

# S R K INDUSTRIES LIMITED

Corporate Office : F-35, Shagun Arcade, Film City Road, Dindoshi, Malad (E), Mumbai - 400 097 (India)  
Telefax : 022-2840 8897 • Email : rcjain13@srkindltd.co.in



## FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	S R K Industries Limited
2.	Annual financial statements for the year ended	31st March, 2013
3.	Type of Audit observation	Un-qualified / Matter of Emphasis
4.	Frequency of observation	Whether appeared first time .... / repetitive .... / since how long period - - - - - N.A
5.	To be signed by-	
	<ul style="list-style-type: none"><li>• CEO/Managing Director</li></ul>	For S R K Industries Limited Rakeshchand M. Jain ( <u>Rakesh Jain</u> ) Managing Director
	<ul style="list-style-type: none"><li>• CFO</li></ul>	N.A
	<ul style="list-style-type: none"><li>• Auditor of the company</li></ul>	S. Ganesh ( <u>S. Ganesh</u> )
	<ul style="list-style-type: none"><li>• Audit Committee Chairman</li></ul>	Kamal Jain ( <u>Kamal Jain</u> )



**SRK S R K Industries Limited**

**COIMBATORE**

**22<sup>nd</sup> ANNUAL REPORT  
2012 - 2013**

## **S R K INDUSTRIES LIMITED**

### **BOARD OF DIRECTORS**

Managing Director	Mr. Rakeshchand M. Jain
Director	Mr. Kamal S. Jain
	Mr. H.P. Chourasia
	Mr. S.L. Ozha

### **STATUTORY AUDITORS**

Shri S. Ganesh  
Chartered Accountants  
55, Rangai Gowder Street,  
Coimbatore-641 001

### **REGISTERED OFFICE**

3/42, Palaniappa Nagar,  
Ramanathapuram  
Coimbatore – 641 045

### **REGISTRAR AND SHARE TRANSFER AGENTS**

Purva Sharegistry (India) Pvt Ltd  
9, Shiv Shakti Industrial Estate,  
J. R. Boricha Marg,  
Lower Parel (E)  
Mumbai - 400 011

### **BANKERS**

Yes Bank  
Horniman Circle, Fort  
Mumbai - 400 001

**NOTICE**

**NOTICE** is hereby given that 22<sup>nd</sup> Annual General Meeting of the members of S R K Industries Limited will be held on Friday, September 13, 2013 at 11.30 AM at 11/5 D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641402, Tamil Nadu, to transact the following business :

**ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2013, the Profit and Loss account for the year ended on that date, together Director's report and the Auditor's Report and Auditors compliance Report thereon.
2. To elect a Director in place of Shri Kamal S. Jain who retires by rotation at this meeting and being eligible offers himself for re-election.
3. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as an Ordinary Resolution :

**"RESOLVED THAT** Mr. S. L. Ojha, who was appointed as an Additional Director with effect from 6th August, 2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and Article 161 of Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the Company."

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

**"RESOLVED THAT** Mr. H. P. Choursia, who was appointed as an Additional Directors with effect from 6th August, 2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and Article 161 of Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the Company."

**SPECIAL BUSINESS**

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

**"RESOLVED** that pursuant to the provisions of Sections 224,225 and other applicable provisions, if any, of the Companies Act, 1956, Messrs Vasu & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring Auditors Messrs Shri S Ganesh, Chartered Accountants, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors."

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

**"RESOLVED THAT** upon the recommendation of the Board of Directors (herein after referred to as "the Board" which term shall be deemed to include any Committee of the Board of Directors formed for the time being to exercise the powers conferred on the Board of Directors in this behalf) and pursuant to Articles of Association

of the Company and subject to all the applicable provisions of the Companies Act, 1956, including any amendment thereto or re-enactment thereof for the time being in force and subject to such approvals, permissions and/or sanctions of Reserve Bank of India, SEBI, Stock Exchange(s) and other appropriate authorities/institutions as may be applicable and subject to such conditions or guidelines, if any, prescribed or stipulated by SEBI and other concerned authorities or any of them from time to time, the approval of shareholders be and is hereby obtained for conversion/sub division of each equity share of the face value of Rs. 10/- each fully paid up in the capital of the Company into two fully paid up equity shares of Rs.5/- each;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to decide a date (hereinafter to be referred as "Record Date") for the purpose of identifying the shareholders for said sub-division of shares;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to call back the existing share certificates from the shareholders holding shares in physical form as on Record Date and to issue in cancellation thereof, new share certificates in the aforesaid proportion subject to rules laid down in the Companies (Issue of Share Certificates) Rules, 1960 and the Articles of Association, and to credit the sub-divided shares in place of existing shares of the shareholders holding shares in demat form as on Record Date through execution of Corporate Action with Depositories.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubt that may arise in relation thereto or as the Board in its absolute discretion may think fit and its decision shall be final and binding on all members and other interested persons."

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

**"RESOLVED THAT** pursuant to the provisions of Section 16, 94 and 95 of the Companies Act, 1956 and pursuant to Articles of Association of the Company and subject to all the applicable provisions of the Companies Act, 1956, including any amendment thereto or re-enactment thereof for the time being in force and subject to such approvals, permissions and/or sanctions of Reserve Bank of India SEBI, Stock Exchange(s) and other appropriate authorities/institutions as may be applicable and subject to such conditions or guidelines, if any, prescribed or stipulated by SEBI and other concerned authorities or any of them from time to time, the Capital Clause of Memorandum of Association be and is hereby altered and amended and existing clause V of the Memorandum of Association of the Company, be deleted by substitution in its place the following clause as new Clause V:

"The Authorised Share Capital of the Company is Rs. 42,61,70,000/- (Rupees forty two crore sixty one lacs seventy Thousand Only) divided into 85,234,000 (Eight Crore Fifty Two Lacs Thirty Four Thousand) Equity shares of Rs. 5/- (Rupees Five Only) each with such rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company and to divide the shares in the capital for

the time being into several classes and to classify and re-classify such shares into several class or classes and attach thereto respectively such preferential, deferred, qualified, or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company or legislative provisions for the time being in force on that behalf and to vary, modify, restrict or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

The Minimum Paid Up Capital of the Company is Rs. 500,000 (Rupees Five Lacs only)

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

"**RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company, be and is hereby altered by deleting the existing Article 3 and substituting in its place and instead thereof, the following new Article 3:

"The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may from time to time, be provided in Clause V of the Memorandum of Association with power to increase the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law".

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

"**RESOLVED THAT** subject to the provisions of Section 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force, the consent of shareholders be and is hereby accorded for the appointment of Mr. Rakeshchand M. Jain as the Managing Director of the Company for a period of three years w.e.f. 1st February, 2013 on the following terms of remuneration:

- i. Basic Salary: Rs. 25,000/- p.m.
- ii. Medical: Reimbursement of medical expenses for self and family subject to maximum of one month's basic salary for a year. Notwithstanding the ceiling specified in this clause, if reimbursement of expenses under this clause claimed is less than the specified limit, the balance shall be added to the personal allowance on an annual basis.
- iii. Leave Travel Allowance : As per the provisions of Income Tax Act, 1961.
- iv. Insurance: As per the policy of the Company.
- v. Leave: - Full pay leave for 30 days per annum.
- vi. Provident Fund: Contribution to Provident Fund / Annuity Fund/ Superannuation Fund or allowance as per policy of the Company if applicable.
- vii. Gratuity: In accordance with the policy of the Company.
- viii. Telephone: Actual Basis subject to maximum Rs. 7500/- per month.
- ix. Car: Driver's salary subject to maximum of Rs. 10,000/- per month.
- x. Car: Petrol Expenses subject to maximum of Rs. 35,000/- per month

**RESOLVED FURTHER THAT** the gross remuneration to be paid to Mr. Rakeshchand M. Jain be increased, augmented and /or enhanced subject to

the aforesaid provisions and applicable approvals upto 20% per annum, effective from April 1, 2014.

**RESOLVED FURTHER THAT** in case of absence or inadequacy of profits for any financial year, Mr. Rakeshchand M. Jain shall subject to approval from the Central Government. If any required be paid remuneration by way of salary and perquisites as specified above, subject to the restrictions, if any, set out in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) as may be applicable from time to time.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to file necessary forms and returns with the Registrar of Companies, Coimbatore, Tamilnadu or to make application to the Central Government, as the case may be, and to do all such acts, deeds and things as maybe necessary".

10. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Special Resolution through conducting Postal Ballot**:

"**RESOLVED THAT**, subject to the provisions of Section 17 of the Companies Act, 1956 and rules made there under, and Section 192A and other applicable provisions, if any, of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot), Rules, 2011, and subject to the confirmation by the Regional Director and/or other statutory authorities, the approval of the shareholders be and is hereby accorded for the shifting of the registered office of the company from Coimbatore, Tamil Nadu to Mumbai, Maharashtra."

"**RESOLVED FURTHER THAT** subject to the receipt of the approval of the Regional Director and other regulatory authorities for shifting of Registered Office from the State of Tamilnadu to the State of Maharashtra, the existing Clause II of the Memorandum of Association of the company, be and is hereby altered by substituting the following new clause:-

II. The Registered Office of the Company shall be situated in the State of Maharashtra."

"**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorized to take such steps as may be necessary to give effect to this resolution."

