

20th ANNUAL REPORT

F.Y. 2012-2013

SUDEV INDUSTRIES LIMITED

Regd. Office: A-74/1 & 2, UPSIDC Area, Sikandrabad
District Bulandshahar (Uttar Pradesh) - 203205

Corp. Office(s): BP-77, Pitam Pura, New Delhi – 110088

SUDEV INDUSTRIES LIMITED

BOARD OF DIRECTORS

Shri Rajiv Agarwal	Chairman/ Executive Director
Mrs. Anupma Agarwal	Executive Director
Shri Naveen Khatri	Independent Non Executive Director
Shri S. K. Srivastava	Independent Non Executive Director

AUDITORS

Gupta Jalan & Associates
Chartered Accountants
316, Express Tower
Azadpur Commercial Complex
New Delhi - 110033

BANKERS

RBS

REGISTERED OFFICE

SUDEV INDUSTRIES LIMITED
A-74/1 & 2, UPSIDC Area
Sikandrabad
District Bulandshahar (Uttar Pradesh) - 203205

CORPORATE OFFICES

SUDEV INDUSTRIES LIMITED
BP-77, Pitam Pura, New Delhi - 110088

STOCK EXCHANGES

Bombay Stock Exchange, Mumbai
Delhi Stock Exchange Association Limited, Delhi
UP Stock Exchange, Kanpur
Jaipur Stock Exchange, Jaipur
Chennai Stock Exchange, Chennai
Kolkata Stock Exchange, Kolkata

REGISTRAR &

SHARE TRANSFER AGENTS

Beetal Financial & Computer Services Pvt. Ltd
3rd Floor, 99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukh Dass Mandir, New Delhi-110062
Tel: 91-11-2996 1281-83; Fax: 91-11-2996 1284
E-mail: beetal@beetalfinancial.com
Website: www.beetalfinancial.com

COMPANY

IDENTIFICATION NO.

L25201UP1992PLC018150

WEBSITE

www.sudev.co.in

E – MAIL

info@sudev.co.in

<p>Annual General Meeting: 30th Day of September, 2013 Time: 11:30 A.M. Venue: A-74/1 & 2, UPSIDC Area, Sikandrabad, Distt. Bulandshahr (U.P.) - 203205</p>

BOOK CLOSURE DATES
(23/09/2013 - 30/09/2013)

SUDEV INDUSTRIES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 20th Annual General Meeting of the Members of SUDEV INDUSTRIES LIMITED will be held at the Registered Office of the Company at A-74/1 & 2, UPSIDC Area, Sikandrabad, District Bulandshahar (Uttar Pradesh) -203205 on Monday, the 30th September, 2013 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and Statement of Profit and Loss Account for the year ended 31st March, 2013 and the Reports of Directors and Auditors thereon;
2. To appoint a Director in place of Mrs. Anupma Agarwal who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**By order and on behalf of the Board
For SUDEV INDUSTRIES LIMITED**

**Rajiv Agarwal
Director**

Place: New Delhi
Date: 31/08/2013

REGISTERED OFFICE: A-74/1 & 2, UPSIDC Area, Sikandrabad
District Bulandshahar (Uttar Pradesh) - 203205

CORPORATE OFFICES: BP-77, Pitam Pura, New Delhi – 110088

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from the 23rd September, 2013 to 30th September, 2013 (both days inclusive).
3. As per SEBI Guidelines, Company has appointed M/s Beetal Financial & Computer Services Pvt. Ltd., 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi – 110062 as its Registrar and Share Transfer Agents for both physical and demat shares.
4. Shareholders of the Company may opt for conversion of their physical holding to demat holdings by lodging their physical Share certificate with Dematerialization Request Form with their Depository Participant.
5. Corporate Members are requested to send a duly certified copy of the Board resolution/ power of attorney authorizing their representative to attend and vote at the Annual General Meeting.
6. Members are requested to notify any change in their address.
7. The Ministry of Corporate Affairs has taken a “**Green Initiative in the Corporate Governance**” by allowing paperless compliance by the Companies and has issued circulars stating that service of notice/ documents including Annual

- Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses are requested to register their e-mail address with the Company.
8. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
 9. Members seeking any information with regard to accounts are requested to write to the company at least 10 days in advance so as to enable the company to keep information ready.
 10. Members desirous of making nomination in respect of their shareholding in the company as permitted under section 109 of the Companies Act, 1956, are requested to write to the Company's Registrar in the prescribed form.
 11. Members may note that no gift/ gift coupons shall be distributed at the venue of the meeting.
 12. Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (in pursuant to Clause 49 of the Listing Agreements):

