

**ANNUAL REPORT**  
**SUNRISE ASIAN LIMITED**  
**(Formerly known as Akai Asian Limited)**

**DIRECTORS REPORT**

To  
The Members of Sunrise Asian Limited

Dear Shareholders,

We have pleasure in presenting the Twenty Ninth Annual Report together with the Audited Statement of Account of your company for the year ended 31st March 2010.

**1. FINANCIAL RESULTS:**

|   | <b><u>2009-10</u></b><br><b>(Rs. in Lacs)</b> | <b><u>2008-09</u></b><br><b>(Rs. in Lacs)</b> |
|---|---|---|
| Turnover & other Income                   | 16.70   | Nil   |
| Profit (Loss) for the year before         | (34.36)                                       | (1.16)  |
| <b><u>Interest &amp; Depreciation</u></b> |   |   |
| Interest                                  | (00.001)                                      | (0.14)  |
| Depreciation                              | (00.02)                                       | (0.04)  |
| Profit (Loss) before Tax, Prior year      |   |   |
| Adjustments & appropriation               | (34.39)                                       | (1.34)  |
| Prior period adjustments                  | Nil   | Nil   |
| Balance brought forward                   | (636.86)                                      | (635.52)                                      |
| Less: Transfer to Reserve                 | 42.38   | Nil   |
| Balance carried forward                   | (628.88)                                      | (636.86)                                      |

**2. OPERATIONS**

During the year under review, the income from operation of the Company is Rs. 16.70 Lakh as compared to Rs. Nil during the previous year and has incurred loss of Rs. 34.39 Lakh as compared to 1.34 Lakh during the previous year. However the Directors are hopeful of even better performance in the future.

**3. DIVIDEND**

In view of the Losses, during the year under review, the company is not in a position to recommend dividend for the year 2009-2010.

**4. DEPOSITS**

The company has not accepted any fixed deposit from the public within the meaning of Section 58A of Companies Act, 1956 and the rules made there under.

**5. AUDITORS' QUALIFICATION**

As regards Auditors Qualification in their report, your attention is drawn to notes forming part of the accounts, which are self-explanatory.

## **6. DIRECTORATE**

In Accordance with Articles of Associations of the Company Mr. Sanjay Dhelia, Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers him-self for re-appointment.

## **7. DIRECTOR RESPOSIBILITY STATEMENT**

As required Under Section 217(2AA) of the Companies Act, 1956 the Directors Responsibility statement is hereby stated.

- i) That in the preparation of the annual accounts the applicable accounting Standards has been followed along with proper explanations relating to material departures;
- ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period;
- iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- iv) That the Directors had prepared the annual accounts on going concern basis.

## **8. AUDITORS**

M/S Vikash Jindal & Associates, Chartered Accountants, Mumbai retire at the ensuing Annual General Meeting and being eligible is appointed for the next year.

## **9. AUDIT COMMITTEE**

The Company has constituted an Audit Committee of Directors as required under section 292A of the Companies Act,1956. Some of the terms of reference of audit committee are to review the financial reporting process and to examine accountancy, Taxation and disclosure aspect of significant transactions.

## **10. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

- a) Conservation of energy: During the year your company is not engaged any manufacturing Activities.
- b) Technology Absorption: The Technology selected by your company is most modern and the State of the part.
- c) Foreign Exchange Earnings & Outgo: The particulars with respect of Foreign Exchange Earning And Expenditure pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules,1988 is NIL

## **11. CORPORATE GOVERNANCE**

In terms of clause 49 of the Listing Agreement with the Stock Exchanges a report on the corporate Governance is appended as annexure to this report.

## **12. PARTICULARS OF EMPLOYEES**

There being no employees, who were in receipt of remuneration of Rs. One Lacs per month (if employed for the part of the year) for Rs. 12 Lacs per annum (if employed for whole of the year) information Required under section 217(2a) of the companies Act, 1956 read with the Companies (particulars of the employees) Rules 1975 and forming the part of the Directors' report for the period ended 31<sup>st</sup> March 2010 had not been given.

## **13. ACKNOWLEDGMENT**

Your company and its Directors wish to take this opportunity to offers their sincere thanks to various departments of the Central / State Government, Financial Institutions, Banks and Investors for their valuable support and assistance.

Your Directors also wish to place on record their appreciation for devoted services rendered by the staff and Executives of the Company.

By order of the Board of Directors  
SUNRISE ASIAN LIMITED

Place: Mumbai  
Date: 31.05.2010

Sd/-  
**OMPRAKASH GUPTA**  
**(CHAIRMAN)**

## SUNRISE ASIAN LIMITED

### ANNEXURE - 1

#### REPORT ON CORPORATE GOVERNANCE

##### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company has incorporated a separate Section of Report on Corporate Governance in this Report in compliance with the Clause 49 of the Listing Agreement with the Stock Exchange, Mumbai thus committing it to transparency in all its dealings and places emphasis on business ethics.

Hope, by way of transparency in corporate management and reporting practices this will make a value addition.