On behalf of Board of Directors of  
S R K Industries Limited

Sd/-  
Rakeshchand M.Jain  
Chairman & Managing Director

Date: August 22, 2013  
Place: Coimbatore

**Registered Office:**  
3/42, Palaniappa Nagar,  
Ramanathapuram  
Coimbatore Tamil Nadu- 641 045

**NOTES:**

1. A member entitled to attend and vote at the meeting is also entitled to appoint proxy (ies) to attend and vote at the AGM and such proxies need not be member(s). Proxies in order to be effective must be received by the Company, not less than 48 hours before the time of commencement. A proxy form is also enclosed.
2. Member holding shares in physical form are advised to update their address and bank account/ ECS details with the Company's Registrar & Share Transfer Agent, Purva Sharegistry Private limited, Mumbai
3. Members are requested to notify promptly change of address, if any, to the Registrars, Purva Sharegistry Private limited, Mumbai.
4. The Register of Members and the Transfer Books of the Company shall remain closed on 12th September, 2013 and 13th September, 2013 (both days inclusive)
5. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
6. Resolution no. 10 is required to be passed by conducting Postal Ballot. Notice pursuant to section 192 of the companies Act regarding postal ballot is forming part of this Annual Report.
7. All documents referred to in accompanying Notice and Explanatory Statement is open for inspection at the registered office of the Company on all working days between 9.00 a.m. to 12.00 noon up to the date of AGM.
8. Members seeking the information with regards to the proposed resolution are requested to write to the Company at least one week in advance so as to enable the management to keep the information ready.

**On behalf of Board of Directors of  
S R K Industries Limited**

**Sd/-  
Rakeshchand M.Jain  
Chairman & Managing Director**

Date: August 22, 2013  
Place: Coimbatore

**Dear Shareholders,****Notice pursuant to Section 192A (2) of the Companies Act, 1956:**

As members of the management as well as Promoters are based at Mumbai, Maharashtra, management has recommended shifting of Registered Office of the Company from Coimbatore, Tamil Nadu to Mumbai, Maharashtra, for operational convenience.

Shifting of registered office from one state to another requires approval of shareholders by conducting postal ballot.

Hence the resolution no. 10 mentioned in the notice is proposed for approval of shareholders by way of conducting postal ballot.

The Board recommends approval of the aforesaid resolution in the best interest of the Company.

None of the Directors of the company are interested or concerned in the said resolution.

Proposed Special Resolution no. 10 and Explanatory Statement stating all material facts and the reasons for the proposal is enclosed with this notice and a Postal Ballot form is enclosed for your consideration. The Company has appointed M/s. Kaushal Dalal & Associates, Practicing Company Secretaries as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

Please read carefully the instruction printed in the Postal Ballot Form and return the form duly completed in all respects in the enclosed self-addressed envelope so as to reach the Scrutinizer on or before the close of working hours on 23rd September 2013.

The Scrutinizer will submit his report to the Board after completion of the scrutiny and the result of the voting by Postal Ballot will be announced on 25th September 2013 at the corporate office of the Company at F-35, Shagun Arcade, Film City Road, Dindoshi, Malad East, Mumbai - 400 097, at 11.00 a.m.

**On behalf of Board of Directors of  
S R K Industries Limited**

**Sd/-  
Rakeshchand M.Jain  
Chairman & Managing Director**

Date: August 22, 2013  
Place: Coimbatore

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956****Item No. 3 and 4 :**

Mr. S. L. Ojha & Mr. H. P. Choursia were appointed as an Additional Directors by the Board of Director w.e.f. August 6, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 161 of Article of Association of the Company. Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing their candidature for appointment as Directors of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956. The Board feels that presence of Mr. S. L. Ojha & Mr. H. P. Choursia on the Board is desirable and would be beneficial to the company and hence recommend adoption of resolution. None of the Directors, except Mr. S. L. Ojha & Mr. H. P. Choursia are concerned or interested in this resolution.

**Item No. 5 :****EXPLANATORY STATEMENT**

Messrs Shri S Ganesh, Chartered Accountants, have been the Statutory Auditors of the Company. They have, vide their letter dated June 3, 2013, expressed their inability to continue as the Statutory Auditors of the Company. The Board of Directors places on record their appreciation for the services rendered by Messrs Shri S Ganesh.

Considering the above facts, the Board of Directors has on the recommendation of the Audit Committee proposed the appointment of Messrs Vasu & Co., Chartered Accountants as the Statutory Auditors of the Company. They have vide their letter dated June 5, 2013 informed the Company that their appointment, if made, will be within the limit specified in sub-section (1B) of Section 224 of the Companies Act, 1956. Messrs Vasu & Co., Chartered Accountants, are one of the reputed auditing firms of Chartered Accountants and the Board, therefore, recommends their appointment as the Statutory Auditors of the Company to hold the office from the conclusion of the ensuing Annual General Meeting of the Company.

The Board of Directors recommends the adoption of the Resolution at Item No.5 of the Notice. No Director is in any way concerned with or interested in the above resolution.

The following documents are open for inspection by members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays, Sundays and Public Holidays up to the date of this Annual General Meeting.

- a) Letter dated June 3, 2013 from Messrs Shri S Ganesh, Chartered Accountants.
- b) Letter dated June 5 2013 from Messrs Vasu & Co., Chartered Accountants.

**Item No. 6.7.8 :**

With a view to enable retail investor's participation in shares of the Company, it was decided to subdivide the existing share of Rs. 10/- each into two equity shares of Rs. 5/- each. Such sub-division requires alteration in capital clause of Memorandum of Association as well as that of Articles of Association.

Resolutions as mentioned in item no. 6, 7 and 8 in this notice requires approval of shareholders.

None of the Directors of the Company is, in any way, concerned or interested in the resolution except to the extent of their shareholding in the Company.

Your Directors recommend the Special Resolution as set out in the notice for your approval.

**Item No.9:**

The Board of your Company has appointed Mr. Rakeshchand M. Jain as Managing Director of the Company w.e.f 1st February, 2013 in their meeting held on 1<sup>st</sup> February, 2013. Appointment of Managing Director requires approval from the shareholders. Therefore the said resolution is put forth.

The remuneration is within the limits of Schedule XIII of the Companies Act 1956 and hence doesn't require approval of the Central Government.

None of the director except the appointee himself are interested in passing of this resolution. Your Directors recommend the Special Resolution as set out in the notice for your approval.

**Item No. 10**

The existing management of the Company is residing in the State of Maharashtra. It will be beneficial for the Company and its management to shift its Registered Office in Mumbai in Maharashtra. Currently the Registered Office of the Company is situated in Coimbatore the state of Tamil Nadu. The potential of business aspect is very obscure in Chennai. Hence it was recommended in the best interest of the Company to shift the Registered Office to Mumbai in Maharashtra.

**On behalf of Board of Directors of  
S R K Industries Limited**

Date: August 22, 2013  
Place: Coimbatore

**Sd/-  
Rakeshchand M.Jain  
Chairman & Managing Director**

**DIRECTOR'S REPORT**

Your directors present herewith the 22<sup>nd</sup> Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2013.

(Amount in Lac)

FINANCIAL RESULTS	2012-13	2011-12
Revenue from operations	3396.53	1040.40
Other Income	95.22	0.43
Less: Operational & Other expenses	3238.82	1037.65
Profit/(Loss) before Depreciation	252.94	3.19
Less: Depreciation	3.00	2.73
Profit/(Loss) After depreciation	249.94	0.45
Add/( Less ) Prior Period Adjustment	10.48	0.26
Profit/ (Loss) Before Taxation	239.46	0.72
Less: Provision for Tax		
Current Tax	54.75	0.14
Deferred Tax (Net)	Nil	Nil
Net Profit After Tax	184.71	0.57

**OPERATIONS:**

For the year ended March 2013, your Company has recorded revenue of 3491.76 lacs as compared to Rs. 1040.83 lacs in the last year. The said increase in turnover is due to combined revenue of amalgamated Company. The merger has also benefited the company in increasing its profits.

**MERGER OF TRANSCEND COMMERCE LIMITED:**

During the year under review, the Bombay High Court and Chennai High Court have approved the merger of Transcend Commerce Limited into the Company and reductions of share capital of the Company vide its order dated December 21, 2012 and February 21, 2013 respectively. As per the scheme of arrangement, all assets and liabilities of Transcend Commerce Limited stands transferred and vested in the Company.

**TRANSFER TO RESERVES:**

There are no amounts transferred to Reserves during the year under review.

**DIVIDEND:**

Your directors have not recommended dividend for the year under review.

**SHARE CAPITAL:**

During the year under review, Hon'ble High Court of Bombay and Hon'ble High Court of Chennai has approved merger of Transcend Commerce Limited into the Company and reduction of share capital of the Company, as per the said Scheme of Arrangement, the Company has made an allotment of 3,88,50,050 equity shares of Rs. 10/- each to the shareholders of Transcend Commerce Limited in a ratio of 222 Equity Shares of Rs.10/- each of the Company for every 100 Equity Shares of Rs. 10/- each of Transcend Commerce Limited.

As on 31st March, 2013, the paid up share capital of the Company is Rs. 39,22,66,900/- divided into 3,92,26,690 equity shares of Rs. 10/- each.

**DIRECTORS:**

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Mr. Kamal S. Jain, Director retires by rotation and being eligible offer himself for re-appointment.

During the year under review, Mr. T. Achuthan , Mr. T. Sandeep were resigned w.e.f August 13, 2012.

Mr. T. Narayanan Kutty , Ms. Geetha Narayanan , Ms. Bharathamani have resigned w.e.f January 22, 2013.

Mr. Rakeshchand M. Jain was appointed as a Managing Director of the Company w.e.f February 1, 2013.

**SIGNIFICANT DEVELOPMENTS:**

During the year under review the merger of Transcend Commerce Limited into S R K Industries Limited was completed. The Company has diversified its business to investment in housing sector. The Company has earned revenue from the said investment.

**PARTICULARS OF EMPLOYEES:**

During the year under review, there were no employees drawing remuneration of Rs. 60,00,000/- p.a. or Rs. 5,00,000/- p.m. or more. Hence there is no information to be provided in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

**DISCLOSURE UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:**

The particulars required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in Annexure-I to this Directors Report.