Name of Director	Anupma Agarwal
Age	48 Years
Date of Appointment as a Director	20/04/1992
Expertise in specific functional area	Expertise in administration and management & rich experience in administration, business strategy and accounts.
Outside Directorships / Committee Memberships Chairmanships in Public Companies	Nil
Qualifications	Post Graduation- Commerce
Shareholding in the Company	44600

**By order and on behalf of the Board
For SUDEV INDUSTRIES LIMITED**

**Rajiv Agarwal
Director**

Place: New Delhi
Date: 31/08/2013

SUDEV INDUSTRIES LIMITED

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 20th Annual Report on the operations of the Company and the Audited Statement of Accounts for the year ended 31st March, 2013.

1. Financial Results and performance of the Company

Particulars	Current year 2012 - 2013 (Rs. in Lacs)	Previous year 2011 - 2012 (Rs. in Lacs)
Net Sales & Other Income	NIL	121.79
Profit before depreciation and Tax	(3.87)	5.47
Less : Depreciation	NIL	NIL
Profit/(Loss) before Extra Ordinary Item and Tax	(3.87)	5.47
Profit/(Loss) before Tax	(3.87)	5.7
Less: a) Current Income Tax	NIL	11.15
Profit/(Loss) after Tax	(3.87)	4.32
Less: Balance, being Loss brought forward From Previous Year	(344.50)	(349.17)
Balance, being Profit/Loss carried to Balance Sheet	(348.37)	(344.50)

During the year under review, the Company has not earned any income as compared with the results of previous year during which the company had earned a profit of Rs. 4,31,971.21/-. Though the operations of the Company are yet to start, your Directors are very much positive to revive the company. The Board is looking for further funding into the Company to start business activities.

2. Dividend

The Board of Directors does not recommend any dividend for the financial year 2012 - 2013.

3. Public Deposit

The Company has not accepted any deposits including fixed deposits from the public under section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975, during the financial year.

4. 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:

That in preparation of the annual accounts for the financial year ended 31st March, 2013 the applicable accounting standards had been followed along with proper explanation relating to material departures;

That the Directors have consulted, in selection of the accounting policies, the statutory auditors and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at end of the financial year and of the profit or loss of the Company for the year under review;

That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

That the annual accounts for the FY ended 31st March, 2013 have been prepared on a 'going concern' basis.

5. Directors

During the year under review Mrs. Anupma Agarwal, the executive Director of the company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for reappointment to the Board of your Company.

6. Accounts and Auditors Report

The observations of the Auditors' Report read together with the relevant notes to the accounts are self-explanatory and therefore, do not call any further comments.

7. Auditors

The Company's auditors M/s. Gupta Jalan & Associates, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting of the Company. They being eligible offer themselves for re-appointment. A certificate has been received from the Auditors to the effect that their appointment if made would be within the prescribed limits under 224 (1B) of the Companies Act, 1956.

8. Personnel

During the year no employee, whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under Section 217 of the Companies Act, 1956. Therefore, the information as required under Section 217(2A) of the Act, read with the Companies (Particulars of Employees) Rules, 1975, is not being given.

9. Conservation of Energy and Technology Absorption

The Company's (Disclosure of Particulars in the Report of the Board of Directors') Rules, 1998, require the disclosure of particulars regarding Conservation of Energy in Form-A and Technology Absorption in Form-B prescribed by the Rules. During the year the company was not involved in any manufacturing activities, which require consumption of energy or technology absorption.

10. Foreign Exchange Earnings & Outgo - NIL

11. Corporate Governance

Your Company has followed good corporate governance practices since inception in accordance with the code of Corporate Governance. A separate section on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges forms part of the Annual Report.

12. Secretarial Compliance Certificate

The Company has obtained a compliance certificate from a practicing Company Secretary and the same is annexed hereto and forms part of the report.

13. Statement pursuant to Listing Agreements:

The Company's securities are presently listed at Delhi Stock Exchange, Bombay Stock Exchange, UP Stock Exchange- Kanpur, Jaipur Stock Exchange, Chennai Stock Exchange and Kolkata Stock Exchange. The Company has paid Annual Listing Fees for the Bombay Stock Exchange.