##### 2. BOARD OF DIRECTORS

###### (i) Composition of Board, Directorships and Committees position held in other Companies as at 31<sup>st</sup> March 2010

| Directors          | No. of outside Directorship Held | Outside Committees# |           |
|--------------------|----------------------------------|---------------------|-----------|
|                    |                                  | As Chairman         | As member |
| Mr. S.P. Kalantari | 1                                | None                | 1         |
| Mr. O.P. Gupta     | None                             | None                | None      |
| Mr. Sanjay Dhelia  | 1                                | None                | 1         |

# Only three Committees viz. Audit Committee, Shareholders' Grievance Committee and Remuneration committee are considered for this purpose

###### (ii) Attendance of Directors in meetings held during the financial year 2009-10

| Sr No | Nature & date of meetings | Name of Directors |            |               |
|-------|---------------------------|-------------------|------------|---------------|
|       |                           | S.P. Kalantari    | O.P. Gupta | Sanjay Dhelia |
| 2     | Board on 30.06.2009       | Present           | Present    | Present       |
| 3     | Board on 31.07.2009       | Present           | Present    | Present       |
| 4     | Board on 30.10.2009       | Present           | Present    | Absent        |
| 5     | Board on 29.01.2010       | Present           | Present    | Present       |
| 6     | Members on 30.09.09       | Present           | Present    | Present       |

##### 3. AUDIT COMMITTEE

###### (i) Terms of Reference

The Audit Committee has been mandated with the terms of reference as specified in Clause 49 of the Listing agreement with the Stock Exchange, Mumbai & enumerated in section 292A of the Companies Act, 1956 and covers all the aspects stipulated by the SEBI Guidelines.

(ii) **Composition Name of Members and Chairman**

The Audit Committee is comprised of two directors. During the financial year ended 31.03.2010, four Committee Meetings were held on 25<sup>th</sup> June, 2009, 28<sup>th</sup> July, 2009, 27<sup>th</sup> October, 2009 & 28<sup>th</sup> January, 2010. The composition of the Audit Committee and the attendance of each Director at their meetings are as follows:-

| Sr.No | Members             | Meetings attended |
|-------|---------------------|-------------------|
| 1     | Mr. S. P. Kalantari | Yes               |
| 2     | Mr. O.P. Gupta      | Yes               |

(iii) **Invitee: (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)**

(a) The Statutory Auditors viz. M/s. Vikash Jindal & Associates

(iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 30<sup>th</sup> September, 2009 and provided clarifications to the members of the Company on the matters relating to Accounts and finance.

(v) An Audit Committee meeting was held on 25<sup>th</sup> June, 2009 where the Annual Financial Statements for the year ended 31<sup>st</sup> March, 2009 were reviewed and examined by the members of the Audit Committee before recommending the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly/Half Yearly Un-audited Financial Results on the following dates before recommending the same to the Board.

| <b>Financial Reporting</b>                          | <b>Date of Approval by Audit Committee</b> |
|---|--|
| Quarter/Year ended 31 <sup>st</sup> March, 2009     | 25 <sup>th</sup> June, 2009                |
| Quarter ended 30 <sup>th</sup> June, 2009           | 28 <sup>th</sup> July, 2009                |
| Quarter/Half Year ended 30 <sup>th</sup> Sept. 2009 | 27 <sup>th</sup> October, 2009             |
| Quarter ended 31 <sup>st</sup> December, 2009       | 28 <sup>th</sup> January, 2010             |

#### **4. REMUNERATION COMMITTEE**

The Company has constituted a Remuneration Committee to determine the remuneration payable to the Managing Director & Director taking in to account their qualification, experience, expertise, contribution and prevailing level of remuneration in Companies of corresponding size and stature.

#### **5. SHAREHOLDERS COMMITTEE**

(i) The Company has a 'Share Transfer Committee' to approve transfer and transmission of securities, issue of duplicate certificates and deals with other Shareholder related issues headed by Mr. S.P. Kalantari Director of the Company. The Committee met twice during the year.

- (ii) The Company also has a 'Shareholders/Investors Grievance Committee' headed by Mr. Sanjay Dhelia, Director to specifically look into redressing of Shareholders' and Investors' complaints. It met one time during the year 2009-2010.

Mr. Sanjay Dhelia has also been designated by the Board as the 'Compliance Officer' of the Company for complying with the requirements under the Listing Agreement with the Stock Exchange, Mumbai.

- (iii) Number of Shareholders' complaints received during the year : Nil
- Number not solved to the satisfaction of the Shareholders : Nil
- Number of pending share Transfers : Nil

#### 6. (i) DETAILS OF GENERAL MEETING

| Financial Year | Date of the meeting | Venue   | Time      |
|----------------|---------------------|---|-----------|
| 2006-2007      | 29-09-2007          | 401-405, Dalamal House, J Bajaj Road, Nariman Point, Mumbai – 400 021 | 3.30 P.M. |
| 2007-2008      | 30-09-2008          | 401-405, Dalamal House, J Bajaj Road, Nariman Point, Mumbai – 400 021 | 3.30 P.M. |
| 2008-2009      | 30-09-2009          | 401-405, Dalamal House, J Bajaj Road, Nariman Point, Mumbai – 400 021 | 3.30 P.M. |

- (ii) No Postal Ballot was put through during the last year as well as year 2009-2010 and as of now there is no proposal pending for passing any resolution through Postal Ballot in the ensuing Annual General Meeting.