**Auditors :**

Messrs Shri S Ganesh, Chartered Accountants, who retire at the ensuing Annual General Meeting, have expressed their inability to continue as the Statutory Auditors of the Company. The Company therefore proposes to appoint Messrs Vasu & Co., Chartered Accountants, who are one of the reputed accounting and auditing firms of the country as the Statutory Auditors of the Company.

The Company has received letter from M/s Vasu & Co., Chartered Accounts, to the effect that their appointment, if made, would be made within the prescribed limits under section 224 (1B) of the Companies Act, 1956.

**AUDITOR'S OBSERVATIONS:**

Observations of auditor are self explanatory and do not require any further to be commented by directors in this report.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed:

1. That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2013; the applicable accounting standards have been followed along with proper explanation relating to material departures.

2. That the Directors have adopted such accounting policies and applied them consistently and made judgments estimates that were reasonable and prudent so as to give a true and fair view of the state affair of the Company at the end of the financial year and of the profit or loss of the company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2013 on a "going concern" basis.

**SUBSIDIARIES:**

The Company does not have any subsidiary Company.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

**DEPOSITS:**

The Company has not accepted deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of the Deposits) Rules, 1975 during the year under review.

**CORPORATE GOVERNANCE:**

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company has complied with the provisions of Corporate Governance and a report on Corporate Governance is annexed hereto and forms part of this report. A certificate from Practicing Company Secretary of the Company regarding compliance of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is appended to the Annual Report.

**DELISTING FROM MADRAS STOCK EXCHANGE (MSE):**

The intimation for delisting of its Equity shares has been communicated to the Madras Stock Exchange as per the Resolution passed by the shareholders in the last AGM.

**DEPOSITORY SYSTEM:**

The Company has electronic connectivity with both depositories namely Central Depository Services (India) Limited and National Securities Depository Limited. As on March 31, 2013 99.44% of the Company's paid-up share capital representing 3,90,08,575 equity shares is in dematerialized form. In view of the numerous advantages offered by the Depository system, Members holding shares in physical mode are requested to avail of the facility of dematerialization of the Company's shares on either of Depositories.

**GO GREEN INITIATIVE:**

The Ministry of Corporate Affairs, Government of India, through its Circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send the annual reports and other official documents to their shareholders electronically

as part of its green initiatives in Corporate, provided the email address of the shareholder is obtained by the Company from the shareholders.

This move by the Ministry will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

Keeping the above in view, your Company proposes to send documents such as the Notice of the Annual General Meeting and Annual Reports henceforth to the shareholders by Electronic means, to the e-mail address provided by them and/or made available to the Company by the Depositories. In absence of any communication from the shareholders, email id in the records of depositories shall be considered registered email id of the respective shareholder. All the shareholders who hold their shares in physical form and whose e-mail address are not available with the Company, may if they wish to receive the Annual Report in electronic form, please send their email to [info.investors@srkindttd.co.in](mailto:info.investors@srkindttd.co.in). The Company solicits active co-operation of shareholders in helping the Company to implement the e-governance initiatives of the Government.

#### **ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation for the support and co-operation, which the Company continues to receive from its associates and bankers. The Directors are also thankful to the shareholders for their unstinted support to the Company.

**On behalf of Board of Directors of  
S R K Industries Limited**

**Sd/-**

**Rakeshchand M. Jain  
Chairman & Managing Director**

Date: August 22, 2013  
Place: Coimbatore

#### **Registered Office:**

3/42, Palaniappa Nagar,  
Ramanathapuram  
Coimbatore Tamil Nadu- 641 045

### **ANNEXURE I**

#### **I. CONSERVATION OF ENERGY:**

- (a) Energy conservation measures taken – Nil
- (b) Additional investments and proposals if any, being implemented for reduction of consumption of energy – Nil
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods – Nil
- (d) Total energy consumption and energy consumption per unit of production – Nil

**FORM-A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

A. Power and fuel consumption: Nil

B. Consumption per unit of production: Nil

#### **II. TECHNOLOGY ABSORPTION**

**FORM-B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC..**

I Research and Development: Nil

II Technology Absorption, Adaptation and Innovation: Nil

#### **III. FOREIGN EXCHANGE EARNINGS AND OUTGO**

I. Earnings in Foreign Exchange during the year: NIL

II. Foreign Exchange outgo during the year: NIL

**On behalf of Board of Directors of  
S R K Industries Limited**

**Sd/-**

**Rakeshchand M. Jain  
Chairman & Managing Director**

Date: August 22, 2013  
Place: Coimbatore

#### **Registered Office:**

3/42, Palaniappa Nagar,  
Ramanathapuram  
Coimbatore Tamil Nadu- 641 045

### **MANAGEMENT DISCUSSION ANALYSIS**

#### **Industry Structure and Development :**

The rubber products industry comprises three sub-industries: tire and tube, hose and belting, and other rubber products. Industrial rubber products include hose and belting, and other rubber products, but excludes tires and tubes.

While industrial rubber products are used by virtually all industries, the dominant market is automotive (for example, hoses, belts, gaskets, weather-stripping, glass encapsulation, air dams and deflectors, and door, window and closure seals). Other important markets include conveyor belts for mining and forestry operations, roll flooring, and consumer products.

#### **Performance during the year :**

During the year 2012-2013 the Company was able to achieved total income from operations of Rs. 3491.76 lacs from its trading activities and made a nominal profit of Rs. 184.71 Lacs. The said increase in turnover is due to combined revenue of amalgamated company. The merger has also benefited the company in increasing its profits.

With new activities planned from the next financial year, we expect to make better performance and post good profits.



**Scheme of Arrangement :**

During the year under review, the Bombay High Court and Chennai High Court have approved the merger of Transcend Commerce Limited into the Company and reductions of share capital of the Company vide its order dated December 21, 2012 and February 21, 2013 respectively. As per the scheme of arrangement, all assets and liabilities of Transcend Commerce Limited stands transferred and vested in the Company.

**Internal Controls :**

Our company has adequate and proper system of internal controls commensurate with the size and business operations to ensure its assets from unauthorized transactions, unauthorized uses or dispositions. We have an audit committee of the Board of Directors. The committee meet periodically and supervise the activities to plug the weakness in the system.

**Risks and Concerns :**

The company's risk profile is renewed bi-annually by a Risk Audit Committee comprising of three Board Members.

**Human Resource :**

Performance measurement is a fundamental principle of the management. The measurement of performance is important because it identifies current performance gaps between current and desired performance and provides indication of progress towards closing the gaps. The Human Resource Department has carefully selected key performance indicators and has taken necessary steps to improve performance of our workforce

**Corporate Social Responsibilities:**

The Company continued to pursue its agenda on social responsibility during the year. The Rain Water Harvesting scheme is working efficiently and the water stored in the reservoir is shared with surrounding villages. The Company also regularly conducts Medical Camps for the villages around the various Mines and factories.

**Statement of Caution:**

Representations and statements made under 'Management Discussions and Analysis' is based on the projection and expectation on the basis of the present market conditions. Actual results may materially differ due to several factors which could influence the Company's business operations such as demand and supply conditions, prices of input, changes in Government levies and regulations, industrial relations and other economic developments in the country.

**For and On behalf of the Board of Directors  
S R K Industries Limited**

Sd/  
**Rakeshchand M. Jain  
Managing Director**

**Place: Coimbatore  
Dated: August 22, 2013**

**REPORT ON CORPORATE GOVERNANCE**

Corporate Governance refers to the system by which corporations are directed and controlled. The governance structure specifies the distribution of rights and responsibilities among different participants in the corporation such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders and specifies the rules and procedures for making decisions in corporate affairs. Corporate Governance provides the structure through which corporations set and pursue their objectives, while reflecting the context of the social, regulatory and market environment. Corporate Governance is a mechanism for monitoring the actions, policies and decisions of corporations. Governance involves the alignment of interests among the stakeholders.

**A. COMPOSITION OF BOARD OF DIRECTORS:**

SRK has Board with optimum combination of Executive and Non-Executive Directors. Non-Executive Directors include independent professionals with experience in business, finance, taxation, technology and media. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Clause 49.

The Company believes that ethics are very important in any business as they are directly related to the goodwill of the Company.

The Corporate Governance Policy of the Company is based on principles of equity and ensures the following:

- Proper composition of the Board of Directors; • Timely dissemination of material information to the Stakeholders concerning their interests; • Adequate Internal Checks and Balances; • Transparency and Accountability; and
- Compliance with the applicable laws and regulations.

The statutory requirement of Corporate Governance envisages transparency full disclosure and independent monitoring of the state of affairs and being fair to the Shareholders. Our Philosophy is to protect the interest of Investors.

The Composition of the Board and the number of directorships, memberships and chairmanship of committees as on March 31, 2013, are given below:

**Up to August 5, 2012**

Name of the Directors	Position	*No. of Directorship in Boards of other Co.	Committee Membership in all companies	Chairmanship in committees where they are Members
Mr. Rakeshchand M. Jain	Executive / Promoter Director	1	1	1
Mr. Kamal S. Jain	Non Executive & Independent Director	1	Nil	Nil
Mr. T. Narayanan Kutty	Managing Director/Promoter	Nil	Nil	Nil
Mrs. Geetha Narayanan	Promoter/Director	Nil	Nil	Nil
Mr. T. Sandeep	Non-Executive & Independent	Nil	2	1
Mr. T. Achuthan	Non-Executive & Independent	Nil	1	1
Mrs. M. Bharathamani	Non-Executive & Independent	Nil	1	1

\*Alternate directorship, directorship in private limited companies, foreign companies and membership in governing councils, chambers and other bodies not included.

