

SURAJ INDUSTRIES LTD

Registered Office - Plot No. 2 Phase-III, Sansarpur Terrace, Distt. Kangra, H.P.-173212

CIN: L26943HP1992PLC016791

Email id- secretarial@surajindustries.org; Website- www.surajindustries.org

Telephone No: 01970-256414

Form B

1.	Name of the Company	Suraj Industries Ltd
2.	Annual Financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	<p><u>Auditors Remark – 1</u></p> <p>In the Auditor Report under point no. 1 of Basis for Qualified Audit Opinion, it has been stated that "Attention is drawn to note no. 1(a) and note 17 of the Balance Sheet to the effect that the accounts have been prepared without following the going concern assumption on the closure & cessation of the two business segments by the Company and disposal of major assets of these discontinued segments in preceding years".</p> <p><u>Board's Reply</u></p> <p>The explanation of the Directors on the above comment is as under:</p> <p>As the members are aware that the Company has exited from the edible oils business due to adverse market conditions and bleak prospects & all the workers and the employees employed at the factory at Sansarpur Terrace had resigned voluntarily. Thereafter looking at the bleak prospects, the Company had sold off its assets at the factory after taking permission from the members of the Company, to pay off its liabilities. Thereafter the Company ventured into marketing and distribution of liquor but the same has also been discontinued. Since at present the Company had no continuing business except for the liquidation/realization of the liabilities/assets of the previous businesses, the accounts of the Company have been drawn without following the going concern assumption.</p> <p><u>Auditors Remark – 2</u></p> <p>In the Auditor Report under point no. 2 of Basis for Qualified Audit Opinion, it has been stated that "Company has a sum of Rs. 6.43 lacs as recoverable</p>


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		<p>advances on account of sales tax and income tax refunds, which in view of long time lag, in our opinion, are not realisable and should have been written off. Therefore, the profit of the year and current assets are shown more by Rs. 6.43 lacs and deficit in statement of profit and loss account is shown less to that extent”.</p> <p><u>Board’s Reply</u></p> <p>The company is Pursuing the recovery of these dues from Sales Tax & Income Tax Department. In view of this, these amounts have not been written off as non-recoverable.</p> <p><u>Auditors Remark – 3</u></p> <p>In the Annexure to Auditor Report under point no. 7, it has been stated that “Consequent to cessation of operations in both the segments of the Company viz Vanaspati and the liquor division in the earlier years, the internal audit was not carried out by the company during the year, as explained to us, in view of the size and nature of the business carried on by the Company during the year”.</p> <p><u>Board’s Reply</u></p> <p>The explanation of the Directors on the above comment is as under:</p> <p>Since the Company did not have any continuing business operations except the trading of vanaspati/ refined oil during the year and the volume of transactions were very less, internal audit through an external agency was not carried out. However, the internal controls were adequately exercised keeping in view the volume of transactions during the year.</p>
4.	Frequency of qualification	Repetitive Audit Qualification
5.	To be signed by- <ul style="list-style-type: none"> • CEO /Managing Director • CFO • Auditor of the Company • Audit Committee Chairman 	 Mr. JK Jain (Audit Committee Chairman)

SURAJ INDUSTRIES LIMITED

21st ANNUAL REPORT
2012-2013

BOARD OF DIRECTOR

Chairman	Shri J.K. Jain
Whole Time Director	Shri Pradeep Gupta
Director	Shri Shashi Sharma
Company Secretary	Bhanumati Ramachandran
Bankers	Punjab National Bank
Auditors	M/s TAS Associates Chartered Accountants
Registered Office	Sansarpur Terrace, Distt. Kangra, Himachal Pradesh
Share Transfer Agent	Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062

Annual Report 2012-2013

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Notice

NOTICE is hereby given that the Twenty First Annual General Meeting of the members of **M/S SURAJ INDUSTRIES LIMITED** will be held on Monday, September 30, 2013 at 2.00 P.M. at the Registered Office of the Company at Sansarpur Terrace, Distt. Kangra, Himachal Pradesh to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Profit & Loss Account for the year ended on that date and report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shashi Sharma who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution thereof:

"**RESOLVED THAT** M/s Satendra Rawat & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at remuneration to be fixed by the Board of Directors."

NOTES:

- a) A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy in order to be effective must reach the Registered Office of the Company duly stamped, not less than 48 hours before the time fixed for the meeting. Proxy Form is enclosed.
- b) Members are requested to bring their copy of Annual Accounts at the meeting, as extra copies may not be available.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from Monday September 23, 2013 till Monday, the September 30, 2013. (Both days inclusive).
- d) Members desirous of obtaining any information concerning the accounts and operation of the Company requested to send their query to the Company at least 10 days before the date of the Annual General Meeting so that any information required by the members may be made available at the meeting.
- e) Members are requested to notify immediately any change in their address, quoting folio numbers to the Company.

**By Order of the Board
For Suraj Industries Limited**

**Place : Noida
Date : 05.09.2013**

**BHANUMATI RAMACHANDRAN
COMPANY SECRETARY**

Registered Office
Sansarpur Terrace,
Distt. Kangra,
Himachal Pradesh

Directors' Report

TO THE MEMBERS,

Your Directors hereby present their Twenty First Annual Report along with the Audited Statements of Account for the year ended March 31, 2013.

FINANCIAL RESULTS

Financial Results for the year's operations and the comparative figures of the previous year are summarised below:

	(Rs. In Lacs)	
	Year ended 2012-2013	Year ended 2011-2012
Income	-	-
Profit/(Loss)before Depreciation	(1.56)	0.97
Depreciation	0.34	0.34
Net Profit (Loss) after depreciation before tax	(1.90)	0.63
Provision for taxation		
Fringe Benefits Tax/Income Tax	-	-
Net Profit/(Loss) after tax	(1.90)	0.63
Profit/ (Loss) Brought Forward	(1039.54)	(1040.18)
Net Profit/ (Loss) Carried to Balance Sheet	(1041.44)	(1039.54)

During the year the Company has earned Nil income as against of Rs. 3.02 lacs in the previous year. Your management is taking efforts to increase the revenue of the Company.