#### 7. DISCLOSURES

|  |   |   |
|--|---|---|
| Disclosure on materially significant related party transactions.   | : | There were no materially significant related party transactions i.e. transactions of material nature with its promoters, directors or the management or relatives etc. during the year that may have potential conflict with the interests of the Company at large. |
| Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority or any matter related to Capital Market during last three years. | : | None  |

|                   |   |   |
|-------------------|---|---|
| Secretarial Audit | : | Secretarial Audit was carried out by a practicing firm of Chartered Accountants to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. |
|-------------------|---|---|

#### 8. MEANS OF COMMUNICATION.

|   |   |  |
|---|---|--|
| Half yearly report sent to each household of Shareholder                            | : | No   |
| Financial Results   | : | The financial results have been sent to the regional stock exchange on which the Company is listed in the prescribed format so as to enable the Stock Exchange to put them on their own web sites. |
| Whether Management Discussion and Analysis Report is a part of Annual Report or not | : | Yes  |

#### 9. GENERAL SHAREHOLDERS INFORMATION

|        |  |           |  |
|--------|--|-----------|--|
| (i)    | <b>Next AGM:</b>   |           |  |
|        | Date   | Time      | Venue  |
|        | 30-09-2010   | 3.30 p.m. | 401-405, Dalamal House, J Bajaj Road, Nariman Point, Mumbai – 400 021                        |
| (ii)   | Next Dates of Book Closure   | :         | 28 <sup>th</sup> Sept. 2010 to 30 <sup>th</sup> Sept. 2010<br>(both days inclusive)          |
| (iii)  | <b>Code of Conduct for Prevention of insider Trading:</b><br>Pursuant to the requirements of SEBI (Prohibitions of insider Trading) Regulations, 1992, as amended, the Company has adopted a “Code of Conduct for Dealing in Securities”. The said Code of Conduct will be updated from time to time in line with the requirements of SEBI guidelines. |           |  |
| (iv)   | Dividend Payment Date  | :         | Not Applicable   |
| (v)    | Listing on Stock Exchanges   | :         | The Shares of the Company are listed at Bombay Stock Exchange Limited, Mumbai – 400 001.     |
| (vi)   | Stock Code   | :         | 506615   |
| (vii)  | ISIN No. for the Company’s Equity Share in Demat Form  | :         | INE 917D01011  |
| (viii) | Depository Connectivity  | :         | National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) |

|       |  |   |
|-------|--|---|
| (ix)  | Stock Market Data  |   |
|       | There was no trading in the shares of the Company during the year under review.  |   |
| (x)   | <b>Registrar &amp; Transfer Agents:</b><br>The Company has appointed M/s. Adorit Corporate Services Private Limited as a common agency for share registry work (both physical & electronic) for all matters connected with transfers and transmission of shares and also dematerialization of shares and other related functions.  |   |
| (xi)  | <b>Share Transfer System:</b><br>With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to Share Transfer Committee of the Board, which meets as and when required. The shares for transfer received in physical mode by the Company, are transferred expeditiously and thereafter, option letter is sent to the transferee(s) for dematerialization, Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories, i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited within 7 days. |   |
| (xii) | Registrar and Transfer Agent   | M/s. Adorit Corporate Services Pvt. Ltd.<br>19, Jaferbhoy Industrial Estate,<br>Makwana Road, Marol Naka,<br>Andheri (E), Mumbai – 400 059<br>Tel No. 022-28596060<br>Contact Person: Mrs. Veena Shetty |

(xiii) **DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2010**

(a) According to Category holdings

| Category                 | No. of Shareholders | % of total Shareholders | No. of Shares | % of shareholding |
|--------------------------|---------------------|-------------------------|---------------|-------------------|
| Promoters & Group        | 8                   | 40                      | 3203020       | 75.15             |
| Person Acting in concert |                     |                         |               |                   |
| FI(s) Bank & Mutual Fund |                     |                         |               |                   |
| Individual/Indian Public | 11                  | 55                      | 1058700       | 24.84             |
| Corporate Bodies         | 1                   | 5                       | 200           | 0.005             |
| NRI/OCB                  |                     |                         |               |                   |
| Clearing Members         |                     |                         |               |                   |
| Venture Capital          |                     |                         |               |                   |
| Total                    | 20                  | 100.00                  | 4261920       | 100.00            |

(b) According to Number of Equity Shares

| No. of Equity Shares held | No. of shareholders | % of total shareholders | No. of shares | % of shareholding |
|---------------------------|---------------------|-------------------------|---------------|-------------------|
| Upto 5000                 | 3                   | 15                      | 400           | 0.009             |
| 5001 to 10000             |                     |                         |               |                   |
| 10001 to 20000            | 1                   | 5                       | 17700         | 0.42              |
| 20001 to 30000            | 2                   | 10                      | 41250         | 0.97              |
| 30001 to 40000            |                     |                         |               |                   |
| 40001 to 50000            | 1                   | 5                       | 40500         | 0.95              |
| 50001 to 100000           | 5                   | 25                      | 488204        | 11.45             |
| Above - 100001            | 8                   | 40                      | 3673866       | 86.20             |
| Total                     | 20                  | 100.00                  | 4261920       | 100.00            |



|       |  |  |
|-------|--|--|
| (xiv) | Dematerialization of Shareholding and liquidity  | 7.40% Company Equity Share's dematerialized as on 31/03/2010 |
| (xv)  | Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity | Not applicable   |
| (xvi) | Plant Locations  | Not Applicable.  |

## 10. MANAGEMENT DISCUSSION AND ANALYSIS

### a) INDUSTRY STRUCTURE AND DEVELOPMENT

The Company is primarily engaged in the business of commodities market and F&O activities. Commodities market was boom throughout the year. The company is trying to keep up with the pace of growth of the Indian market. The company is building various earning platform for the forthcoming year to come out from the red into the green.

### b) OPPORTUNITIES

The company is trying its level best to revoke the suspension of trading of its shares to unlock the value of the share available to its shareholders.