The Company had sought, during last financial year, delisting from the UP Stock Exchange - Kanpur, Jaipur Stock Exchange, Chennai Stock Exchange and Kolkata Stock Exchange. After such delisting, the equity shares of the Company will continue to remain listed on the Bombay Stock Exchange and Delhi Stock Exchange. The Board is yet to decide for further steps on this matter.

The Management's Discussion and Analysis in compliance with Clause 49 of the Listing Agreements forming part of this Report is attached hereto and forms part of this report.

14. Acknowledgement

Your Directors thank the Company's bankers/ financial institutions, creditors, stock exchanges, RTA, the shareholders and all other stakeholders for the continued support and co-operation and assistance extended by them to the Company and look forward for their continued support.

**For and On behalf of the Board of Directors
For SUDEV INDUSTRIES LIMITED**

**Rajiv Agarwal
Director**

**Anupma Agarwal
Director**

Place: New Delhi
Date: 31/08/2013

SUDEV INDUSTRIES LIMITED

CORPORATE GOVERNANCE REPORT

The current business scenario in Indian corporate sphere looks for continued good Corporate Governance ethics. Corporate Governance focuses on commitment to values adhering to ethical business practices. This includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders with transparency, being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the sound Corporate Governance. This helps the Companies to maintain continued long term relations with all stakeholders.

1. PHILOSOPHY OF THE COMPANY ON CORPORATE GOVERNANCE

It has been a constant endeavor on the part of the Company to achieve excellence in Corporate Governance by following the principles of transparency, accountability and integrity in functioning, so as to constantly enhance value for all stakeholders and fulfill the social obligation entrusted upon the corporate sector.

Your Company's philosophy is to implement the Corporate Governance Practices for the benefit of all stakeholders and continuously improve upon the process for effective functioning of the Board of Directors, its Committees and the executive management.

Your Company has complied with the requirements of the Corporate Governance Code, the disclosure requirements of which are given below.

2. BOARD OF DIRECTORS

The constitution of Board aims at ensuring Directors commitment to participate in the affairs of the Company with understanding and competence to deal with business issues.

Composition of Board of Directors:

Name of the Directors	Category	Other Directorships in Public Companies	Committee Membership	Committee Chairmanship
Mr. Rajiv Agarwal	Executive Chairman/ Promoter Director	1. Nandanvan Investments Limited 2. Good Healthplan Ltd	Nil	Nil
Mrs. Anupma Agarwal	Executive Promoter Director	None	Nil	Nil
Mr. S K Srivastava	NE/Independent Director	None	Nil	Nil
Mr. Naveen Khatri	NE/Independent Director	None	Nil	Nil

Meetings of the Board and Attendance thereat:

The Board of Directors of your company met 8 times during the year on 12/05/2012, 14/08/2012, 31/08/2012, 10/11/2012, 03/01/2013, 08/02/2013, 21/02/2013, 30/03/2013. The company did not pass any resolution by postal ballot during the year. The attendance of various directors at the Board Meetings has been as under:

Serial No	Name of the Director	No of Board Meetings attended	Whether attended the last AGM
1.	Mr. Rajiv Agarwal	8	Yes
2.	Mrs. Anupma Agarwal	8	Yes
3.	Mr. S K Srivastava	6	Yes
4.	Mr. Naveen Khatri	8	Yes

Details of Director(s):

Details of the Director(s) seeking appointment/re-appointment at the Annual General Meeting, pursuant to Clause 49 of the Listing Agreements, have been given along with the Notice of Annual General Meeting.

3. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board members/ senior management of the Company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct as on 31st March, 2013. A declaration to that effect, duly signed by the Chairman is annexed and forms a part of this report.

4. COMMITTEES OF THE BOARD

The constitution of Committees of the Board aims at ensuring support to the Board regarding the activities assigned to the committees.

(i) Audit Committee

In terms of Clause 49 of the Listing Agreements and Section 292A of the Companies Act, 1956, an audit committee has been constituted. Composition of the audit committee and detail of meetings held and attended are as follow:

Sl. No.	Name of the Director	Category	No of Committee Meetings held	No. of Committee Meetings attended
1.	Mr. Naveen Khatri	Independent NE Director	4	4
2.	Mr. Rajiv Agarwal	Executive Director	4	4
3.	Mr. S. K. Srivastava	Independent NE Director	4	4

The chairman of the Audit Committee is Mr. Naveen Khatri, who is a non-executive independent director and is proficient in financial accounting knowledge as per clause 49 of the listing agreements.