As the Company suffered a loss of Rs. 1.90 lacs during the year, the total accumulated losses as on March 31, 2013 has increased to Rs. 1041.44 lacs as compared to 1039.54 lacs in the previous year.

DIVIDEND

In view of Financial Results of the Company, your Directors, are unable to recommend any dividend for the year under review. The Company shares are listed at Bombay Stock Exchange. The Company has paid the listing fees to Bombay Stock Exchange for the financial year 2012-2013.

DIRECTORS

Shri Shashi Sharma, Director retires by rotation and being eligible, offers himself for re- appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same except for the provision of Gratuity and Leave Encashment which have been accounted for on actual liability on the balance sheet date instead of the actuarial valuation (reference is invited to Note no. 1(a) and 17 of Balance Sheet). Since the going concern assumption is not followed in these accounts, the concept of actuarial valuation cannot be applied in the circumstances.

- That they have selected such accounting polices and applied them consistently and made judgements 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 2012-2013 and of the loss of the Company for that period.
- That they have 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 for preventing and detecting fraud and other irregularities.
- With the closure of all the business segments as mentioned in Note no. 1 under Basis for Qualified Audit Opinion of Auditor's Report, the accounts have been prepared not following the going concern assumption and all expenses of revenue nature incurred during the year relating to above segment have been charged off to Profit & Loss Account.

AUDIT COMMITTEE

Pursuant to the provisions of new Section 292A of the Companies Act, 1956, your Company has constituted the Audit Committee of the Board of Directors with the following composition.

- Shri J.K. Jain
- Shri Pradeep Gupta
- Shri Shashi Sharma

This Committee has reviewed the Accounts for the year ended March 31, 2013.

CORPORATE GOVERNANCE

Suraj Industries Limited continues to function in a transparent manner with the basic philosophy to create wealth, besides taking care of the interests of all stakeholders including Shareholders, Banks, Customers, Employees and the Society at large.

Your Company gives due emphasis on the adaptability to such procedures so as to ensure transparency, accountability & integrity in all respect. A separate section on Corporate Governance and a Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges form part of the Annual Report.

AUDITORS

M/s TAS Associates, Chartered Accountants, Auditors of the Company who hold office until the conclusion of ensuing Annual General Meeting have expressed their unwillingness to continue as Statutory Auditor of the Company.

It is proposed to appoint M/s Satendra Rawat & Co. as the Statutory Auditor of the Company. The Company has received a certificate from M/s Satendra Rawat & Co., Chartered Accountants u/s 224(1B) of the Companies Act, 1956 to act as Statutory Auditor of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting of the Company. The Board recommends their appointment.

Directors' Report

AUDIT REPORT

Auditors Remark - 1

In the Auditor Report under point no. 1 of Basis for Qualified Audit Opinion, it has been stated that "Attention is drawn to note no. 1(a) and note 17 of the Balance Sheet to the effect that the accounts have been prepared without following the going concern assumption on the closure & cessation of the two business segments by the Company and disposal of major assets of these discontinued segments in preceding years".

Board's Reply

The explanation of the Directors on the above comment is as under:

As the members are aware that the Company has exited from the edible oils business due to adverse market conditions and bleak prospects & all the workers and the employees employed at the factory at Sansarpur Terrace had resigned voluntarily. Thereafter looking at the bleak prospects, the Company had sold off its assets at the factory after taking permission from the members of the Company, to pay off its liabilities. Thereafter the Company ventured into marketing and distribution of liquor but the same has also been discontinued. Since at present the Company had no continuing business except for the liquidation/realization of the liabilities/assets of the previous businesses, the accounts of the Company have been drawn without following the going concern assumption.

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In the Auditor Report under point no. 2 of Basis for Qualified Audit Opinion, it has been stated that "Company has a sum of Rs. 6.43 lacs as recoverable advances on account of sales tax and income tax refunds, which in view of long time lag, in our opinion, are not realisable and should have been written off. Therefore, the profit of the year and current assets are shown more by Rs. 6.43 lacs and deficit in statement of profit and loss account is shown less to that extent".

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The company is Pursuing the recovery of these dues from Sales Tax & Income Tax Department. In view of this, these amounts have not been written off as non- recoverable.

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In the Annexure to Auditor Report under point no. 7, it has been stated that "Consequent to cessation of operations in both the segments of the Company viz Vanaspati and the liquor division in the earlier years, the internal audit was not carried out by the company during the year, as explained to us, in view of the size and nature of the business carried on by the Company during the year".

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The explanation of the Directors on the above comment is as under:

Since the Company did not have any continuing business operations except the trading of vanaspati/ refined oil during the year and the volume of transactions were very less, internal audit through an external agency was not carried out. However, the internal controls were adequately exercised keeping in view the volume of transactions during the year.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information as regards conservation of energy, technology and outgo required u/s 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Directors) Rules, 1988 is annexed hereto as per annexure and forms an integral part of the report.

PARTICULARS OF EMPLOYEES

During the year under review, no employees, whether employed for the whole or part of the year, was drawing remuneration exceeding the limits as laid down u/s 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended. Hence the details required under Section 217 (2A) are not given.

INSURANCE

All the insurable interest of the Company wherever required under legislative enactments are adequately insured.

INDUSTRIAL RELATIONS

The Industrial Relations have continued to be stable and harmonious during the course of the year.

ACKNOWLEDGEMENTS

We wish to place on record our sincere appreciation of the continued valuable assistance, co-operation, guidance and support provided to the Company by its bankers, Government of Himachal Pradesh and the local authorities.

In the end, your Directors wish to place on record their deep appreciation of the enthusiasm, initiative and hard work put in by the employees of the Company.