### c) RISK, INTERNAL CONTROL SYSTEM AND ADEQUACY

The company has adequate internal control procedure commensurate with its size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by the management and well documented policies and guidelines to ensure the reliability of financial and all other records to prepare financial statements. The company continuously upgrades these systems in line with best accounting practices. The company is benefited from having a team of professionals as promoter and independent directors, who are capable of exercising various checks and control effectively.

### d) HUMAN RESOURCES

Human Resources is one of the key assets that has been nurtured and encouraged for active participation in company's growth. The company has well defined appraisal system in pace for recognition of talented and deserving employees, whose includes line and staff function personal. The industrial relations remained cordial during the year. The company have never faced any staffs unrest or any discomfort in relations with its staff due to the professional approach of the management towards this factor.

**AUDITORS COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of Sunrise Asian Limited

We have reviewed the compliance of conditions of Corporate Governance by Sunrise Asian Limited for the year ended 31<sup>st</sup> March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures 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 the management, we certify that the Company has complied with the conditions of Corporate Governance in all material respect as stipulated in the above mentioned listing agreement.

We state that there were no investor grievance(s) pending for a period exceeding one month against the company as per the report given by the Registrars of the Company and placed before the Investor Grievance Committee.

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

**For Vikash Jindal & Associates  
Chartered Accountants**

**Sd/-  
(Vikash Jindal)  
Proprietor  
FR No. 129922W**

Place: Mumbai  
Dated: 31.05.2010

## **AUDITOR'S REPORT**

To,  
The Members,  
**SUNRISE ASIAN LIMITED**

1. We have audited the attached Balance Sheet of **SUNRISE ASIAN LIMITED** as at 31<sup>st</sup> March, 2010 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibilities of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. This does not include a statement on matters specified in paragraph 4 of 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, since in our opinion and according to the information and explanation given to us, the said order is not applicable to the company as referred in clause 1(2)(iv) of the said order.

4. Further to our comments in the Annexure referred to (1) above, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii) 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 the books.
- iii) The said Balance sheet and Profit & Loss Account dealt by this report are in agreement with the books of account.

- iv) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
- v) On the basis of written representation received from directors and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31<sup>st</sup> March, 2010 from being appointed as directors in terms of Section 274(1)(g) of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the Accounts, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
  - a) In the case of Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2010 and;
  - b) In the case of Profit and Loss account of the Loss for the year ended on that date.
  - c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For Vikash Jindal & Associates**  
*Chartered Accountants*

**Sd/--**  
**(Vikash Jindal)**  
**Proprietor**  
**FR No. 129922W**

**Place: Mumbai**  
**Dated: 31.05.2010**

**SUNRISE ASIAN LIMITED**  
**ANNEXURE TO THE AUDITORS' REPORT**  
**(Referred to in Paragraph (1) of our Report of even date)**

- (1)
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified by the management. No material; discrepancies were noticed on such verification.
  - (c) During the year, the Company has not disposed off any fixed assets.
- (2)
  - (a) The management of the Company has conducted physical verification of the inventory at reasonable intervals.
  - (b) The procedures of physical verification of the inventory were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of the inventory and no material discrepancies on its physical verification were noticed.
- (3)
  - (a) The Company has not granted unsecured loan to parties covered in the register maintained u/s. 301 of the Companies Act, 1956.
  - (b) The Company has not taken any unsecured loans from parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchases of fixed assets. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal controls.
- (5) In our opinion and according to the information and explanations given to us, the transactions of purchase of inventory in pursuance of contracts of arrangements entered in the register maintained under Section 301 of the Act, and aggregating during the year to Rs.5,00,000 or more in respect of each party have been made at the prevailing market prices at the relevant time.

- (6) The Company has not accepted deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provision of the Companies Act, 1956 and rules framed there under are not applicable.
- (7) In our opinion, the Company has an in house internal audit system commensurate with the size and nature of its business.
- (8) We have been informed that Central Government has not prescribed maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956.
- (9) According to the records of the Company, undisputed liabilities towards income tax, wealth tax, service tax, excise duty, sales tax, Cess and other statutory dues have been regularly deposited with appropriate authorities. There were no undisputed statutory dues which was outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
- (10) The Accumulated Losses at the end of the financial year are amounting to Rs.628.88 Lacs, which is more than 100% of the Net worth. The company has incurred cash losses for the period under reference and also in the year immediately preceding the financial year.
- (11) During the year, there are no dues from the bank or Financial Institution.
- (12) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other investments. Therefore, the provisions of clause 4(xii) of the companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (13) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (14) The Company is maintaining timely proper records of the transaction and contracts for purchases or sales of shares, securities, debentures and other investment, and the same is held by the company in its own name.

- (15) As informed to us, the Company has not given any guarantee for any loans taken by other from bank or financial institutions. Therefore, the provisions of clause 4(xv) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (16) On the basis of information and explanations given to us, the company has not obtained and / or applied any term loan during the year.
- (17) On the basis of information and explanations given to us and on an overall examination of the Balance Sheet and the Cash Flow Statement of the Company, we report that no funds raised on short term basis have been used during the year for long term investment.
- (18) The Company has not made any preferential allotment of shares during the year under review.
- (19) The Company has not issued any debentures during the year.
- (20) During the year under review, The Company has not raised any money by way of Public issues. Hence the question of verification of end use of money raised in public issue as per the provision of clause 4(xx) of the companies (Auditor's Report) Order 2003 does not arise.
- (21) On the basis of our examinations and according to the information and explanations given to us, no fraud/s on or by the Company has been noticed or reported during the course of the audit.