**From 6<sup>th</sup> August to August 12<sup>th</sup>, 2012**

Name of the Directors	Position	*No. of Directorship in Boards of other Co.	Committee Membership in all companies	Chairmanship in committees where they are Members
Mr. Rakeshchand M.Jain	Executive / Promoter Director	Nil	Nil	Nil
Mr. Kamal S. Jain	Non Executive & Independent Director	1	Nil	Nil
Mr. T. Narayanan Kutty	Managing Director/Promoter	Nil	Nil	Nil
Mrs. Geetha Narayanan	Promoter Director	Nil	Nil	Nil
Mr. T. Sandeep	Non-Executive & Independent	Nil	2	1
Mr. T. Achuthan	Non-Executive & Independent	Nil	1	1
Mrs. M. Bharathamani	Non-Executive & Independent	Nil	1	1
Mr. H. P. Choursia*	Non-Executive & Independent	Nil	1	1
Mr. S. L. Ojha*	Non-Executive & Independent	Nil	1	1

\* Mr. H. P. Choursia and Mr. S. L. Ojha were appointed w.e.f. August 6, 2012.

**From 13<sup>th</sup> August to January 22, 2013**

Name of the Directors	Position	*No. of Directorship in Boards of other Co.	Committee Membership in all companies	Chairmanship in committees where they are Members
Mr. Rakeshchand M.Jain	Executive / Promoter Director	Nil	Nil	Nil
Mr. Kamal S. Jain	Non Executive & Independent Director	1	1	1
Mr. T. Narayanan Kutty	Managing Director/Promoter	Nil	Nil	Nil
Mrs. Geetha Narayanan	Promoter Director	Nil	Nil	Nil
Mr. T. Sandeep	Non-Executive & Independent	Nil	2	1
Mr. T. Achuthan	Non-Executive & Independent	Nil	1	1

Mrs. M. Bharathamani	Non-Executive & Independent	Nil	1	1
Mr. H. P. Choursia*	Non-Executive & Independent	Nil	1	1
Mr. S. L. Ojha*	Non-Executive & Independent	Nil	1	1

# Mr. T. Achuthan and Mr. T. Sandeep were resigned on August 13, 2012.

\$ Mr. T. Narayanan Kutty, Mrs. Mani Bharathamani, Mrs. Geetha Narayanan were resigned on January 21, 2013.

**W.e.f January 23, 2013**

Name of the Directors	Position	*No. of Directorship in Boards of other Co.	Committee Membership in all companies	Chairmanship in committees where they are Members
Mr. Rakeshchand M.Jain	Managing Director / Promoter	Nil	Nil	Nil
Mr. Kamal S. Jain	Non Executive & Independent Director	1	2	1
Mr. H. P. Choursia*	Non-Executive & Independent	Nil	1	1
Mr. S. L. Ojha*	Non-Executive & Independent	Nil	1	1

**B. BOARD MEETINGS AND ATTENDANCE**

Six meetings were held during the year 2012-13. The dates on which the said meetings were held are 30.05.2012, 13.08.2012, 10.11.2012, 01.02.2013, 11.03.2013 and 22.03.2013. The maximum interval between any two Board Meetings was not more than 4 months.

The presence of Directors at the Board meetings and last AGM was as follows:

Name of director	No. of meetings held	No. of meetings Attended	Last AGM attended
Mr. Rakeshchand M. Jain	6	6	Yes
Mr. Kamal S. Jain	6	4	No
Mr. T. Narayanan Kutty*	6	3	Yes
Mrs. Geetha Narayanan*	6	2	Yes
Mr. T. Sandeep\$	6	2	No
Mr. T. Achuthan\$	6	2	Yes
Mrs. M. Bharathamani*	6	3	Yes
Mr. H. P. Choursia#	6	4	No
Mr. S. L. Ojha#	6	4	No

# Mr. S. L. Ojha and Mr. H. L. Choursia were appointed w.e.f. August 6, 2012.  
 \* Mr. T. Narayanan Kutty, Mrs. Geetha Narayanan and Mrs. M. Bharathamani were resigned w.e.f. January 22, 2013.  
 \$ Mr. T. Sandeep and Mr. T. Achuthan were resigned w.e.f. August 13, 2013.

None of the directors is a member in more than ten committees or acts as a Chairman in more than five committees across all companies in which he or she is a director.

#### C. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for the Board members and senior management personnel of the Company. The same is circulated among the Board Members and Senior Management Personnel. All the members of the Board and Senior Management Personnel have affirmed compliance of the respective Code of Conduct on Annual Basis. The required Declaration to the Compliance is offered herewith.

#### DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY IS GIVEN HEREIN BELOW:-

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Conduct of the Company during the financial year 2012 - 2013.

**Sd/-**  
**Rakeshchand M. Jain**  
**Managing Director**

**Place: Coimbatore**  
**Date: August 22, 2013**

#### A. CEO CERTIFICATION:

As required under Clause 49 of the Listing Agreement, the CEO certification on the financial statements and other matters has been obtained from Mr. Rakeshchand M. Jain, Managing Director of the Company and is annexed with this report.

#### B. NON EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

The Non-Executive Directors have not drawn any compensation including sitting fees from the Company for the year ended 31<sup>st</sup> March, 2013.

#### C. BOARD COMMITTEES:

##### I. AUDIT COMMITTEE:

The primary responsibility of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process, to review the quality and reliability of the information used by the Board. The Audit Committee also focuses on the adequacy and appropriateness of the internal controls of the Company. The functions of the Audit Committee include the following:

- o Oversight of the Company's financial reporting process.
- o Recommending to the Board, the appointment, re-appointment or removal of the statutory auditors and their remuneration.
- o Reviewing, with the management, the quarterly and annual financial statements before submission to the Board for approval.
- o Considering and approving changes, if any, in accounting policies and practices.

- o Overseeing compliance with listing and other legal requirements relating to financial statement.
- o Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- o Review of Management Discussion and Analysis of financial condition and results of operations.
- o Review of statement of significant related party transactions, submitted by management.
- o To recommend a change in the auditors if in the opinion of the Committee the auditors have failed to discharge their duties adequately.

The terms of reference stipulated by the Board to the Audit Committee are as per Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms formulated by the Board.

4 meetings were held during the year under review on 30.05.2012, 13.08.2012, 10.11.2012 and 01.02.2013.

The composition of Audit Committee and attendance of each committee member is as under:-

#### Up to 12<sup>th</sup> August, 2012:

Name of the Director	Designation	Category	No. of Meeting held#	No. of Meetings attended
Mrs. Mani Bharathamani	Chairperson	Non-Executive Independent	1	1
Mr. T. Sandeep*	Member	Non-Executive Independent	1	1
Mr. T. Achuthan*	Member	Non-Executive and Independent	1	1

**\*Mr. T. Sandeep and Mr. T. Achuthan have resigned on 13<sup>th</sup> August, 2012.**

#### Up to 21<sup>st</sup> January, 2013:

Name of the Director	Designation	Category	No. of Meeting held#	No. of Meetings attended
Mrs. Mani Bharathamani*	Chairperson	Non-Executive, Independent	2	2
Mr. H. P. Choursia	Member	Non-Executive Independent	2	2
Mr. S. L. Ojha	Member	Non-Executive and Independent	2	2

**\*Mrs. Mani Bharathamani was resigned on January 22, 2013**

W.e.f. 22<sup>nd</sup> January, 2013:

Name of the Director	Designation	Category	No. of Meeting held#	No. of Meetings attended
Mr. Kamal S. Jain	Chairperson	Non-Executive, Independent	1	1
Mr. H. P. Choursia	Member	Non-Executive, Independent	1	1
Mr. S. L. Ojha	Member	Non-Executive and Independent	1	1

II. The Shareholders/Investor Grievances Committee has been delegated authority by the Board to approve transfers/transmission of shares, issue of share certificates etc. The committee meets as and when there are requests for transfers/transmission of shares etc. The committee meetings were held on 30.05.2012, 13.08.2012, 10.11.2012, 1.02.2013. The members attended the meetings as follows:

Up to 12<sup>th</sup> August, 2012

Name of Director	No. of meeting held	No. of meetings attended
Mr. T. Sandeep*	1	1
Mrs. Mani Bharathamani	1	1
Mr. T. Achuthan*	1	1

\* Mr. T. Sandeep and Mr. T. Achuthan were resigned on August 13, 2013.

Up to 21<sup>st</sup> January, 2013

Name of Director	No. of meeting held	No. of meetings attended
Mr. H. P. Choursia	2	2
Mrs. Mani Bharathamani*	2	2
Mr. S. L. Ojha	2	2

\* Mrs. Mani Bharathamani resigned on January 22, 2013.

W.e.f 22<sup>nd</sup> January, 2013

Name of Director	No. of meeting held	No. of meetings attended
Mr. H. P. Choursia	1	1
Mr. Kamal S. Jain	1	1
Mr. S. L. Ojha	1	1

## A. GENERAL BODY MEETING:

i. The location, date and time of the Annual General Meetings of the Company held during the last three years are given below:

Financial Year	Date	Time	Venue
2011-12	Tuesday, 10th July 2012	11:00 a.m.	11/5D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641 402, Tamil Nadu
2010-11	Tuesday, 30th August, 2011	11:00 a.m.	11/5D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641 402, Tamil Nadu
2009-10	Thursday, 12th August, 2010	11:00 a.m.	11/5D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641 402, Tamil Nadu

- i. The following special resolutions were passed at the previous three Annual General Meetings:
- AGM held on 12<sup>th</sup> August, 2010  
There were no Special Resolutions were passed during the Annual General Meeting.
  - AGM held on 30<sup>th</sup> August, 2011  
Approval by special resolution for remuneration paid to Mr. T, Narayanan Kutty, Chairman and Managing Director of the Company at Rs. 15000 /- per month for remaining duration of office up to 29<sup>th</sup> July, 2014.
  - AGM held on 10<sup>th</sup> July, 2012  
Approval by special resolution for remuneration paid to Mr. Rakeshchand M. Jain, Executive Director of the Company at Rs. 15,000/- per month.
- ii. The Company has not passed any special resolution through Postal Ballot during the year 2012 – 2013 under Section 192A of the Companies Act, 1956.
- iii. The Company has conducted a Court Convened Meeting on October 19<sup>th</sup>, 2012 as per direction of Hon'ble High Court of Chennai and obtained approval of shareholders for the Scheme of Arrangement. The said resolution was passed with requisite majority.
- iv. Details of resolutions proposed to be conducted through Postal Ballot:  
Resolution for shifting of registered office is to be passed through postal Ballot and postal ballot form is circulated with this Annual Report.