Terms of Reference: The functioning and terms of reference of the Audit Committee are as prescribed under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreements with the Stock Exchanges.

(ii) Remuneration Committee/ Compensation Policy

Your Directors are neither being paid any remuneration nor sitting fees is being paid to the directors, therefore, your company has not constituted any remuneration committee.

iii) Shareholders/ Investors Grievance Committee:

In terms of Clause 49 of the Listing Agreements the company has constituted shareholders/ investor grievance committee keeping in view the total number of shareholders, number of shares transfer, and transmission of shares. This Committee addresses all issues and shareholders' complaints. Composition of the shareholders/ investor grievance committee and detail of meetings held and attended are as follow:

Sl. No.	Name of the Director	Category	No of Committee Meetings held	No. of Committee Meetings attended
1.	Mr. Naveen Khatri	Independent NE Director	4	4
2.	Mr. Rajiv Agarwal	Executive Director	4	4
3.	Mr. S. K. Srivastava	Independent NE Director	4	4

The chairman of the shareholders/ investor grievance committee is Mr. Naveen Khatri, who is a non-executive independent director.

Mr. Rajiv Agarwal, the Director is the Compliance Officer of the Company.

The Company has delegated share transfer powers to its Registrar and Share Transfer Agent.

The Committee takes care and looks into investor complaints and also reviews the performance of Registrar to Issue and Share Transfer Agent of the company and suggests the measures for overall improvement.

During the year, there is only one investor complaint pending resolution. All the transfers received during the financial year were processed by the Registrar and Share Transfer Agent.

5. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as per details below:

Year	Day	Date	Time	Location
2010	Thursday	30/09/2010	3.00 P.M.	Regd. Office
2011	Friday	30/09/2011	10.00 A.M.	Regd. Office
2012	Saturday	29/09/2012	11.30 A.M.	Regd. Office

No postal ballots were used for voting at these meetings in respect of the resolutions passed therein.

No Extra Ordinary General Meetings (EGM) was held during the financial year 2012-13.

6. DISCLOSURES

The Company has complied with the requirements of the stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchanges or SEBI during the year.

Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:

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

7. CEO/CFO CERTIFICATION

The CEO/CFO certificate for the year ended 31st March, 2013 has been annexed at the end of this report. Similarly, the CEO/CFO also gives quarterly certification on the financial results while placing the quarterly financial results before the Board in terms of Clause 41 of the Listing Agreements entered into with the stock exchanges.

8. DEMATERIALISATION OF SHARES

M/s. Beetal Financial & Computer Services Pvt. Ltd. has been appointed as common agency for undertaking physical transfers and to act as depository Registrar.

9. MEANS OF COMMUNICATION

Quarterly Financial Results and Annual Report of the company are sent to the Stock Exchanges as per the requirements of the Listing Agreements. During FY 2012-2013 the quarterly results of the Company were published in leading English newspapers viz. the Pioneer/ Mint, and in regional hindi newspaper viz. Haribhoomi.

12. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting Date and Time: 30th September, 2013 at 11.30 A.M.
Venue: A-74/1&2, UPSIDC Area, Sikandrabad (U.P.) - 203205

Financial Year 01st April, 2012 to 31st March, 2013

Book Closure	23 rd September, 2013 to 30 th September, 2013 (both days inclusive)
Dividend Payment rate	No Dividend
Listing on Stock Exchanges	a. Delhi Stock Exchange b. The Stock Exchange, Mumbai c. UP Stock Exchange, Kanpur d. Jaipur Stock Exchange e. Chennai Stock Exchange f. Kolkata Stock Exchange
Stock Code	BSE: 526530 DSE: 119399
Stock Price Data	Trading in equity shares of the company is active on BSE; and trading has not yet started on Delhi Stock Exchange and the shares of the company remained suspended by other Stock Exchanges for trading purposes. The stock rate during the year remained at Rs.10/- on BSE.
Dematerialization	The Company's shares are available for trading in Depository System with NSDL & CDSL vide ISIN INE670C01018.
Registered Office	A-74/1 & 2, UPSIDC Area, Sikandrabad, District Bulandshahar, Uttar Pradesh - 203205
Corporate Offices	BP-77, Pitam Pura, New Delhi-110088
Website	www.sudev.co.in
E-mail Id	info@sudev.co.in
Registrar & Share Transfer Agents	M/s Beetal Financial & Computer Services Pvt. Ltd. 3rd Floor , 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi-110062 Tel: 91-11-2996 1281-83; Fax: 91-11-2996 1284 E-mail: beetal@beetalfinancial.com ; beetalrta@gmail.com Website: www.beetalfinancial.com
Address for correspondence	Shareholders correspondence should be addressed to our Registrar and Transfer Agent at the above given address.
Share Transfer System	The Company has a sound share transfer process. For the purpose of making the share transfer process smooth and speedy the company has appointed M/s. Beetal Financial & Computer Services Pvt. Ltd as its share transfer agent.
Whistle Blowing Mechanism	Company has not denied any personal access to the Audit Committee and is always welcoming such efforts of the shareholders or employees. Further the company has laid down a whistle blowing policy recommended by the audit committee for safeguards of the shareholders and employees of the company.