**For Vikash Jindal & Associates  
Chartered Accountants**

Sd/--

**(Vikash Jindal)  
Proprietor  
FR No. 129922W**

**Place : Mumbai  
Dated: 31.05.2010**

**M/S. SUNRISE ASIAN LIMITED**  
(FORMERLY KNOWN AS AKAI ASIAN LIMITED)  
**BALANCE SHEET AS AT 31ST MARCH, 2010**

| <b>PARTICULARS</b>                               | <b>SCHEDULE</b> | <b>AMOUNT</b> | <b>AMOUNT AS AT 31.03.2010</b> | <b>AMOUNT AS AT 31.03.2009</b> |
|--|-----------------|---------------|--------------------------------|--------------------------------|
| <b>I. SOURCES OF FUNDS:</b>                      |                 |               |                                |                                |
| <b>(1) SHAREHOLDERS FUNDS :</b>                  |                 |               |                                |                                |
| a. Share Capital                                 | 1               | 42,619,200    |                                | 42,619,200                     |
| b .Reserves & Surplus                            | 2               | 18,068,168    |                                | 6,977,835                      |
|  |                 |               | 60,687,368                     | 49,597,035                     |
| <b>(2) LOAN FUND :</b>                           |                 |               |                                |                                |
| a. Secured Loans                                 | 3               | -             |                                | 20,546,313                     |
|  |                 |               | -                              | 20,546,313                     |
| <b>TOTAL</b>                                     |                 |               | <b>60,687,368</b>              | <b>70,143,348</b>              |
| <b>II. APPLICATION OF FUNDS:</b>                 |                 |               |                                |                                |
| <b>(1) FIXED ASSETS:</b>                         |                 |               |                                |                                |
| Gross Block                                      | 4               | 110,000       |                                | 30,271,324                     |
| Less: Depreciation                               |                 | 63,402        |                                | 22,085,620                     |
| Net Block  |                 |               | 46,598                         | 8,185,704                      |
| <b>(2) INVESTMENTS:</b>                          |                 |               |                                |                                |
|  | 5               |               | -                              | 26,680                         |
| <b>(3) CURRENT ASSETS, LOANS &amp; ADVANCES:</b> |                 |               |                                |                                |
| a. CURRENT ASSETS                                |                 |               |                                |                                |
| Sundry Debtors                                   | 6               | -             |                                | 1,305,489                      |
| Cash & Bank Balances                             |                 | 414,202       |                                | 404,919                        |
| b. Loans & Advances                              |                 |               |                                |                                |
|  | 7               | 2,906,454     |                                | 7,936,203                      |
|  |                 | 3,320,656     |                                | 9,646,611                      |
| Less : Current Liabilities & Provisions          | 8               | 5,567,397     |                                | 11,401,962                     |
| NET CURRENT ASSETS:                              |                 |               | (2,246,741)                    | (1,755,351)                    |
| <b>(4) PROFIT &amp; LOSS ACCOUNT</b>             |                 |               |                                |                                |
|  |                 |               | 62,887,512                     | 63,686,316                     |
| <b>TOTAL</b>                                     |                 |               | <b>60,687,368</b>              | <b>70,143,348</b>              |

SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS

11

As per our report of even date attached

For Vikash Jindal & Associates  
Chartered Accountants

For and on Behalf of the Board

Sd/--  
Vikash Jindal  
Proprietor  
FR No. 129922W

Sd/--  
O.P.GUPTA  
DIRECTOR

Sd/--  
SANJAY DHELIA  
DIRECTOR

Place : MUMBAI  
DATE : 31/05/2010





**SUNRISE ASIAN LIMITED**  
**Cash Flow Statement for the Financial Year 2009-2010**

| Particulars   | 2009-10<br>Amount In Rs. | 2008-09<br>Amount In Rs. |
|---|--------------------------|--------------------------|
| <b>A. Cash Flow from Operating Activities</b>         |                          |                          |
| Net profit before Taxation and extra ordinary item    | (3,438,869)              | (133,992)                |
| Adjustment from:                                      |                          |                          |
| Depreciation  | 2,453                    | 3,965                    |
| Loss on sale of Fixed Assets                          | 3,435,751                | -                        |
| Dividend Income (Gross)                               | -                        | -                        |
| Interest expenses                                     | -                        | 13,729                   |
| Operating profit before working capital changes       | <u>(665)</u>             | <u>(116,298)</u>         |
| Decrease/(Increase) in Sundry Debtors                 | 1,305,489                | -                        |
| Decrease/(Increase) in Inventories                    | -                        | -                        |
| Decrease/(Increase) in Loans & Advances               | 5,029,749                | 73,580                   |
| (Decrease)/Increase in Current Liabilities            | (1,596,892)              | 11,031                   |
| Cash Generated from Operation                         | <u>4,737,681</u>         | <u>(31,687)</u>          |
| Prior Period Adjustments                              | -                        | -                        |
| Direct Tax paid                                       | -                        | -                        |
| <b>Net Cash Flow from Operating activities</b>        | <u>4,737,681</u>         | <u>(31,687)</u>          |
| <b>B. Cash Flow from Investing activities</b>         |                          |                          |
| Proceeds from sale of Fixed Assets                    | 2,167,575                | -                        |
| Transfer to Reserve                                   | 13,623,660               | -                        |
| Proceeds from sale of Investments                     | 26,680                   | -                        |
| Dividend Income (Gross)                               | -                        | -                        |
| <b>Net Cash Flow from Investing activities</b>        | <u>15,817,915</u>        | <u>-</u>                 |
| <b>C. Cash Flow from financing activities</b>         |                          |                          |
| Increase/(Decrease) in Long Term Borrowings           | (20,546,313)             | -                        |
| Interest paid   | -                        | (13,729)                 |
| <b>Net Cash Flow from Financing activities</b>        | <u>(20,546,313)</u>      | <u>(13,729)</u>          |
| <b>Net increase in cash and cash equivalents</b>      | <u>9,283</u>             | <u>(45,416)</u>          |
| <b>Cash and cash equivalents at beginning of year</b> | <u>404,919</u>           | <u>450,335</u>           |
| <b>Cash and cash equivalents at end of year</b>       | <u>414,202</u>           | <u>404,919</u>           |