## A. DISCLOSURES:

1. Related Party Transactions:

The Company has not entered into any transaction of a material nature with its Promoters, Directors or the Management, or relatives etc. that may have any potential conflict with the interests of the Company.

2. Compliances by the Company:

The Company is in compliance with the various requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to the capital market. During the year 2012 – 2013, no penalties/ strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital market.

3. Companies within the same Group within the meaning of the Monopolies and Restrictive Trade Practices Act 1969.

M/s. Island Media & Entertainment Private Limited  
M/s. Maxgain Advisory Private Limited  
M/s. Premium Multitrade Private Limited  
M/s. Subhmangal Sales Private Limited  
M/s. Suryadeep Commercial Private Limited  
M/s. Transcend Commerce Private Limited (merged)  
M/s. Jintan Vanijya Private Limited  
M/s. Sairam Tradecomm Private Limited  
M/s. Spectacle Tradelink Pvt. Ltd.

4. Post amalgamation of Transcend Commerce Limited with the Company, the Authorised capital of Transcend Commerce Limited was combined with the Authorized Capital of the Company and accordingly the Authorised capital of the Company was increased from Rs. 14,00,00,000/- to Rs.42,61,70,000/-. As per Scheme of Arrangement, the Company is required to reduce its existing capital by 90% and issue its equity shares to the shareholders of Transcend Commerce Limited in ratio of 222 Equity Shares of Rs. 10/- each of S R K Industries Limited for every 100 Equity Shares of Rs. 10/- each of Transcend Commerce Limited and accordingly the paid up equity share capital was increased by Rs.3,88,50,000.- due to allotment of shares to the share holders of Transcend Commerce Ltd as per orders of Bombay High Court and Chennai High Court.

5. Details of shareholding of the Directors as on 31<sup>st</sup> March, 2013:

Rakeshchand M. Jain	1941154 Equity Shares (4.94%)
Kamal S. Jain	Nil
H. P. Chourasia	Nil
S. L. Ozha	Nil

6. Brief Resume of Directors to be appointed:

**Kamal S. Jain**

Mr. Kamal S. Jain is the Chartered Accountant by profession. He has more than 20 years of experience in corporate world especially in audit, taxation, management consultant and project finance. He was appointed as Independent Director w.e.f. May 15, 2011.

**H. P. Chourasia**

Mr. H. P. Chourasia is having more than 20 year's vast experience in Textile Business. He was appointed as Independent Director w.e.f. August 6, 2012.

**S. L. Ojha**

Mr. S. L. Ojha is having has more than 12 years' experience in Textile market. He was appointed as Independent Director w.e.f August 6, 2012.

**Rakeshchand M. Jain**

Mr. Rakeshchand M. Jain is the promoter director and is a commerce graduate. He has a more than 2 decades of experience in Housing projects, Textiles and financial markets. He has good control over finance, marketing, administration and Management as well as capital market.

**A. MEANS OF COMMUNICATION:**

All material information and financial results of the Company is promptly sent to the Bombay Stock Exchange immediately after the same are considered by the Board.

**B. GENERAL SHAREHOLDERS INFORMATION:**

**Annual General Meeting (AGM)**

The 22<sup>nd</sup> AGM of the Company will be held on:

Day, Date and Time: September 13, 2013 at 11.30 a.m.

Venue: 11/5 D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641402,

**Financial Calendar :**

The next financial year of the Company is April 1, 2013 to March 31, 2014.

The tentative quarterly results will be adopted by the Board of Directors in accordance with the following schedule:

For the Quarter Ending	Time period
June 30, 2013	2 <sup>nd</sup> week of August, 2013
September 30, 2013 (Quarter as well as Half Year)	2 <sup>nd</sup> week of November, 2013
December 31, 2013	2 <sup>nd</sup> week of February, 2014
March 31, 2014	2 <sup>nd</sup> week of May, 2014

**Book closure:**

12th September 2013 to 13th September 2013 (both days inclusive)

**Dividend Payment Date:** Not Applicable

**Listing on Stock Exchange and the Stock Code allotted:**

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited. Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001

The Stock Codes allotted by Stock Exchange and Depositories are as follows:

Name	Code
Bombay Stock Exchange Limited	531307
Demat ISIN Numbers in NSDL and CDSL	INE951M01029

The listing fees for the financial year 2013-2014 have been paid to Bombay Stock Exchange Limited. The Company has also paid annual custodian fee for the year under review to NSDL & CDSL.

**Market Price Data (Face Value of Rs. 10/- per share)**

Month	Bombay Stock Exchange Limited (In Rs. Per share)	
	High	Low
April 2012	3.30	3.30
May 2012	3.20	3.20
June 2012	3.05	2.90
July 2012	-	-
August 2012	3.04	3.04
September 2012	3.50	3.19
October 2012	7.33	3.67
November 2012	10.36	7.47
December 2012	15.27	10.56
January 2013	23.40	15.55
February 2013	32.65	23.85
March 2013	32.00	24.45

**Shareholding Pattern as on March 31, 2013:**

Sr. No.	Category of Shareholders	Total Holdings	% of Shareholdings
1.	Promoter & Promoter Group	10725444	27.34
2.	Mutual Funds and UTI	Nil	Nil
3.	Banks, Financial Institutions, Insurance Companies and Venture Capital Fund	Nil	Nil
4.	FII/Foreign Bodies	Nil	Nil
5.	Private Corporate Bodies	210893	0.54
6.	Indian Public	23897089	60.92
7.	NRIs/OCBs	6460	0.01
8.	Clearing Member	Nil	Nil
9.	Hindi Un-divided Family	4386804	11.19
	Total	39226690	100.00

**Distribution of Shareholding as on March 31, 2013 is as under:**

Category	Shareholders		Face Value of Rs. 10/- Per Share	
	Numbers	% of shareholders	Amount (Rs.)	% of Amount
1 – 5000	1070	47.12	1136020	0.29
5001 – 10000	42	1.85	306280	0.08
10001 – 20000	52	2.29	746220	0.19
20001 – 30000	72	3.17	1919700	0.49
30001 – 40000	19	0.84	659730	0.17
40001 – 50000	39	1.72	1738540	0.44
50001 – 100000	257	11.32	17442810	4.45
100001 – Above	720	31.70	368317600	93.89
Total	<b>2271</b>	<b>100.00</b>	<b>392266900</b>	<b>100.00</b>

**Registrar and Share Transfer Agent**

Registrar and Share Transfer Agent of the Company is:

The Company's transfer agents have been changed from M/s Cameo Corporate Services Limited, Subramanian Building, Mount Road, Chennai 600 002 to Purva Sharegistry (India) Pvt. Ltd, Unit No.9, Shiv Shakti Ind. Estate, opp. Kasturba hospital Lane, Lower Parel (East), Mumbai – 400 011.

Phone : 022-23016761

Fax : 022-23012517

E-mail : info.investors@srkindltd.co.in

**Share Transfer System**

Requests for share transfers, rematerialisation and transposition are approved by Shareholders and Investors Grievance Committee. The Share Certificate is returned/ issued within the time period as stipulated under The Companies Act, 1956, The Depositories Act, 1996, Listing Agreement and other applicable rules and regulations.

The Company has not issued any GDRs /ADRs /Warrants or any Convertible Instruments.

**On behalf of Board of Directors of  
S R K Industries Limited**

**Sd/-  
Rakeshchand M. Jain  
Chairman & Managing Director**

Date: May 30, 2013

Place: Coimbatore

**Registered Office:**

3/42, Palaniappa Nagar,  
Ramanathapuram  
Coimbatore Tamil Nadu- 641 045

**CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION**

I, Rakeshchand M. Jain, Managing Director of S R K Industries Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Financial Statements and the cash flow Statement for the year 2012-13 and that to the best of my Knowledge and belief;
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. I further state that to the best of my knowledge and belief, no transactions are entered into by the Company during the years which are fraudulent, illegal or violative of the Company's Code of Conduct. I hereby declare that all members of the Board of Directors and the Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps taken or proposed to be taken to rectify the same;
4. I have indicated to the auditors and the Audit Committee: -
  - a) Significant changes, if any, in internal control over financial reporting during the year;
  - b) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Rakeshchand M. Jain**  
Managing Director

Place: Coimbatore  
Date: May 30, 2013

**REPORT OF AUDITORS ON CORPORATE GOVERNANCE**

**To,  
The Members of  
S R K Industries Limited**

We have examined the compliance of the conditions of Corporate Governance of S R K Industries Limited for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement with the stock Exchange in India.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of 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, and the representations made by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances as at March 31, 2013 are pending for a period not exceeding one month against the Company as per the records maintained by the Share registrar and reviewed by the Board.