Shareholding Pattern as on 31.03.2013**Shares of Rs.10/- each.**

Category	No. of Shares	Percentage of Shareholding
Promoters	1308100	31.05%
Person acting in concert	0	0%
Corporate Bodies	1968650	46.72%
Indian Public	936550	22.23%
Non Resident Indians	0	0%
Grand Total	4213300	100%

MANAGEMENT ANALYSIS & DISCUSSION REPORT

The Company's operations are still discontinued but efforts are being made to revive the company.

The Company's operations are carried out under single division. The Board is endeavoring hard to revive the company.

The Company has a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against any un-authorized use or disposition of assets, and that the transactions are authorized, recorded and reported correctly. It ensures adherence to and compliance with internal control policies and procedures as well as regulatory requirements.

The Audit Committee reviews adequacy of internal controls.

DECLARATION BY CHAIRMAN

I, Rajiv Agarwal, Chairman of Sudev Industries Limited hereby confirm pursuant to clause 49(1)(D) of the listing agreements that:

1. The Board of Directors of the company has laid down a code of conduct for all Board members and senior management of the Company; and
2. All the Board Members and senior management personnel have affirmed their compliance with the said code of conduct for year ended March 31, 2013.

Rajiv Agarwal
Chairman

Place: New Delhi
Date: 31/08/2013

SUDEV INDUSTRIES LIMITED

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification:

To the best of our knowledge and belief we hereby certify that:

- a) We have reviewed the Balance Sheet and Statement of Profit and Loss Account as on 31st March, 2013 and all its schedules and notes on accounts, as well as Cash Flow Statements and the Directors Report.
- b) These statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading.
- c) These statements together present a true and fair view of the Company and are in compliance with the existing accounting standards and/ or applicable laws/ regulations.
- d) We are responsible for establishing and maintaining internal control and have evaluated the effectiveness of internal control system of the Company.
- e) There is no instance of significant Fraud that involves management or employees having a significant role in the Company's internal control systems.
- f) We have indicated to the Auditors, the Audit Committee and in the notes on accounts, whether or not there were significant changes in internal control and/ or accounting policies during the year.

Rajiv Agarwal
Director

Anupma Agarwal
Director

Place: New Delhi
Date: 31/08/2013

SUDEV INDUSTRIES LIMITED

**Auditors' Certificate regarding compliance of the conditions of
Corporate Governance under Clause 49 of the Listing Agreements**

**To
The Members
Sudev Industries Limited
Sikandrabad (U.P.)**

We have examined the compliance of conditions of Corporate Governance by Sudev Industries Limited ("the Company"), for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreements of the said Company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the "Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreements)", issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We 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 and on behalf of
Gupta Jalan & Associates
Chartered Accountants**

Inder Mohan Singh
Partner
Membership No. 87877

New Delhi
31/08/2013

SUDEV INDUSTRIES LIMITED

AUDITORS CERTIFICATE ON CASH FLOW

We have verified the cash flow statement of M/s Sudev Industries Limited for the year ended 31st March, 2013. This statement has been compiled by the Company from the Audited financial statements for the year ended 31st March, 2013. We found the same in accordance with the requirements of Clause 32 of the Listing Agreements with the stock exchanges.