As per our attached report of even date  
For Vikash Jindal & Associates  
Chartered Accountants

For and on behalf of the Board

Sd/-  
(Vikash Jindal)  
Proprietor  
FR No. 129922W

Sd/-  
O. P. Gupta  
Director

Sd/-  
Sanjay Dhelia  
Director

Place : MUMBAI  
DATE :31/05/2010

**SCHEDULES ATTACHED TO AND FORMING PARTS OF THE BALANCE SHEET**

|  | <b>AMOUNT<br/>AS AT<br/>31.03.2010</b> | <b>AMOUNT<br/>AS AT<br/>31.03.2009</b> |
|--|--|--|
| <b>SCHEDULE "1"</b>  |  |  |
| <b>SHARE CAPITAL</b>   |  |  |
| <b>AUTHORISED:</b>   |  |  |
| 50,00,000 Equity Share of Rs.10/-each<br>(Previous Year 50,00,000 Equity Shares of Rs. 10/- each)  | 50,000,000                             | 50,000,000                             |
|  | <b>50,000,000</b>                      | <b>50,000,000</b>                      |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>   |  |  |
| 42,61,920 Equity shares of Rs.10/- each<br>(Previous Year 42,61,920 Equity Shares of Rs. 10/- each)<br>(Out of the above Equity shares 21,60,120 Equity shares are<br>alloted as fully paid up prsuant to amalgamation scheme<br>without payment being received in cash) | 42,619,200                             | 42,619,200                             |
| <b>TOTAL</b>   | <b>42,619,200</b>                      | <b>42,619,200</b>                      |
| <b>SCHEDULE "2"</b>  |  |  |
| <b>RESERVE &amp; SURPLUS</b>   |  |  |
| <b>SUBSIDY RESERVE:</b>  |  |  |
| As per Last Balance Sheet  | 3,587,673                              | 3,587,673                              |
| Less : Transferred to Profit & Loss Account  | 3587673                                | -                                      |
| <b>CAPITAL REDEMPTION RESERVE:</b>   |  |  |
| As per Last Balance Sheet  | 650,000                                | 650,000                                |
| Less : Transferred to Profit & Loss Account  | 650000                                 | -                                      |
| <b>REVALUATION RESERVE:</b>  |  |  |
| As per Last Balance Sheet  | 11,728,054                             |  |
| Less : Depreciation on Revalued Assets   | 8,987,892                              |  |
|  | 2,740,162                              |  |
| Less : Transferred to Fixed Assets on reversal   | 2,740,162                              | 2,740,162                              |
| <b>CAPITAL RESERVE:</b>  | 18,068,168                             |  |
| <b>TOTAL</b>   | <b>18,068,168</b>                      | <b>6,977,835</b>                       |
| <b>SCHEDULE "3"</b>  |  |  |
| <b>SECURED LOANS</b>   |  |  |
| Term Loans from Financial Insitutation   | -                                      | 20,546,313                             |
| <b>TOTAL</b>   | <b>-</b>                               | <b>20,546,313</b>                      |
| <b>SCHEDULE "5"</b>  |  |  |
| <b>INVESTMENT (AT COST)</b>  |  |  |
| <b>IN SHARES &amp; DEBENTURES :</b>  |  |  |
| <b>SHARES UNQUOTED :</b>   |  |  |
| 2200 Shares of Agip Merchandise Ltd.<br>of Rs.10/- Each fully paid up.   | -                                      | 22,000                                 |
|  | -                                      | 22,000                                 |
| <b>SHARES QUOTED :</b>   |  |  |
| 2340 Equity Shares of Akai Impex Ltd.<br>of Rs. 10/- Each Fully paid up.   | -                                      | 4,680                                  |
|  | -                                      | 4,680                                  |
| <b>TOTAL</b>   | <b>-</b>                               | <b>26,680</b>                          |