We further state that such compliances is neither an assurance as to the further viability of the Company not the efficiency or effectiveness with which the management has conducted the affairs of the Company

Sd/-  
S. Ganesh  
Chartered Accountant  
Membership No. 210367

Place: Coimbatore  
Date: May 30, 2013

**INDEPENDENT AUDITOR'S REPORT**

To The Members,  
S R K Industries Limited

**Report on the Financial Statements**

We have audited the attached Balance Sheet of S R K Industries Limited as at 31st March, 2013 and also the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

**Managements 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 of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, 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 basic for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us the said accounts together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- i. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;

- ii. in the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date; and

- iii. in so far as it relates to the Cash Flow Statement, of the cash flows of the Company 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 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, 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 companies Act, 1956, 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, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement 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 representations received from the Directors as on 31<sup>st</sup> March, 2013, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31<sup>st</sup> March, 2013, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

sd/-

**S.GANESH,**

B.COM, GRAD.C.W.A. F.C.A

**CHARTERED ACCOUNTANT**

**M. No. 210367**

**Place: Coimbatore**

**Date : 30.05.2013**



**ANNEXURE TO AUDITOR'S REPORT****Referred to in Paragraph 2 of my report of even date**

- 1 In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to me, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in my opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. In my opinion, the Company has not disposed of its fixed assets during the year, The Company's going concern concept was not affected after such disposal.
- 2 In respect of its inventories :
  - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
  - b. In my opinion and according to the information and explanations given to me, the procedures of physical verification of inventories followed by the management at reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to me, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- 3 In respect of loans, secured or unsecured, taken by the Company to / from Companies, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956
  - a. The Company has not granted any loans to other companies during the year.
  - b. Since the Company has not granted loans to other Companies, the question of Prima facie prejudicial rate of interest, repayment of Principal and interest, and overdue of loan does not arise.
  - c. The Company has not taken any loans from other Companies during the year.
- 4 In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of my audit, I have not observed any major weaknesses in internal controls.
- 5 In respect of transactions covered under section 301 of the Companies Act, 1956.
  - a. In my opinion and according to the information and explanations given to me, there are no transactions made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956.
  - b. In my opinion and according to the information and explanations given to me, there are no transactions in pursuance of contracts or arrangements entered

- in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs 5,00,000 (Rupees Five lakhs Only) or more.
- 6 The Company has not accepted any deposits from the public.
  - 7 The Company does not have a separate internal audit system. However, in my opinion, the existing internal Control procedures are adequate having regard to the size and nature of the business of the Company.
  - 8 The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
  - 9 In respect of statutory dues, undisputed statutory dues with regard to Employees' State Insurance, the Company has not deposited regularly with the appropriate authorities due to the severe financial crisis faced by the Company.
  - 10 The Company has accumulated losses and has not incurred cash loss during the financial year covered by my audit and has not incurred cash loss in the immediately preceding financial year.
  - 11 Since the Company has not availed any loans during the year, the question of repayment does not arise.
  - 12 In my opinion and according to the information and explanation given to me, no loans and advances have been granted by the company on the basis of security by way of pledge of Shares and Securities.
  - 13 In my opinion, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
  - 14 In my opinion and according to the information and explanation given to me, the Company is not dealing or trading in shares, securities, debentures and other investments.
  - 15 In my opinion and according to the information and explanation given to me, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
  - 16 The Company has not raised any new term loans during the year.
  - 17 The Company has not used the short term loans for long term investments and vice versa.
  - 18 During the year, the company has not made any preferential allotment of shares to parties and Companies.
  - 19 The Company has not issued debentures; therefore the question of creation of securities does not arise.
  - 20 The Company has not raised any money by way of public issue during the year.
  - 21 In my opinion and according to the information and explanations given to me, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

sd/-

S.GANESH,  
B.COM, GRAD.C.W.A. F.C.A  
CHARTERED ACCOUNTANT  
M. No. 210367

Place: Coimbatore  
Date: 30.05.2013

<b>BALANCE SHEET AS AT 31.03.2013</b> (Amount in Rs.)			
	<b>Note No.</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>
<b>A EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share Capital	1	392,266,900	37,669,000
(b) Reserve & Surplus	2	15,375,618	(35,805,841)
Sub Total		407,642,518	1,863,159
<b>Non- current liabilities</b>			
(a) Long term borrowings	3	5,500,000	153,803.
(b) Deferred Tax Liability		-	-
(c) Other long term liabilities		-	-
Sub Total		5,500,000	153,803
<b>Current liabilities</b>			
(a) Short term borrowings		-	-
(b) Trade payables	4	47,306,129	29,764,400
(c ) Other current liabilities	5	746,810	1,827,205
(d ) Short term provisions	6	5,490,242	14,454
Sub Total		53,543,181	31,606,059
<b>Total</b>		<b>466,685,699</b>	<b>33,623,021</b>
<b>B ASSETS</b>			
<b>Non current assets</b>			
(a) Fixed assets			
Tangible assets	7	67,115	18,171
Intangible assets	8	213,500,000	-
(b) Non current investments		-	-
(c) Long term loans and advances	9	190,234,238	8,000
(d) Other non current assets	10	1,848,724	2,105,144
Sub Total		405,650,077	2,131,315
<b>Current assets</b>			
(a) Current investments	11	8,597,495	-
(b) Inventories	12	-	5,81,000
(c) Trade receivables	13	44,776,012	30,365,740
(d) Cash and cash equivalents	14	6,739,195	530,555
(e) Short -term loans and advances	15	922,920	14,411
(f) Other current assets		-	-
Sub Total		61,035,622	31,491,706
<b>Total</b>		<b>466,685,699</b>	<b>33,623,021</b>
<b>Significant Accounting Policies and Notes on the accounts 23 &amp; 24</b>			
Schedules referred to above and integral part of the Balance Sheet As per our attached Report of even date			
sd/- S.Ganesh Chartered Accountants M.No. 210367 Place: Coimbatore Date : 30.05.2013	sd/- Rakeshchand M Jain Managing Director	sd/- Kamal S Jain Director	

<b>PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2013</b> (Amount in Rs.)			
	<b>Note No</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>CONTINUING OPERATIONS</b>			
Revenue from operations (Net)	16	339,653,257	104,039,622
Other Income	17	9,522,338	42,750
Total Income		349,175,595	104,082,372
<b>Expenses</b>			
(a) Purchases of Traded goods	18	320,928,487	101,737,285
(b) change in Inventory / finished goods	19	581,000	78,000
(c )Employee benefits expenses	20	649,016	475,860
(d ) Other Expenses	21	1,723,211	1,472,417
Total Expenses		323,881,714	103,763,562
Profit before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)		25,293,881	318,810
Finance Cost		-	-
<b>Depreciation and amortization expense</b>	22	300,241	273,150
Profit / (Loss) before exceptional and extraordinary items and tax		24,993,640	45,660
<b>Exceptional items</b>		-	26,137
Profit/( Loss) before extraordinary items and tax		24,993,640	71,797
<b>Extraordinary items</b>			
<b>Prior Year Tax - Wealth Tax</b>			
Prior Year Expenses		1,047,622	-
Profit / ( Loss ) before tax		23,964,018	71,797
<b>Tax expenses:</b>			
Current tax Expense		5,474,913	14,454
Deferred Tax		-	-
Profit/ (Loss) from continuing operations		18,471,105	57,343
<b>Earnings per share</b>			
Basic and diluted per share		0.47	0.02
Nominal Value of Share		10	10
<b>Significant Accounting Policies and Notes on Accounts</b>			
Schedules referred to above and integral part of the Balance Sheet As per our attached Report of even date			
sd/- S.Ganesh Chartered Accountants M.No. 210367 Place: Coimbatore Date : 30.05.2013	sd/- Rakeshchand M Jain Managing Director	sd/- Kamal S Jain Director	

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31 <sup>ST</sup> , 2013 AS PER CLAUSE 32 OF THE LISTING AGREEMENT (Amount in Rs.)				
PARTICULARS	31/03/2013		31/03/2012	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before tax		23,946,018		71,797
Add: Depreciation	34,861		10,007	
Misc. Expenditure	265,380		263,143	
Profit on sale of Fixed Assets	-		(26,137)	
Dividend received	-	300,241	-	247,013
Operating profit before working capital changes		24,246,259		318,810
Trade and other receivables	(14,410,272)		(29,861,172)	
Trade payables and other liabilities	16,461,334		29,637,596	
Inventories	581,000		78,000	
Loans & advances	14,411	2,646,473	877	(144,699)
Cash generated from operations		26,892,732		174,111
Direct Taxes paid		(923,533)		(25,930)
<b>Net cash flow from operating activities (A)</b>		<b>16,580,006</b>		<b>148,181</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Investments		(8,597,495)		-
Purchase of fixed assets		(91,277)		-
Increase in Intangible Assets( Due to Merger)		(213,500,000)		-
Increase in Loans & Advances(due to Merger)		(190,226,238)		-
<b>Net cash flow from investing activities (B)</b>		<b>(412,415,010)</b>		<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase in Capital ( Due to Merger)		354,597,900		-
Reduction in Capital		33,902,100		-
Increase in Loan Fund		5,346,197		(72,267)
Sale of Fixed Assets		-		30,000
Loss of Merged Company		(1,191,746)		-
<b>Net cash flow from financing activities (C)</b>		<b>392,654,451</b>		<b>(42,267)</b>
Net increase/ (decrease) in				
<b>CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		6,208,640		105,914
Cash & cash equivalents-opening balance		530,555		424,641
Cash & cash equivalents-closing balance		<b>6,739,195</b>		<b>530,555</b>
Schedules referred to above and integral part of the Balance Sheet As per our attached Report of even date				
sd/- S.Ganesh Chartered Accountants M.No. 210367	sd/- Rakeshchand M Jain Managing Director		sd/- Kamal S Jain Director	
Place: Coimbatore Date : 30.05.2013				

