", in respect of dematerialised shares, means the beneficial owner thereof i.e. the person whose name is recorded as a beneficial owner in the Register maintained by a Depository under the Depositories Act, 1996 and in respect of other shares, the person whose name is duly registered as a holder of a share in the company from time to time and includes the subscribers to the Memorandum of Association;

"Beneficial Owner" means a person whose name is recorded as such with a depository ;

"SEBI" means the Securities and Exchange Board of India;

"Depository" means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

"Security" means such security as may be specified by SEBI from time to time.

(B) Insert the following Heading and Article as Article 70A after Article 70 :

(P) DEMATERIALISATION OF SECURITIES

70A(i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

OPTIONS FOR INVESTORS

(ii) (a) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories

Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

(b) If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and, on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

SECURITIES IN DEPOSITORIES TO BE IN FUNGIBLE FORM

(iii) All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS

(iv) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Notice

**SERVICE OF DOCUMENTS**

- (v) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

TRANSFER OF SECURITIES

- (vi) Nothing contained in Section 108 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

ALLOTMENT OF SECURITIES DEALT WITH BY A DEPOSITORY

- (vii) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

DISTINCTIVE NUMBERS OF SECURITIES HELD IN A DEPOSITORY

- (viii) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in a depository.

REGISTER AND INDEX OF BENEFICIAL OWNERS

- (ix) The Register and index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles."

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF, A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be effective, must be received at the Padma Tower-I, Rajendra Place, New Delhi - 110 008 or Registered Office, not less than forty-eight hours before the commencement of this Annual General Meeting i.e. before 10.30 A.M. on 22nd September, 1999.

2. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item Nos. 6 & 7 are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 15th September, 1999 to 24th September, 1999 (both days inclusive).
4. The dividend on the equity shares as recommended by the Directors, if approved, at the Annual General Meeting, will be made payable on or before 4th November, 1999 to those members whose names stand on the Register of Members as on 24th September, 1999 and/or the register of beneficial owners maintained by the depositories as on 14th September, 1999.
5. Those members who have so far not encashed their dividend warrants for the year ended 31-03-95, 31-03-96, 31-03-97 and 31-03-98 may immediately approach the Company with their warrants for revalidation.
6. The amount of the unclaimed dividend upto the financial year ended 31-03-94 has already been transferred to the general revenue account of the Central Government, in terms of the provisions of Section 205A of the Companies Act, 1956. Those who have so far not claimed their dividend for any of the financial year upto 31-03-94 may claim their dividend by submitting an application in Form No.II to:

Registered Office:
Prakash Nagar, Sankhol,
Bahadurgarh - 124 507
(Haryana)
Dated: 19th July, 1999

By Order of the Board

B B Singal
Company Secretary

The Registrar of Companies
NCT Delhi and Haryana
Paryavaran Bhawan
11nd Floor, CGO Complex
Lodhi Road, NEW DELHI - 110 003