**SCHEDULES ATTACHED TO AND FORMING PARTS OF THE BALANCE SHEET**

|   | <b>AMOUNT<br/>AS AT<br/>31.03.2010</b> | <b>AMOUNT<br/>AS AT<br/>31.03.2009</b> |
|---|--|--|
| <b>SCHEDULE "6"</b>   |  |  |
| <b>CURRENT ASSETS :</b>   |  |  |
| <b>SUNDRY DEBTORS :</b>   |  |  |
| (Unsecured considered goods by the Management)                        |  |  |
| Outstanding for period a exceeding six month                          | -                                      | 1,305,489                              |
| Others  | -                                      | -                                      |
|   | -                                      | 1,305,489                              |
| <b>CASH AND BANK BALANCES :</b>                                       |  |  |
| Cash On hand  | 386,174                                | 359,494                                |
| In current account with scheduled Bank                                | 28,028                                 | 45,425                                 |
|   | 414,202                                | 404,919                                |
| <b>TOTAL</b>  | <b>414,202</b>                         | <b>1,710,408</b>                       |
| <b>SCHEDULE "7"</b>   |  |  |
| <b>LOANS AND ADVANCES :</b>   |  |  |
| (Unsecured considered good by the Management)                         |  |  |
| Advances recoverable in cash or inkind<br>or for value to be received | 2,736,558                              | 6,897,150                              |
| Deposits  | 169,896                                | 295,777                                |
| Income Tax Payment  | -                                      | 743,276                                |
|   | 2,906,454                              | 7,936,203                              |
| <b>TOTAL</b>  | <b>2,906,454</b>                       | <b>7,936,203</b>                       |
| <b>SCHEDULE "8"</b>   |  |  |
| <b>CURRENT LIABILITIES &amp; PROVISIONS :</b>                         |  |  |
| <b>CURRENT LIABILITIES :</b>  |  |  |
| Sundry Creditors for Goods & Expenses                                 | 5,451,147                              | 10,421,844                             |
| Other Liabilities   | 116,250                                | 980,118                                |
|   | 5,567,397                              | 11,401,962                             |
| <b>TOTAL</b>  | <b>5,567,397</b>                       | <b>11,401,962</b>                      |

**SUNRISE ASIAN LIMITED**

**SCHEDULE "4"  
FIXED ASSETS**

(Amount in Rs.)

| PARTICULARS          | GROSS BLOCK (AT COST) |                                 |                   |                      | DEPRECIATION        |                   |                             |                              | NET BLOCK            |                     |
|----------------------|-----------------------|---------------------------------|-------------------|----------------------|---------------------|-------------------|-----------------------------|------------------------------|----------------------|---------------------|
|                      | AS ON<br>01.04.2009   | ADDITIONS<br>DURING<br>THE YEAR | TRANSFER          | AS AT<br>31.03.20010 | UP TO<br>31.03.2009 | SALE/TRANSFER     | PROVIDED<br>FOR THE<br>YEAR | TOTAL<br>UPTO<br>31.03.20010 | AS AT<br>31.03.20010 | AS AT<br>31.03.2009 |
| Land & Buildings     | 7,167,388             | -                               | 7,057,388         | 110,000              | 3,466,258           | 3,405,309         | 2,453                       | 63,402                       | 46,598               | 3,701,130           |
| Plant & Machinery    | 21,116,076            | -                               | 21,116,076        | -                    | 16,715,253          | 16,715,253        | -                           | -                            | -                    | 4,400,823           |
| Furniture, Fixtures  | 235,660               | -                               | 235,660           | -                    | 206,141             | 206,141           | -                           | -                            | -                    | 29,519              |
| Office Equipments    | 305,878               | -                               | 305,878           | -                    | 264,641             | 264,641           | -                           | (0)                          | 0                    | 41,237              |
| Computers            | 953,000               | -                               | 953,000           | -                    | 949,500             | 949,500           | -                           | 0                            | (0)                  | 3,500               |
| Motor Car            | 493,322               | -                               | 493,322           | -                    | 483,827             | 483,827           | -                           | -                            | -                    | 9,495               |
| <b>TOTAL</b>         | <b>30,271,324</b>     | <b>-</b>                        | <b>30,161,324</b> | <b>110,000</b>       | <b>22,085,620</b>   | <b>22,024,671</b> | <b>2,453</b>                | <b>63,402</b>                | <b>46,598</b>        | <b>8,185,704</b>    |
| <b>PREVIOUS YEAR</b> | <b>30,271,324</b>     | <b>-</b>                        | <b>-</b>          | <b>30,271,324</b>    | <b>22,081,655</b>   | <b>-</b>          | <b>3,965</b>                | <b>22,085,620</b>            | <b>8,185,704</b>     | <b>8,189,669</b>    |

**SCHEDULES ATTACHED TO AND FORMING PARTS OF PROFIT & LOSS ACCOUNT**

|   |                  |                |
|---|------------------|----------------|
| <b>SCHEDULE "9"</b>                           |                  |                |
| <b>ADMINISTRATIVE,SELLING &amp; OTHER EXP</b> |                  |                |
| Listing Fees                                  | 108,064          | -              |
| Registrar and Depository Fees                 | 22,060           | 39,052         |
| Legal & Professional Exp.                     | 3,309            | 16,751         |
| ROC Fees                                      | 36,399           | 40,000         |
| Auditor's Remuneration                        | 10,000           | 11,030         |
| Professional Fees                             | 19,303           |                |
| Loss on Sale of Fixed Assets                  | 3,228,916        | -              |
| Sundry Balances w/off                         | 7,700            | 9,465          |
| <b>TOTAL</b>                                  | <b>3,435,751</b> | <b>116,298</b> |
| <b>SCHEDULE "10"</b>                          |                  |                |
| <b>INTEREST &amp; FINANCE CHARGES</b>         |                  |                |
| Bank charges & others                         | 165              | 13,729         |
| <b>TOTAL</b>                                  | <b>165</b>       | <b>13,729</b>  |

**SUNRISE ASIAN LIMITED**

**SCHEDULE "11"**

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS:**

**I. SIGNIFICANT ACCOUNTING POLICIES:**

(a) SYSTEM OF ACCOUNTING

Financial Statements are prepared on historical cost convention and accrual basis except those stated at revalued amount on the going concern.

(c) FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for their intended use.

(d) DEPRECIATION

Depreciation is provided as per WDV method at rates prescribed in the Schedule XIV of Companies Act, 1956 on prorata basis.

(e) INVENTORIES

There are no inventories during the year.