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013			
No.	PARTICULARS	Current Year	Previous Year
	<b>Shareholders' funds</b>		
1	<b>i SHARE CAPITAL</b>		
	<u>Authorised Capital</u>		
	4,26,17,000 (Previous year 1,40,00,000)		
	Equity Share of Rs. 10/- each	426,170,000	140,000,000
		<u>426,170,000</u>	<u>140,000,000</u>
	<u>Subscribed Issued &amp; Paid up :</u>		
	3,92,26,690 (Previous year 3,76,6900)		
	Equity Share of Rs. 10/- each	392,266,900	37,669,000
		<u>392,266,900</u>	<u>37,669,000</u>
	<b>ii Reconciliation of the share Capital</b>		
	<u>Equity Shares</u>	Units/Value(Rs)	Units/Value(Rs)
	As at the beginning of the Year	37,669,000	37,669,000
	Less: Reduced during the Year	(33,902,100)	-
	Add: Issued during the period for cash	388,500,000	-
	Shares outstanding at the end of the period	<u>392,266,900</u>	<u>37,669,000</u>
	<b>Terms / rights attached to equity shares</b>		
	The company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of Equity shares is entitled to one vote per share.		
	<b>iii Details of shareholders holding more than 5 % shares in the company</b>		
	<u>Equity shares of Rs 10 each fully paid up</u>	Units/% holding	Units/% holding
	Rakeshchand M Jain	-----	314000 / 8.34
	Island Media & Entertainment P Ltd	2249970 / 5.74	----
	Maxgain Advisory Pvt Ltd	2251191 / 5.74	----
	As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.		
2	<b>Reserve and Surplus</b>		
	<b>A. SECURITIES PREMIUM</b>		
	Opening Balance	-	-
	Add: Receipts during the year on allotment		
	Total (a)	-	-
	<b>B. Surplus</b>		
	Balance as per last financial statements *	(42,603,247)	(41,468,844)
	Less: Capital Reduction	33,902,100	-
	Add: Net Profit/(Loss) Tax for the Current Year	18,471,105	57,343
	Total (b)	<u>9,769,958</u>	<u>(41,411,501)</u>
	C. Capital Reserves	-	-
	D. Capital Redemption Reserve	-	-
	E. Debeture Redemption Reserve	-	-
	F. Revaluation Reserve	-	-
	* Includes Rs. 1,191,746/- Loss of merging co.		

	G. Share Option Outstanding Account	-	-
	H. Other Reserve - Share Forfeiture A/c	4,268,000	4,268,000
	- Subsidy Received from Govt	1,337,660	1,337,660
	Total (c)	5,605,660	5,605,660
	<b>TOTAL [a+b+c]</b>	1,537,5618	(35,805,841)
<b>3</b>	<b>Long Term Borrowings</b>		
	<b>SECURED LOANS</b>		
	<b>1. TERM LOANS</b>		
	a. Interest Free Sales Tax Loan	-	1,53,803
	Interest Free Sales Tax Loan (From the Government of Tamilnadu and personally guaranteed by Directors of the Company)		
	b. From Others		
	<b>Total [1]</b>	-	1,53,803
	<b>2. UNSECURED LOANS:</b>		
	1. From Directors, share holders and relatives	-	-
	2. From Others	-	-
	<b>3. Deposits</b>	-	-
	<b>4. Bonds / Debentures</b>	-	-
	<b>Total [2]</b>	-	-
	<b>Non Current Liabilities</b>		
<b>3</b>	<b>Long Term Borrowings</b>		
	Unsecured		
	Related Party	55,00,000	55,00,000
	Others	-	-
	<b>Total [3]</b>	55,00,000	55,00,000
	<b>Total (1+2+3)</b>	<b>55,00,000</b>	<b>1,53,803</b>
<b>4</b>	<b>Current liabilities</b>		
	<b>Trade Payables</b>	47,306,129	29,764,400
		47,306,129	29,764,400
<b>5</b>	<b>Other Current Liabilities</b>		
	Liabilities for expenses	7,33,074	556,905
	Other Liabilities	13,736	1,270,300
		7,46,810	1,827,205
<b>6</b>	<b>Short Term Provisions</b>		
	Provision for Income Tax	128,253	14,454
	less: Adjusted	(112,924)	-
	Provision for FY 2012/13	5,474,913	-
		54,90,242	14,454
<b>8</b>	<b>INTANGIBLE ASSETS</b>		
	<b>Goodwill</b>	213,500,000	-
		213,500,000	-

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.12	Additions		Up to 31.03.12	for the year 31.03.13	TOTAL 31.03.13	As on 31.03.13	As on 31.03.12
		Before 30.09.12	After 30.09.12					
Computer	1,00,777	-	-	19,472	32,522	51,994	48,783	81,305
Office Equipment	-	16,500	-	-	1,759	1,759	14,741	-
Printer	5,375	-	-	1,204	580	1,784	3,591	4,171
<b>Total</b>	<b>1,06,152</b>	<b>16,500</b>	<b>-</b>	<b>20,676</b>	<b>34,861</b>	<b>55,537</b>	<b>67,115</b>	<b>85,476</b>

**Note - 7 FIXED ASSETS**

**Notes :**

(i) Opening Balance of computer Rs. 74,777/- is the opening balance of Transcend Commerce Ltd. (merging co.).

(ii) Depreciation on Computer includes Rs. 7,478/- is the opening of Transcend Commerce Ltd. (merging co.).

(iii) Net block of computer as on 31.03.2012 includes Rs. 67,305/- of merging Co.

<b><u>NON CURRENT ASSETS</u></b>		
9	<b>Long Term Loans &amp; Advances</b>	
	Deposit against Office Premise (Unsecured, considered good)	1,00,000 -
	Advance against property	13,169,960 -
	Sales Tax Deposit	8,000 8,000
	Others	1,76,956,278 -
		<u>1,90,234,238 8,000</u>
<b><u>OTHER NON CURRENT ASSETS</u></b>		
10	Preliminary / Development of New Product Expenses	
	Balance brought forward *	2,114,104 2,368,287
	Less: 1/5 written off	2,65,380 2,63,143
		<u>1,848,724 2,105,144</u>
<b><u>Current Assets</u></b>		
11	<b>Current Investment</b>	
	Related Party	
	HDFC Debts Liquid Fund	8,597,495 -
		<u>8,597,495 -</u>
12	<b>Inventories</b>	
	Finished Goods (Valued at lower of cost or net realisable value)	- 581,000
		<u>- 581,000</u>
13	<b>Trade Receivables</b>	
	Less than six months (unsecured, considered good)	44,776,012 30,365,740
		<u>44,776,012 30,365,740</u>
14	<b>Cash and Cash Equivalents</b>	
	Balances with Bank In current account	
	HDFC Bank	278,955 -
	Catholic Syrin Bank	16,832 12,425
	Yes Bank	865,165 44,153
	South Indian Bank	3,585 3,585
	Cheques In Transit	5,505,000 -
	Cash In hand (as taken and certified by the Directors)	69,658 470,392
		<u>6,739,195 530,555</u>
15	<b>Short Term Loans &amp; Advances</b>	
	TDS Receivable	
	FY 2011-2012	22,500 -
	FY 2012-2013	900,420 -
	Others	- 14,411
		<u>922,920 14,411</u>
16	<b>Revenue from Operation</b>	
	i Sale of Fabrics	324,564,557 103,961,622
	ii Sale of finished Goods	126,200 78,000
	iii Software Development	157,500 -
	iv Compensation received	14,805,000 -
		<u>3,39,653,257 104,039,622</u>
17	<b>Other Income</b>	
	Interest on Mutual Fund Investment	247,495 -
	Interest received	9,141,698 -
	Mis. Income	- 42,750
		<u>9,389,193 42,750</u>

\* Includes Rs. 8960 of merging Co.

<b><u>EXPENSES</u></b>		
18	<b>Purchase of Traded Goods</b>	
	Purchase of Fabrics	320,476,585 101,737,285
	Carriage Inward / Handling Charges	451,902 -
		<u>320,928,487 101,737,285</u>
19	<b>Change in Inventory / finished Goods</b>	
	Opening Stock	581,000 659,000
	closing Stock	- 581,000
		<u>581,000 78,000</u>
20	<b>Employee benefits expense</b>	
	Salary & Wages	298,000 215,632
	Directors Remuneration	320,000 202,500
	Bonus	5,000 12,000
	Staff Welfare	26,016 45,728
		<u>6,49,016 475,860</u>
21	<b>Other Expenses</b>	
	RTA/ connectivity Chgs	94,532 86,586
	Listing Fees	16,854 917,492
	Advertisement	66,166 -
	Payment to Auditors:	46,854 25,000
	Bank Charges	4,150 2,522
	Travelling Expenses	1,82,228 74,505
	Conveyance Expenses	12,141 -
	Electricity Charges	11,440 13,605
	Courier Expenses	51,070 27,138
	Telephone Expenses	51,667 -
	General Expenses	6,864 56,156
	Repairs & Maintenance	1,89,739 17,015
	Repairs —Others	5,160 2,500
	Filing Fees	5,88,985 11,000
	Stationery & Printing charges	35,569 42,311
	Sundry Balance W/off	- 287
	Legal and Professional Charges	1,97,542 130,300
	Rent	1,62,250 66,000
		<u>17,23,211 1,472,417</u>
22	<b>Depreciation and amortization expenses</b>	
	Depreciation	34,861 10,007
	Preliminary & Other Expenses W/off	2,63,140 263,143
	Pre- Incorporation Expenses written off	2,240 -
		<u>3,00,241 273,150</u>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****23 SIGNIFICANT ACCOUNTING POLICIES****1 AS -1. DISCLOSURE AND BASIS OF ACCOUNTING**

1. Financial Statements have been prepared under the Historical convention which is in accordance with the Generally Accepted Accounting Principles and provisions of the Companies Act, 1956. The Company has complied with the Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI) and as referred U/s 211(3C) of the Companies Act, 1956.
2. The accounts are prepared on the basis of going concern concept.
3. The company has been consistently following the accrual basis of accounting in respect of its income and expenditure.