For and on behalf of the Board
For Suraj Industries Limited

(J.K. JAIN)

CHAIRMAN

DIN : 00120204

Place : NOIDA

Date : September 5, 2013

Annexure to the Directors' Report

ANNEXURE-I EARNING PER SHARE

INFORMATION AS PER SECTION 217(I)(e) READ WITH THE COMPANIES ANNEXURE - 1 DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2013:

I. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

- a. Details of total energy consumption and energy consumption per unit of production as per Form 'A' are given hereunder :

There has been no manufacturing activity in the Company since 2005 hence no information has been provided.

II. FOREIGN EXCHANGE EARNINGS & OUTGO:

Earnings	-	Nil
Outgo	-	Nil

For and on behalf of the Board
For Suraj Industries Limited

(J.K. JAIN)

CHAIRMAN

DIN : 00120204

Place : NOIDA

Date : September 5, 2013

Due to losses the earning per share is negative.

INTERNAL CONTROLS

The Company has adequate internal controls commensurate with its size and nature of business. These internal controls ensure optimum use and protection of available resources.

ENVIRONMENT CONSCIOUSNESS

The Company is environment conscious.

For and on behalf of the Board
For Suraj Industries Limited

(J.K. JAIN)

CHAIRMAN

DIN : 00120204

Place : NOIDA

Date : September 5, 2013

ANNEXURE TO DIRECTOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

Due to adverse market conditions and bleak prospects, the Company has exited from the edible oils business. The Company thereafter had ventured into marketing and distribution of liquor. But the same has also been discontinued due to bleak prospects.

The Company is now in the look out for some other business which can give it steady returns in the long run.

FINANCIAL PERFORMANCE

The Gross Revenue of the Company was Nil as against Rs. 3.02 lacs of last year. During the year, the Company suffered a loss of Rs 1.90 lacs as against the profit of Rs. 0.63 lacs of last year. The total accumulated loss carried to the Balance Sheet was Rs. 1041.44 lacs.

FINANCE COST

The financial charges for the year ended March 31, 2013 was Rs. 595 as against Rs. 544 of last year.

PROFIT & LOSS ACCOUNT

As on March 31, 2013 there was debit balance of Rs. 1041.44 lacs in the Profit & Loss Account as against Rs. 1039.54 lacs of last year.

Report on Corporate Governance

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and practice followed by the Company:

1. COMPANY'S PHILOSOPHY

Corporate Governance is an important cornerstone of our objective of creating shareholders value. The Company firmly believes in and has consistently practiced good corporate governance. Corporate Governance at the Company is practiced through a well structured organization and regulatory framework involving the Board of Directors, Committees of the Board, the Chairman and a team of Senior Executives. Our Corporate Governance Policies recognize the accountability of the Board and the importance of its decisions to all our consultants including investors, employees, bankers, etc. The Company's essential character and complexion are shaped by the very values of transparency, professionalism and accountability.

2. BOARD OF DIRECTORS

(a) Board Procedure :

During the financial year ended March 31, 2013, Five Board meetings were held on 14.05.2012, 13.08.2012, 03.09.2012, 12.11.2012 and 14.02.2013.

(b) Composition and Category of Board :

The Board of Directors as on March 31, 2013, consists of a majority of Non-Executive Independent Directors, many of them are acknowledged as leading professionals in their respective fields. In all the Board comprises of One (1) Executive Director, Two (2) Non Executive Independent Directors. The constitution of Board, as on March 31, 2013 is given below:-

3. AUDIT COMMITTEE

The Company had constituted an Audit Committee in the year January 2001. The Constitution of Audit Committee meets the requirements under Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. During the year, five Audit Committee meetings were held on 14.05.2012, 13.08.2012, 03.09.2012, 12.11.2012 and 14.02.2013.

The composition of Audit Committee as on March 31, 2013 is as follows:

Name of Director	Designation	Attendance at the meetings held during the year 2012-2013
Shri Pradeep Gupta	Director	-
Shri J.K Jain	Director	5
Shri Shashi Sharma	Director	5

Ms. Bhanumati Ramachandran, Company Secretary acts as Secretary of the Company.

The terms of reference to the Audit Committee include inter-alia the following:

- To review the quarterly, half years and annual financial statements before submission to the Board for approval.
- To discuss the Auditors about internal control system and to consider their observations and follow-up.

Name of Directors	Category	No. of positions held in other Public Companies			Attendance at Board Meetings held during the year 2012-2013	Attendance at last AGM
		Board	Committee			
			Membership	Chairmanship		
Shri J.K. Jain	Non Executive Independent Director	3	-	1	5	Yes
Shri Pradeep Gupta	Non Executive Director	-	-	-	-	No
Shri Shashi Sharma	Non Executive Independent Director	-	-	-	5	Yes

None of the Directors of the Company is a member of more than 10 committees or Chairman of more than five committees across all the companies in which they are Directors.

- (c) To ensure compliance of internal control system.
- (d) Reviewing with management the annual financial statements before submission to the board, focusing primarily on any changes in :
 - (i) Accounting policies and practices
 - (ii) Major accounting entries based on the exercise of judgment by management
 - (iii) Qualifications in the draft audit report
 - (iv) The going concern concept
 - (v) Compliance with accounting standards
 - (vi) Any related party transactions i.e. transactions of the Company of material nature, with promoters of the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
- (e) Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- (f) Reviewing the adequacy of internal audit functions.
- (g) Discussions with internal auditors any significant finding and follow up there on.
- (h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (i) Discussion with external auditors before the audit commences nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- (j) To investigate on any matter referred by the Board.

4. REMUNERATION COMMITTEE

The Board of Directors in their meeting held on April 27, 2002 constituted the Remuneration Committee comprises of two Directors. The scope of the Committee includes, inter alia, appointment, removal and compensation issues of key managerial personnel of the Company. The Remuneration Committee meets with the requirement under Schedule XIII of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

As on March 31, 2013 the committee comprises of one (1 Director viz. Shri Pradeep Gupta and two (2) Non-Executive Independent Directors viz. Shri J.K Jain as Chairman and Shri Shashi Sharma as member.

Remuneration paid to Directors

No Salary Paid.