**For and on behalf of
Gupta Jalan & Associates
Chartered Accountants**

Inder Mohan Singh
Partner
Membership No. 87877

Place: New Delhi
Date: 31/08/2013

AUDITOR'S REPORT

**To,
The Members of
Sudev Industries Limited**

1. We have audited the attached Balance Sheet of SUDEV INDUSTRIES LIMITED, as at 31st March, 2013 and also the statement of Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility 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. As required by the Companies (Auditors Report) Order, 2002 issued by the Central Government of India in terms of sub-section 227 of the Companies Act, 1956, we enclose in the annexure (1) a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the annexure referred to above, 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 purposes of our audit;
- (b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books of accounts;
- (c) The Balance Sheet dealt with by this report are in agreement with the books of accounts;
- (d) In our opinion, the Balance Sheet of the company comply with the Accounting Standards as referred in Sub-Section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable;
- (e) As per information and explanations given to us, none of the directors of the company are disqualified from being appointed as a director under clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to explanations given to us, said accounts, read together with Significant Accounting Policies and Notes forming part of Accounts, 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 case of Balance Sheet, of the state of the affairs of the company as at 31st March 2013; and
- (ii) in case of Profit and Loss Account, of the Loss of the Company for the year ended on that date.

**For Gupta Jalan & Associates
Chartered Accountants**

**Inder Mohan Singh
Partner
M. No. 087877**

Date: New Delhi
Place: 31/08/2013

ANNEXURE

STATEMENT REFERRED TO IN PARAGRAHPH ABOVE OF OUR REPORT OF EVEN DATE

1. As informed by the company it does not have any fixed assets and clause 4(ii) a to 4(ii) c of the companies order 2003 are not applicable.
2. As informed by the company it does not have any inventory and such clause 4(ii) a to 4(ii) c of the companies order 2003 are not applicable.
3. We are informed that the company has not taken/ granted any loans, secured or unsecured from companies firms or other 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 the nature of the business for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us there is no continuing failure to correct major weaknesses in internal control.
5. As explained to us, there has not been any transaction during the year that needs to be entered in the register maintained under section 301 of the companies Act, 1956 and exceeding the monetary limits during the year in respect of each such party.
6. The company has not accepted any deposits from the public under Section 58A of the Companies Act, 1956.
7. The company has no formal Audit Department as such except the Audit Committee. However its control procedure ensures reasonable internal checking of its financial and other records.
8. As per information the company is not required to maintained cost records as prescribed by the central Government u/s 209(1) (d) of companies Act, 1956.
9. According to the records of the company the dues of sales tax, income tax, customs, wealth tax, excise duty less which has not been deposited on account of disputes is pending are as under:-

Name of the statute	Name of the dues	Amount (Rs)	Forum where dispute is pending	Year
Income Tax Act	Tax	182 lacs	High Court of Delhi	2004-05
Income Tax Act	Tax	661408	CIT	2004-05

10. The company has been incurring losses since its commercial production in the year 1996. The assets of the company had however been taken over by U.P.F.C., the financial institution u/s 29 SFC Act, in 1998. The company has however accumulated losses to the tune of Rs.3,48,36,959/- for the financial year 2012-2013 which is more than 50% of its net worth.

11. The company has not granted loans and advances on the loss of security by way of pledge of shares debentures and securities.
12. The company is not a chit fund, nidhi, mutual receipt / society therefore the provisions of clause 4(xii) of the Companies (Auditors Report) Order, 2003 are not applicable.
13. In our opinion the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
14. The company has not given any guarantee for loans taken by others from banks or financial institution.
15. The company has not raised short term temporary loans during the year.
16. The company has not made any preferential allotment of shares during the year.
17. The company has not issued any debentures during the year.
18. The company has not raised any money from the public during the year.
19. According to the information and explanations given to us, no fraud on or by the company has been noticed during the year.

**For Gupta Jalan & Associates
Chartered Accountants**

**Inder Mohan Singh
Partner
M. No. 087877**

Date: New Delhi
Place: 31/08/2013

SUDEV INDUSTRIES LIMITED
BALANCE SHEET AS AT 31/03/2013

In `

Balance Sheet as at	Note	31/03/2013	31/03/2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	35007375.00	35007375.00
Reserves and surplus	2.2	(34836959.00)	(34449959.02)
Money received against share warrants		-	-
		170416.00	557415.98
Current liabilities			
Short-term borrowings	2.3	3300000.00	3300000.00
Other current liabilities	2.4	442496.00	321496.00
Short-term provisions	2.5	25000.00	14000.00
		3767496.00	3761496.00
TOTAL		3937912.00	4318911.98
ASSETS			
Non-current assets			
Deferred tax assets (net)		-	-
Long-term loans and advances	2.6	3113219.00	3113219.00
Other non-current assets		-	-
		3113219.00	3113219.00
Current assets			
Cash and cash equivalents	2.7	163285.00	544284.98
Other current assets	2.8	661408.00	661408.00
		824693.00	1205692.98
TOTAL		3937912.00	4318911.98