**2 AS-2. VALUATION OF INVENTORIES**

The Finished goods are valued at Cost or market price whichever is lower.

**3 AS-5. NETPROFIT/LOSS FOR THE PERIOD AND PRIOR ITEMS**

1. All items of income and expenses pertaining to the year are included in arriving at the net profit for the year unless specially mentioned elsewhere in the financial statements or as required by accounting standards.
2. Prior period items are disclosed separately in the profit and loss accounts below the line.

**4 AS-6. DEPRECIATION**

Depreciation on fixed assets has been provided on W.D.V. method at the rates specified in Schedule XIV of the Companies Act, 1956. Depreciation has been provided on the addition of assets on pro-rata basis.

**5 AS-9. REVENUE/INCOME RECOGNITION**

The Company recognise its revenue and expenditure on accrual basis.

**6 AS -10. FIXED ASSETS**

Fixed Assets are shown at cost less accumulated depreciation.

**7 AS-15. EMPLOYEES' BENEFITS**

No Provision for gratuity is provided by the company since there is no employee who has been in continuous service of more than 5 years.

**8 AS-18. RELATED PARTY DISCLOSURE**

Key Management personnel

1. Mr.Rakeshchand M Jain - Chairman cum Managing Director

**9 AS- 20 EARNING PER SHARE :The Earning per share is Rs 0.47****10 AS 22- TAXES ON INCOME**

Provision for Deferred tax as on 31.03.2013 has not been made.  
Current Tax is determined on the basis of taxable income and tax credit computed in accordance with provisions of Income Tax Act, 1961.

**11 AS - 28. IMPAIRMENT OF ASSETS**

An asset is impaired when the carrying amount of the assets exceeds its recoverable amount. An impairment loss is charged to Profit and loss account in the year in which an asset is identified as impaired.

**24 NOTES TO ACCOUNT**

1 Related party disclosures as required in terms of Accounting Standard(AS-18) on Related Party disclosures issued by The Institute of Chartered Accountants of India are as under

I	Key Management Personnel :		
	Rakeshchand M. Jain	Managing Director	
II	The related enterprises / persons are :		
	Maxgain Advisory (P) Ltd	KMP having significant influence	
	Rakeshchand M. Jain		
III	Details of transaction / payments :		
	Name	Particulars	Amount (Rs.)
	Rakeshchand M. Jain	Net advance received	1262694
	Rakeshchand M. Jain	Remuneration	200000

- a) The above loans /advances did not carry any charge for interest
- b) The above related party information is disclosed to the extent such parties have been identified by the management on the basis of information available.  
This is relied upon by the auditors.

2 The Company has not received any information / memorandum from the suppliers (as required to be filed by Suppliers / Vendors with the notified authority under Micro,Small and Medium Enterprises Development Act,2006), claiming their status as Micro,Small or Medium Enterprises.Consequently, the amount paid / payable together with interest paid / payable to these parties under the Act is Nil.

3 Particulars of employees - The details as required pursuant to Section 217(2A) of the Companies Act, 1956 read with the companies (particulars of employees) Rule 1975 as amended, is not given, sine your company has no person in its employment drawing salary above the prescribed monetary ceiling.

4 (Accounting Standard ) Rules 2006 is not relevant to the Company as informed by the management that retirement benefits are not given to the employees of the Company.Thus no actuarial valuation has been done and provided by the Company.

5 Current tax is detetmined onthe basis of taxable income and tax credit computed in accordance with provisions of Income Tax Act, 1961

6 The accounts stated here is of the erstwhile Transcend Commerce Ltd which has since been merged with SRK Ltd with effect from 1.04.2012 as per order of Hon'ble high court of Chennai dated 22.02.2013 and order dated 21.12.2012 of Hon'ble high court of Bombay.

7 Previous year's figures have been rearranged / regrouped wherever necessary.

In terms of our report attached

For S R K Industries Limited

sd/-  
S.Ganesh  
Chartered Accountants  
M.No. 210367

sd/-  
Rakeshchand M Jain  
Managing Director

sd/-  
Kamal S Jain  
Director

Place: Coimbatore  
Date : 30.05.2013

## INSTALLED CAPACITY

(Capacity of produce at 100% level)

	31-3-2013	31-3-2012
The regular products of production is discontinued		
1. CAPACITY UTILISED	Nil	Nil

In order to diversify activities, trading in Textile fabrics has been under taken

	31.03.2013 Rs. in Lacs	31.03.2013 Qty (Mtrs) in Lacs	31.03.2012 Rs. in Lacs	31.03.2012 Qty. (Mtrs) in Lacs
2. Purchase of Fabrics	3209.28	22.99	1017.37	9.08
3. Sales-Aprons & Cots	1.26		2.83	
- Fabrics	3245.65	22.99	1037.57	9.08
<b>Total</b>	<b>3246.91</b>	<b>22.99</b>	<b>1040.40</b>	<b>9.08</b>

**No manufacture of Aprons and cots done in the financial year. Sales are made from stock of finished goods of Aprons and cots only**

Name of Finished good (Rs. In Lacs)	Opening Stock	SALES	CLOSING STOCK
Apron and Cots	5.81	1.26	Nil
		31.03.2013	31.03.2012
4. Value of Imports on CIF basis		Nil	Nil
5. Expenditure in Foreign Exchange	Nil	Nil	Nil
6. Amount remitted in foreign Exchange		Nil	Nil
7. Earnings in Foreign exchange		Nil	Nil
8. Advance received in Foreign Exchange		Nil	Nil

For S R K Industries Limited

Sd/-  
S. Ganesh  
Chartered Accountant  
Membership No. 210367

sd/-  
Rakeshchand M. Jain  
Managing Director

sd/-  
Kamal S Jain  
Director

Place: Coimbatore

Date:- 30.05.2013

## Postal Ballot Form

Sr. No. \_\_\_\_\_

- Name of Shareholder(s)  
(in Block Letters) \_\_\_\_\_  
\_\_\_\_\_  
(including Joint Holders, if any) \_\_\_\_\_
- Registered Address of the shareholder sole/First named \_\_\_\_\_  
\_\_\_\_\_
- Registered Folio No./DP ID No./ Client ID No. (\*) \_\_\_\_\_
- Number of shares held \_\_\_\_\_
- I/We hereby exercise my/our vote in respect of the ordinary/special resolution to be passed through postal ballot for the business stated in the notice of the Company by sending my/our assent or dissent to the said resolution by placing the tick ( " / ũ ) mark at the appropriate box below:

Item No.	No. of Shares	( ✓ / X )
10	I/We assent to the resolution	
10	I/We dissent to the resolution	

Place :

Date :

(Signature of the Shareholder)

## Instructions:

- A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the company in the attached self-addressed envelope. Postage will be borne and paid by the company. However, envelopes containing postal ballots, if sent by the courier at the expenses of the registered shareholder will also be accepted.
- The self-addressed envelope bears the address of the scrutinizer appointed by the Board of Directors of the Company.
- This form should be completed and signed by the shareholder. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the company) by the first named shareholder and in his absence, by the next named shareholder.
- Unsigned Postal Ballot Forms will be rejected.
- Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on \_\_\_\_\_. Postal Ballot Form received after this date will be strictly treated as if the reply from the members has not received.
- Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders on \_\_\_\_\_.

**S R K INDUSTRIES LIMITED**  
3 / 42, PALANIAPPA NAGAR RAMANATHAPURAM,  
COIMBATORE-641 045, TAMILNADU

## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_  
Being a member /members of S R K INDUSTRIES LIMITED hereby appoint

\_\_\_\_\_ as our proxy to attend and vote for me/us on my/our behalf at the 22<sup>nd</sup> Annual general meeting of the said company to be held on the 13<sup>th</sup> September, 2013 at 11.30 am at 11/5 D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641 402 and at my / our adjournment thereof. Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Affix Re.1/- Revenue Stamp

Signature(s) of the Member(s)

Folio No. / Demat A/c No. \_\_\_\_\_

## Note :

- 1) This proxy must be deposited at the registered office of the company not later than 48 hours before the time of the meeting.
- 2) A proxy need not be a Member of the company.
- 3) Shareholder/proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and handover the same at the entrance duly signed.

\_\_\_\_\_ TEAR HERE \_\_\_\_\_

**S R K INDUSTRIES LIMITED**  
3 / 42, PALANIAPPA NAGAR RAMANATHAPURAM,  
COIMBATORE-641 045, TAMILNADU

ATTENDANCE SLIP TO BE HANDED OVER AT THE ENTRANCE.

I/We hereby record my/our presence at the 22<sup>nd</sup> Annual General Meeting at 11/5 D1, Pappampatti Road, Kannampalayam - post, Coimbatore-641 402 on 13<sup>th</sup> September, 2013 at 11.30 am.

Name of the Member(s) \_\_\_\_\_

Folio No. / Demat A/c No. \_\_\_\_\_

Name of proxy/Representation (In block letters) :  
(To be filled in if proxy attends instead of member)

Signature of Member or Proxy :

Members are requested to bring their copies of Annual report to the Meeting as the copies will not be distributed at the Meeting.

TO

*If undelivered please return to :*

**S R K INDUSTRIES LIMITED**

3 / 42, PALANIAPPA NAGAR RAMANATHAPURAM,  
COIMBATORE - 641 045, TAMILNADU