5. INVESTORS' GRIEVANCE/ SHARE TRANSFER COMMITTEE

Pursuant to the Provisions of Clause 49 of the Listing Agreement, the Board has constituted a committee of three members under Chairmanship of Non Executive Director. The committee meets

time to time, to approve inter-alia, transfer/ transmission of shares, issue of duplicate share certificate and reviews the status of investors grievances and redressal mechanism and recommend measures to improve the level of investor services. Details of shares transfer/transmissions approved by the committee are placed at the Board Meetings from time to time.

COMPOSITION

The constitution of the committee of Share Transfer Committee is as under:-

- (1) Shri J.K. Jain : Chairman, Non Executive Director
- (2) Shri Pradeep Gupta : Member, Executive Director
- (3) Shri Shashi Sharma : Member, Non-executive Independent Director

Ms. Bhanumati Ramachandran, Company Secretary acts a Secretary of the Committee

DETAILS OF SHAREHOLDERS COMPLAINTS RECEIVED & REPLIED TO THE SATISFACTION OF SHAREHOLDERS

During the financial year 2012-13, the Company has resolved all the complaints received during the said period. There is no pending complaint relating to financial year 2012-13.

6. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under:-

Year	Location	Date	Time
2010	Sansarpur Terrace, Distt. Kangra, Himachal Pradesh	30.09.2010	3.30 PM
2011	Sansarpur Terrace, Distt. Kangra, Himachal Pradesh	30.09.2011	1.30 PM
2012	Sansarpur Terrace, Distt. Kangra, Himachal Pradesh	28.09.2012	3.00 PM

Postal Ballot

During the year under review no resolution was passed through postal ballot.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

7. DISCLOSURES

- (a) Disclosures on materially significant related party transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company at large.

None of the transactions with any of the related parties were in conflict with the interests of the Company.

- (b) Details of non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange of SEBI of any Statutory Authority, on any matter related to capital markets, during the last three years.

No penalties, strictures were imposed on the Company by Stock Exchange of SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.

8. MEANS OF COMMUNICATION

- (a) The quarterly / half yearly results are forthwith communicated to all Stock Exchanges with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. The results are being published in the leading newspapers in terms of the Listing Agreement.

9. GENERAL SHAREHOLDER INFORMATION

- (a) Annual General Meeting

Date and Time : 30.09.2013 2:00 P.M.
Venue : Sansarpur Terrace, Distt. Kangra, Himachal Pradesh

- (b) Book closure date : 23.09.2013 to 30.09.2013

- (c) Dividend payment date : N.A

- (d) Stock Exchanges at which Shares of the Company are Listed. : The Stock Exchange, Mumbai

- (e) Stock Code : Code
The Stock Exchange, Mumbai : 016791

- (f) Stock Market Data

The Company's shares are not actively traded in the stock Exchanges where they are listed.

- (g) Share price performance in comparison to broad based indices.

No information received from the stock exchanges.

- (h) Registrar and Transfer Agent

Beetel Financial & Computer Services (P) Ltd
Beetel House, 3rd Floor,
99, Madangir, New Delhi- 110062

- (i) Share Transfer System

Transfers of shares in physical form are registered and dispatched within 15 days from the date of their receipt, subject to the documents being valid and complete in all respects. In case of objection, the same are also dispatched within 3 weeks.

- (j) Distribution of Shareholding as on March 31, 2013

No. of equity shares held	No. of Share holders	% of share holders	No. of shares held	% of shares holding
1 to 5000	16575	99.02	1778160	24.02
5001 to 10000	84	0.50	68000	0.92
10001 to 20000	20	0.12	30500	0.41
20001 to 30000	5	0.03	11400	0.15
30001 to 40000	2	0.01	6800	0.09
40001 to 50000	33	0.20	163300	2.21
50001 to 100000	3	0.02	25700	0.35
100001 to above	17	0.10	5316140	71.84
Grand Total	16739	100.00	7400000	100.00

Shareholding pattern as on March 31, 2013

S.N.	Category	No. of Shares held	% of holding
A.	Promoters holding	2723050	36.80
B.	Non-promoters holding		
1	Institutional Investors- Banks	100	0.00
2	Others		
	i) Body Corporate	740100	10.01
	ii) Indian Public	3936750	53.19
	iii) NRIs/OCBs		
	Sub-total (B)	4676950	63.20
	Grand Total	7400000	100

- (k) Dematerialization of Shares and Liquidity:

The Shareholders in the Annual General Meeting held on 24th December, 2002 approved for dematerialization of shares. The Company there after applied NSDL/CDSL for listing of shares but the same was declined by CDSL/NSDL.

- (l) Outstanding GDRs/ADRs/Warrants or Convertible Instruments, conversion

Date and likely impact on Equity : Not Applicable

Plant Location : Sansarpur Terrace, Distt. Kangra, Himachal Pradesh

Address for Investor correspondence and for a : Sansarpur Terrace, Distt. Kangra, Himachal Pradesh

**By Order of the Board
For Suraj Industries Limited**

J.K. Jain

Director

DIN: 00120204

**Place : Noida
Date : 05.09.2013**

Registered Office : Sansarpur Terrace, Distt. Kangra, Himachal Pradesh

Corporate Governance Certificate

Manoj Verma & Associates
Company Secretaries

**D-591, F.F, Sector-1,
Rohini, Delhi-110085
Mb. No.09958865446
Email: mkv965@yahoo.com**

To the Members of M/s Suraj Industries Limited

We have examined the compliance of the conditions of Corporate Governance by **M/s Suraj Industries Limited** for the year ended on March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

We state that no investor grievances is pending for a period exceeding one month against the company as per the records maintained by the Shareholders/Investors grievance Committee.

We further state that such compliances are neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Manoj Verma & Associates
Company Secretaries

Manoj Kumar Verma
Practising Company Secretary
CP- 8275
ACS-23166

Date : September 5, 2013
Place : New Delhi

Independent Audit Report

INDEPENDENT AUDITOR'S REPORT

To the Members of Suraj Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Suraj Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date 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, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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 qualified audit opinion.