(f) TREATMENT OF CONTINGENT LIABILITIES

Contingent Liabilities are disclosed by way of note on the Balance Sheet; Provision is made in the Accounts for those liabilities which are likely to materialize after the year and till the finalization of accounts and having effect on the position stated in the Balance Sheet as at the year end.

(g) TAXATION

The provision for tax is based on assessable profit of the Company, computed in accordance with relevant taxation provision.

(h) TIMING OF REVENUE RECOGNITION

In appropriate circumstances, revenue (income) is recognized, when no significant uncertainty as to measurability or collectibility exists. However, export benefits / incentives are accounted on accrual basis.

(i) EXPENSES

Material known liabilities are provided for on the basis of available information / estimates. Material items of prior period expenses, non-recurring and extra ordinary expenses are disclosed separately.

(j) DEFERRED TAX

Provision for Deferred tax assets or liabilities have not been recognized on brought forward losses as well as current year losses in view of uncertainty about the availability of future income.

## II. NOTES TO THE ACCOUNTS:

1. Contingent Liabilities is for the year 

|                                      |                                      |
|--------------------------------------|--------------------------------------|
| As at 31 <sup>st</sup><br>March 2010 | As at 31 <sup>st</sup><br>March 2009 |
| Rs.                                  | Rs.                                  |
| <b>Nil</b>                           | <b>Nil</b>                           |
2. Balances of Sundry Debtors, Sundry Creditors, Loans & Advances and Deposits are subject to confirmation and reconciliation.
3. In the opinion of the Board of Directors, the Current assets, Loans and Advances have a value not less than what is stated in Balance Sheet, if realised in the ordinary course of business. All known liabilities are adequate and not in excess of amount considered necessary.

### 4. PAYMENT TO AUDITORS:

|            |                |                |
|------------|----------------|----------------|
|            | <u>2009-10</u> | <u>2008-09</u> |
| Audit Fees | 10000          | 11030          |
|            | -----          | -----          |
| TOTAL      | 10000          | 11030          |
|            | =====          | =====          |

### 5. CALCULATION OF EARNING PER SHARE:

In accordance with Accounting Standard 20 "Earning per Share" issued by ICAI, the Calculation of Earning per Share is as under:

|  |           |          |
|--|-----------|----------|
|  | 2009-10   | 2008-09  |
| Net Profit after tax   | (3438869) | (133992) |
| Weighted average number of shares<br>Outstanding during the year                 | 4261920   | 4261920  |
| Basic and Diluted Earning per share in Rupees<br>(Face Value Rs. 10/- per share) | (-) 0.81  | (-) 0.03 |

6. Previous year figures have been regrouped and/or rearranged wherever considered necessary.
7. There were no amount overdue and remaining unpaid to small scale and / or Ancillary industries suppliers on account of principal and / or interest as at the close of the year. The disclosure is based on the information available with the company regarding the status of the suppliers as defined under the "Interest on Delayed Payments to Small Scale & Ancillary Industrial Undertaking Act, 1993."
8. Balance Sheet Abstract and Company's general Business Profile is annexed herewith.





**SUNRISE ASIAN LIMITED**

Balance Sheet abstract and Company's general business profile as required by the part IV of Schedule VI of the Companies Act, 1956

|      |  |            |
|------|--|------------|
| I.   | REGISTRATION DETAILS                             |            |
|      | A. REGISTRATION NO.                              | 0025740    |
|      | B. STATE CODE                                    | 11         |
|      | C. BALANCE SHEET DATE                            | 31-03-2010 |
| II.  | CAPITAL RAISED DURING THE YEAR (In Thousands)    |            |
|      | PUBLIC ISSUE                                     | NIL        |
|      | RIGHT ISSUE                                      | NIL        |
|      | BONUS ISSUE                                      | NIL        |
|      | PRIVATE PLACEMENT                                | NIL        |
| III. | POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS | 0          |
|      | (In Thousands)                                   | 0          |
|      | TOTAL LIABILITIES                                | 60687      |
|      | TOTAL ASSETS                                     | 60687      |
|      | SOURCES OF FUNDS                                 |            |
|      | PAID UP CAPITAL                                  | 42619      |
|      | RESERVES & SURPLUS                               | 18068      |
|      | SECURED LOANS                                    | NIL        |
|      | UNSECURED LOANS                                  | NIL        |
|      | DEFERRED TAX LIABILITY                           | NIL        |
|      | APPLICATION OF FUNDS                             |            |
|      | NET FIXED ASSETS                                 | 47         |
|      | INVESTMENTS                                      | NIL        |
|      | NET CURRENT ASSETS                               | (2246)     |
|      | MISCELLANEOUS EXPENDITURE                        | NIL        |
|      | ACCUMULATED LOSSES                               | 62888      |
| IV.  | PERFORMANCE OF THE COMPANY (In Thousands)        |            |
|      | TOTAL INCOME                                     | 1670       |
|      | TOTAL EXPENDITURE                                | 5108       |
|      | PROFIT/LOSS BEFORE TAX                           | (3439)     |
|      | PROFIT/LOSS AFTER TAX                            | (3439)     |
|      | EARNING PER SHARE (Rs.)                          | (0.81)     |
|      | DIVIDEND   | NIL        |
| V.   | GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES     |            |
|      | (As per monetary terms)                          |            |
|      | ITEM CODE NO. (ITC CODE)                         | N.A.       |
|      | PRODUCT DESCRIPTION                              | N.A.       |

**FOR SUNRISE ASIAN LIMITED**

**PLACE: MUMBAI**  
**DATED: 31.05.2010**

**Sd/--**  
**OMPRAKASH GUPTA**  
**DIRECTOR**