Basis for Qualified Audit Opinion

1. Attention is drawn to note no 1(a) and Note 17 of the Balance sheet to the effect that these accounts have been prepared without following the going concern assumption on the closure & cessation of the two business segments by the company and disposal of major assets of these discontinued segments in preceding years.
2. Company has a sum of Rs 6.43 lacs as recoverable advances on account of sales tax and income tax refunds, which in view of long time lag, in our opinion, are not realisable and should have been written off. Therefore, the profit of the year and current assets are shown more by Rs 6.43 lacs and deficit in Statement of profit & loss account is shown less to that extent.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accompanying 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 at March 31, 2013;
- b) in the case of the Statement of Profit & Loss, of the loss for the year ended on that date; and
- c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date

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 enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said 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, the Statement of Profit & Loss and Cash Flow statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956,;
 - (e) On the basis of written representation received from the Directors as on March 31, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

For TAS ASSOCIATES

Chartered Accountants
(Firm Registration No: 10520N)

(MUKESH AGRAWAL)

Partner

M. No. : 090582

Place : New Delhi

Date : 31.05.2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) During the year, Fixed assets of the Company have been physically verified by the management which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. As mentioned to us no serious discrepancies were noticed by the management on such verification.
c) The company has disposed off major part of its fixed assets being land during the previous year affecting the going concern assumption.
2. a) Since there is no inventory as at the end of the year with the company hence clause relating to physical verification and maintaining of proper records of inventory is not applicable for the year.
3. a) The company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore point no 4(iii) (b), (c) and (d) of Companies (Auditors report) order 2003 are not applicable.
b) There are no companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 to which the company has granted loans. Therefore point no 4(iii) (f), and (g) of Companies (Auditors report) order 2003 are not applicable.
4. 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 the nature of its business for the purpose of purchase and sale of goods, material, fixed assets and services. During the course of our audit, on random test check basis, no major weakness has been noticed in the internal controls in respect of these areas.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
b) According to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of five lakhs rupees, in respect of any party during the year.
6. To the best of our knowledge & belief and according to information & explanations given to us, the company has complied with the provisions of sections 58A, 58AA and other applicable provisions of the Companies Act, 1956 and rules framed thereunder, wherever applicable, for accepting deposits from public.
7. Consequent to cessation of operations in both the segments of the company viz Vanaspati and the liquor division in the earlier years, the internal audit was not carried out by the company during the year, as explained to us, in view of the size and nature of the business carried on by the company during the year.
8. Pursuant to the rules made by the Central Government for the maintenance of cost records in respect of the Vanaspati segment, under section 209 (1) (d) of the Companies Act, 1956, we are of the opinion that, prima facie, the prescribed accounts and records, relating to materials, labour and other items of cost, have not been made and maintained for the year as there was no manufacturing activity for the year under review.
9. a) According to the records of the company, the company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.
b) According to the records of the company and information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Service Tax, Wealth Tax, Excise Duty and Cess on account of any dispute.
10. The company has accumulated losses of Rs. 815.46 lacs (Rs. 813.56 Lacs in Previous year), which are more than fifty percent of its net worth as at March 31st 2012. It has incurred cash loss of Rs 1.56 lacs during the current year but in previous year it had a cash profit.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks. However, there are no dues payable to financial institutions or debenture holders.
12. According to information and explanations given to us and based on the documents and records produced before us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, there is no special statute applicable to the company, hence provisions related to requirement of NOF, prudential norms for income recognition, appraisal of credit proposal etc. are not required to be complied by the company.
14. Based on our examination of the records, in our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause regarding proper records of transactions and contracts in respect of shares etc., is not applicable to the company.
15. Based on our audit procedure and on the information and explanations given by management, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. In our opinion, the term loans have been applied for the purpose for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that on the Balance Sheet date, the company has not raised any funds on short term basis which have been used for long-term investments by the company and vice versa.
18. According to the information and explanation given to us, the company has not made any preferential allotment of shares during the year.
19. The company has not issued any debentures during the year.
20. The company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For TAS ASSOCIATES
Chartered Accountants
(Firm Registration No: 10520N)

(MUKESH AGRAWAL)

Place : New Delhi
Date : 31.05.2013

Partner
M. No.: 090582

Balance Sheet as at 31st March, 2013

(Figures in ₹)

PARTICULARS	Notes	As At 31.03.2013	As At 31.03.2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	73,430,000	73,430,000
(b) Reserves and surplus	3	(81,546,161)	(81,356,094)
2 Current liabilities			
(a) Short Term Borrowings	4	11,354,000	11,354,000
(b) Trade payables		18,307,128	18,326,337
(c) Other current liabilities		500,419	500,729
(d) Short-term provisions		196,106	146,134
TOTAL		22,241,492	22,401,106
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	5	365,997	399,731
(ii) Intangible assets		-	-
2 Current assets			
(a) Trade receivables	6	-	-
(b) Cash and cash equivalents	7	216,123	247,003
(c) Short-term loans and advances	8	19,043,169	19,043,169
(d) Other current assets	9	2,616,203	2,711,203
TOTAL		22,241,492	22,401,106

Significant Accounting Policies and
Notes form part of these financial statements
This is the balance sheet referred to in our report of even date

For TAS Associates
Chartered Accountants
FRN- 010520N

(Mukesh Agarwal)
(Partner)
M. No. - 090582

Date : 30.05.2013
Place : Noida

For & on behalf of Board of Directors

J K Jain
(Director)
DIN- 00120204

Shashi Sharma
(Director)
DIN- 03467752

Profit and Loss Statement for the Year Ended 31st March 2013

(Figures in ₹)

PARTICULARS	Notes	2012-13	2011-12
I. Revenue from operations- Sale of Goods		-	-
II. Other income	10	-	302,105
III. Total Revenue (I + II)		-	302,105
IV. Expenses:			
Employee benefits expense	11	27,500	29,015
Finance costs	12	595	544
Depreciation and amortization expense	5	33,734	33,734
Other expenses	13	128,238	175,145
Total expenses		190,067	238,438
V. Profit before exceptional and extraordinary items and tax (III-IV)		(190,067)	63,667
VI. Exceptional items		-	-
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		(190,067)	63,667
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		(190,067)	63,667
X Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI Profit (Loss) for the period from continuing operations (VII-VIII)		-	-
XII Profit/(loss) from discontinuing operations		(190,067)	63,667
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		(190,067)	63,667
XV Profit (Loss) for the period (XI + XIV)		(190,067)	63,667
XVI Earnings per equity share (Refer Note 31):			
(1) Basic		(0.03)	0.01
(2) Diluted		(0.03)	0.01

Significant Accounting Policies and

1

Notes form part of these financial statements

2 To 27

This is the Statement of Profit & Loss referred to in our report of even date

For TAS Associates
Chartered Accountants
FRN- 010520N

For & on behalf of Board of Directors

(Mukesh Agarwal)
(Partner)
M. No. - 090582

J K Jain
(Director)
DIN- 00120204

Date : 30.05.2013
Place : Noida

Shashi Sharma
(Director)
DIN- 03467752

Cash Flow Statement for the Year ended 31st March 2013

(Figures in ₹)

PARTICULARS	2012-13	2011-12
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	(190,067)	63,667
Adjustment for:		
Depreciation	33,734	33,734
Operating Profit before Working Capital Changes	(156,333)	97,401
Adjustment for:		
Trade & Other Receivables	95,000	(983,716)
Trade Payables & Other Liabilities	30,453	(745,826)
Cash Generated from Operations	(30,880)	(1,632,141)
Less: Taxes Paid	-	-
Net Cash from Operating Activities.....A	(30,880)	(1,632,141)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash from Investing Activities.....B	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash from Financing Activities.....C	-	-
D) NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A + B + C)	(30,880)	(1,632,141)
Opening Cash & Cash Equivalents	247,003	1,879,144
Closing Cash & Cash Equivalents	216,123	247,003

NOTE: Figures in Brackets represent outflows.

As per our report of even date attached.

For TAS Associates
Chartered Accountants
FRN- 010520N

(Mukesh Agarwal)
(Partner)
M. No. - 090582

Date : 30.05.2013
Place : Noida

For & on behalf of Board of Directors

J K Jain
(Director)
DIN- 00120204

Shashi Sharma
(Director)
DIN- 03467752

Notes to the Financial Statements the Year ended 31st March 2013

Note 1 SIGNIFICANT ACCOUNTING POLICIES

a) ACCOUNTING CONVENTION

The financial statements are prepared under the historic cost convention, without following the on going concern assumption in view of the discontinued operations & cessation of business activities, in accordance with the applicable accounting standards as specified under Companies (Accounting Standards) Rules 2006.

b) RECOGNITION OF INCOME AND EXPENDITURE

Revenues/Incomes and Cost/Expenditures are accounted on accrual as they are earned or incurred in accordance with the generally accepted accounting principles, Accounting Standard and provisions of the Companies Act, 1956. The service charges are recognised at gross amount received / receivable on completion of performance or receipt, whichever is earlier.

c) RETIREMENT AND PENSION BENEFITS

- i) Retirement benefits in the form of Provident fund and Family Pension fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii) Gratuity is a defined benefit obligation. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.
- iii) Long term compensated balances in the form of leave encashment are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- iv) Actuarial gains/losses are debited to profit and loss account and are not deferred.

d) FIXED ASSETS

- i) Fixed Assets are stated at cost, less accumulated depreciation other than 'Leasehold Land', where no amortization is made. The cost includes taxes, duties, freight and other incidental expenses related to acquisition, installation and commissioning.
- ii) Capital subsidies, if any, on acquisition of specified fixed assets are reduced from the original cost and the net amount are adopted as the historical cost of gross block and depreciated accordingly.
- iii) Capital work in progress is capitalized as fixed assets on the date of commissioning of the asset.

e) METHOD OF DEPRECIATION AND AMORTISATION:

- i) a) Depreciation on Fixed Assets is provided at the relevant rates of depreciation in respect of Straight Line Method as specified in Schedule XIV to the Companies Act, 1956;
b) The depreciation on assets costing up to Rs.5,000 are depreciated at the rate of hundred percent on pro-rata basis. However where the aggregate cost of individual items of plant and machinery, costing up to Rs.5,000, constitutes more than 10% of the total actual cost of Plant & Machinery, rates of depreciation on such items have been charged as specified in the schedule.
- ii) Depreciation on additions to assets or on sale/ discardment of assets is calculated pro-rata from the date of such addition or up to the date of such sale/ discardment, as the case may be.
- iii) No amounts are written off against Leasehold Land by way of amortization.
- iv) An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

f) VALUATION OF INVENTORIES :

- i) Raw Material, Packing Material- At cost
- ii) Finished Goods (Including Goods in Transit)- At cost or net realisable value
- iii) Stock in Process- At cost
- iv) By Products- At net realisable value
- v) Loose Tools- At cost and charged off when discarded

In the above, cost is arrived at by weighted average cost method and in case of Finished Goods and Stock in Process it also includes manufacturing & related establishment overheads, interest and depreciation.

g) INCOME TAX

Provision for current Income Tax is made on the basis of estimated taxable income after taking into consideration, estimates of benefits admissible under the provisions of Income Tax, 1961. The company provides for deferred tax liability (after netting off deferred tax assets), based on the tax effect of timing difference resulting from the recognition of items in the financial statements. Deferred tax assets (after, netting of deferred tax liabilities), are generally not recognized unless there is strong circumstances exists for its adjustment/realization in near future.

h) SEGMENT REPORTING:

The segment reporting, if any & to the extent identified, is made in accordance with the company's accounting policies as enumerated above unless otherwise separately stated along with the segment results.

i) PROVISIONS AND CONTINGENT LIABILITIES:

- i) A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.
- ii) The disclosure is made for all possible or present obligations that may but probably will not required outflow of resources, as contingent liability in the financial statements.

Note 2 Share Capital

Particulars	As at 31st March 2013		As at 31st March 2012	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs 10/- each	10,000,000	10,000,000	10,000,000	10,000,000
Issued, Subscribed				
Equity Shares of Rs 10/- each	7,400,000	7,400,000	7,400,000	7,400,000
Paid up				
Equity Shares of Rs 10/- each fully paid	7,286,000	72,860,000	7,286,000	72,860,000
Equity Shares of Rs 10/- each fully paid	7,286,000	72,860,000	7,286,000	72,860,000
Equity Shares of Rs 10/- each fully paid	7,286,000	72,860,000	7,286,000	72,860,000
(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year				
Particulars	31.03.2013		31.03.2012	
	No. of Shares	Rs.	No. of Shares	Rs.
Equity shares outstanding at the beginning of the year	7,286,000	72,860,000	7,286,000	72,860,000
Equity shares Issued during the year	-	-	-	-
Equity shares bought back during the year	-	-	-	-
Equity shares outstanding at the end of the year	7,286,000	72,860,000	7,286,000	72,860,000
(b) Details of shareholders holding more than 5% Equity Shares in the Company				
Particulars	31.03.2013		31.03.2012	
	Holding %	No. of Shares held	Holding %	No. of Shares held
SURAJ GUPTA	36.15	2,675,030	36.15	2,675,030
DELHI LIQUORS LIMITED	7.60	562,500	7.60	562,500
SUSHIL KUMAR	5.06	374,500	5.06	374,500

(c) "The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and has a right to receive dividend as recommended by the board of directors subject to the necessary approval from the shareholders."

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the paid up amount per equity shares held by the shareholders."

Note 3 Reserves & Surplus

(Figures in ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Capital Reserve As per Last Year	22,598,507	22,598,507
Surplus / (Deficit) in the Statement of Profit & Loss		
Opening Balance	(103,954,601)	(104,018,268)
Net Profit/(Net Loss) for the current year	(190,067)	63,667
Closing Balance	(104,144,668)	(103,954,601)
Total	(81,546,161)	(81,356,094)

Note 4 Current Liabilities

(Figures in ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
Short Term Borrowings		
Other Unsecured Loans (Interest Free)		
- From Bodies Corporate*	10,929,000	10,929,000
- From Others*	425,000	425,000
	11,354,000	11,354,000
<u>Terms of repayment*</u>		
All loans are interest free without any specific terms of repayment.		
Trade Payables [Due to SME -Nil]	18,307,128	18,326,337
[Refer to Note - 19(a) and (b)]		
Other current liabilities:		
Security Deposits (Interest Free)	500000	500000
TDS Payable	0	310
VAT/CST Payable	419	419
	500419	500729
Short Term Provisions:		
Other provisions:		
Salary & Wages Payable	-	11,000
Provision for employee benefits	66,517	65,417
Provident Fund Payable	37,400	-
Provision for expenses	92,189	69,717
	196,106	146,134
Total	30,357,653	30,327,200

NOTE - 5 - FIXED ASSETS

(Figures in ₹)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	AS AT 01.04.2012	ADDITIONS DURING THE YEAR	DISPOSALS DURING	AS AT 31.03.2013	AS AT 01.04.2012	CHARGES FOR THE YEAR	ON DISPOSALS	AS AT 31.03.2013	AS AT 31.03.2012	
TANGIBLE ASSETS:										
Other Equipments & Appliances	334,200	-	-	334,200	106,607	17,859	-	209,734	124,466	227,593
Furniture & Fixtures	282,125	-	-	282,125	109,987	15,875	-	156,263	125,862	172,138
T O T A L	616,325	-	-	616,325	216,594	33,734	-	365,997	250,328	399,731
Previous year figures	616,325	-	-	616,325	182,860	33,734	-	399,731	216,594	433,465

Note 6 Trade Receivables**(Figures in ₹)**

Particulars	As at 31st March 2013	As at 31st March 2012
Trade Receivables (Unsecured, considered good)		
a) Outstanding for more than six months	-	-
b) Outstanding for less than six months	-	-
Total	-	-

Note 7 Cash & Cash Equivalents

Cash on Hand	178,557	208,557
Balances with Banks in Current Accounts	37,566	38,446
Total	216,123	247,003

Note 8 Short Term Loans & Advances

Other Advances (Unsecured, considered good)	19,043,169	19,043,169
Total	19,043,169	19,043,169

Note 9 Other Current Assets

Sales Tax Deposit under protest	275,000	275,000
Unrealised Stock Invest*	99,000	99,000
Income Tax Deducted at Source	269,129	269,129
Share Application Money Given	1,973,074	2,068,074
Total	2,616,203	2,711,203

*Stock invest pertaining to Share application money for 10,300 equity Shares (Previous year 10,300 equity shares) of Rs. 10/- each were returned unrealized by the Bankers and the same were allotted and included in Share Capital during the financial year 1993-94 as part of Company's maiden public issue. Out of these shares, the company has to still receive a sum of Rs. 99,000 as on 31.03.2013 as per details given below:

- On 9,500 Shares @ Rs. 10/- each amounting to Rs. 95,000
- On 800 Shares @ Rs. 5/- each (Rs. 5/- each paid on allotment) amounting to Rs. 4,000

Note 10 Trade Receivables

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Debts no longer payable (Net)	-	302,105
Total	-	302,105

Note 11 Employees Benefit Expense

(a) Salaries and incentives	27,500	27,500
(b) Staff welfare expenses	-	1,515
Total	27,500	29,015

Note 12 Finance Cost

a) Interest Cost	-	-
b) Other Borrowing Costs	595	544
Total	595	544

Note 13 Other Expenses

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
Printing & Stationery	-	12,181
Legal, Professional & Consultancy	2,500	41,303
Advertisement & Publicity	67,143	66,026
Fee & Taxes	28,090	35,300
Auditors Remuneration	22,472	16,854
Other Expenses	8,033	3,481
Total 128,238	175,145	

Note 14 Payment to Auditor

a) Audit Fee (including Service Tax)	22,472	16,854
Total	22,472	16,854

Note 15 In the opinion of the board, the current assets, loans & advances have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated in the balance sheet as at 31.03.2012.

Note 16 The balances of some of the Sundry Creditors, Loans & Advances are subject to letters of confirmations without expecting any major deviations to affect materiality of these accounts.

Note 17 Upto the end of the previous reporting period, the Company had two business segments viz. (i) Manufacturing of Vanaspati; (ii) Liquor, identified as discontinued operations. During the previous year, the discontinued operations were completed and the remaining assets or liabilities which continue after the discontinued operations are completed, have been eliminated from the disclosures of Discontinued operations. After the completion of said discontinued operations were completed, the company has not yet commenced any new sustainable business activity and therefore these accounts have been prepared on the same basis without following the going concern assumption as in the previous years. In view of these facts, the company has not identified any separate business segment for its review and disclosures. The intermittent trading operations, if any, which may be non-recurring and casual in nature, has not been considered as a separate business segment for the purpose of reviewing its operations.

Note 18 The company has a defined benefit gratuity plan & leave encashment as long term benefits to employees. In view of the limited number of employees left on discontinued operations of the company, the actuarial valuation has not been carried out during the year for such long term benefits. However, in compliance of AS-15, a reasonable estimate of company's liability towards such long term benefits to all the employees, has been made on the presumption as if all are retiring on the balance sheet date.

Note 19 a) Small Scale Industrial Undertakings to whom amounts are due have been determined based on the information available with the company, included in creditors.

b) The Company has not received the required information from Suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.

Note 20 Related Party Disclosure

The information given below is only in respect of the transactions entered into by the company or any outstanding, during the year with the related parties.

A) Names of the Related parties and description of relationship

Key Managerial Personnel

- J K Jain, Director
- Shashi Sharma, Director
- Pradeep Gupta, Director

B) Transactions during the year with the Related Parties:

Transaction	2012-13 31st March 2013	For the year ended 31st March 2012
No Transaction	-	-

Note 21 Deferred Tax:

Major components of Deferred Tax Asset (net) arising on account of timing difference are as under:

	2012-13 Rs. in Lacs	2011-12 Rs. in Lacs
<u>Deferred Tax Liabilities</u>		
Fixed Assets	0.52	0.56
Total	0.52	0.56
<u>Deferred Tax Assets</u>		
Provision for Gratuity, Bonus & Leave Encashment	0.21	0.20
Unabsorbed depreciation and business losses as per IT	50.30	131.00
Total	50.51	131.20
Accumulated Net Deferred Tax Assets	49.98	130.64

In view of the continuing business losses & accounting policy of the company, the net deferred tax asset for the year has not been recognized, as the same does not appear to be realizable in near future.

Note 22 PROVISION FOR INCOME TAX

The provision for the current Income Tax is not considered necessary for the financial year 2011-2012 in view of the brought forward business loss, unabsorbed depreciation allowance, other deductions and benefits under the provisions of Income Tax Act, 1961.

Note 23 Expenditure in Foreign Currency during the year- Nil (Previous Year Nil)

Note 24 Value of Imports on CIF Basis- Nil (Previous Year Nil)

Note 25 Value of imported and indigenous raw materials, stores, spare parts and components consumed -Nil (Previous Year Nil)

Note 26 BASIC AND DILUTED EARNING PER SHARE

The Basic and Diluted Earning Per Share has been arrived as follows:

Particulars	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
Profit for the year after extra-ordinary items	(190,067)	63,667
Profit for the year before extra-ordinary items	(190,067)	63,667
No. of weighted average equity shares (Basic & Diluted)	7,343,000	7,343,000
BASIC & DILUTED EARNING PER SHARE (Rs.)		
Before extra-ordinary items	(0.03)	0.01
After extra-ordinary items	(0.03)	0.01

Note 27 The previous year's figures have been re-classified/re-grouped wherever required to conform with the current year's figures.

For TAS Associates
Chartered Accountants
FRN- 010520N

(Mukesh Agarwal)
(Partner)
M. No. - 090582

Date : 30.05.2013
Place : Noida

For & on behalf of Board of Directors

J K Jain
(Director)
DIN- 00120204

Shashi Sharma
(Director)
DIN- 03467752

SURAJ INDUSTRIES LIMITED

Registered Office: Sansarpur Terrace, Distt. Kangra, HP.

ATTENDANCE CARD

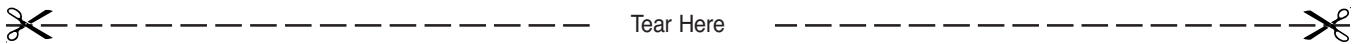
ANNUAL GENERAL MEETING

Folio No. :	No. of Shares :
Name :	
Address :	

I hereby record my presence at the Twenty First Annual General Meeting of the Company being held at 2:00 p.m. on Monday the 30th Day of September, 2013 at its registered office at Sansarpur Terrace, Distt. Kangra, HP.

Proxy's Name	
Proxy's Signature	Member's Signature

NOTE : Members are requested to communicate changes, if any, in the address registered with the Company to the Corporate Office of the Company.



SURAJ INDUSTRIES LIMITED

Registered Office: Sansarpur Terrace, Distt. Kangra, HP.

FORM OF PROXY

I/We.....of.....being a member/members of Suraj Industries Limited hereby appoint.....as my/our proxy to vote for me/us on my/our behalf at the Twenty First Annual General Meeting of the Company being held at 2:00 p.m. on Monday the 30th Day of September, 2013 at its registered office at Sansarpur Terrace, Distt. Kangra, HP.

Dated this Day of, 2013

Proxy No.....

Members Signature.....

Registered Folio No. of Share.....



Notes :

1. The proxy form must be deposited at the registered office of the company not less than 48 hours before the time fixed for holding the meeting.
2. A proxy needs not to be a member of the Company.