In terms of our attached report of even date
For GUPTA JALAN & ASSOCIATES
CHARTERED ACCOUNTANTS

For SUDEV INDUSTRIES LIMITED

INDERMOHAN SINGH
(PARTNER)
M. NO. : 087877
FRN NO:003721N

RAJIV AGARWAL
(DIRECTOR)

ANUPMA AGARWAL
(DIRECTOR)

Date – 31/08/2013
Place – New Delhi

SUDEV INDUSTRIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2013

In `

Statement of Profit and Loss for the	Note	31/03/2013	31/03/2012
Other income	2.9	0.00	12178621.71
Total Revenue		0.00	12178621.71
Expenses			
Cost of materials consumed	3.0	0.00	1910162.00
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3.1	0.00	3241810.00
Employee benefits expense	3.2	168000.00	206960.00
Other expenses	3.3	219000.00	6272718.50
Total expenses		387000.00	11631650.50
Profit before tax		(387000.00)	546971.21
Tax expense:	3.4	0.00	0.00
Current tax		0.00	115000.00
Deferred tax		0.00	0.00
Profit (Loss) for the period from continuing operations		(387000.00)	431971.21
Tax expense of discontinuing operations		0.00	0.00
Profit/(loss) from Discontinuing operations (after tax)		0.00	0.00
Profit (Loss) for the period		(387000.00)	431971.21
Basic		0.00	0.00
Diluted		0.00	0.00

In terms of our attached report of even date
For GUPTA JALAN & ASSOCIATES
CHARTERED ACCOUNTANTS

For SUDEV INDUSTRIES LIMITED

INDERMOHAN SINGH
(PARTNER)
M. NO. : 087877
FRN NO:003721N

RAJIV AGARWAL
(DIRECTOR)

ANUPMA AGARWAL
(DIRECTOR)

Date – 31/08/2013
Place – New Delhi

SUDEV INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

CASH FLOW FROM OPERATING ACTIVITIES	Current Year	Prev Year
Net Profit/(Loss) before tax	(387,000.00)	546,971.21
Profit on Sale Of Land	-	(10,292,134.98)
Loss on Building	-	5,101,541.32
Loss on Sale of Plant	-	10,877,537.95
Bad debts written off	-	5,590,158.75
Operating Profit/ (Loss) before working capital changes	<u>(387,000.00)</u>	<u>11,824,074.25</u>
Adjustment for		
Trade & Other Receivables	-	600,000.00
Inventories	-	5,151,972.00
Trade & Other Payables	-	(25,139.58)
Increase in Current Assets	-	(661,408.00)
Increase in current Liabilities	6,000.00	5,515.00
Cash generated from operations	<u>(381,000.00)</u>	<u>5,070,939.42</u>
	-	(7,600.00)
Net Cash from operating activities	<u>(381,000.00)</u>	<u>16,887,413.67</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/ Capital Expenditure	-	-
Sale of Fixed Assets	-	<u>14,494,529.00</u>
Net Cash used in Investing Activities	-	<u>14,494,529.00</u>
CASH FLOW FROM FINANCING ACTIVITIES		
repayment of Loans	-	(34,268,637.00)
Increase in short term borrowings	-	<u>3,300,000.00</u>
Net Cash used in/ from Financing Activities	-	<u>(30,968,637.00)</u>
Total	(381,000.00)	413,305.67
Net increase/decrease in cash and cash equivalent		
Opening balance of cash and cash equivalent	544,284.98	130,979.31
Closing balance of cash and cash equivalent	163,284.98	544,284.98

As per our report of even date
For GUPTA JALAN & ASSOCIATES
Chartered Accountants

For SUDEV INDUSTRIES LIMITED

Inder Mohan Singh
Partner
Place : New Delhi
Date : 31-08-2013

Rajiv Agarwal
Managing Director

Anupma Agarwal
Director

SUDEV INDUSTRIES LIMITED

Significant Accounting Policies and Notes to the Accounts

1. Significant Accounting Policies

1.1 Basis for preparation of Financial Statements

The financial statements have been prepared under the historical cost convention on the accrual basis of accounting, and are in accordance with the applicable requirements of the Companies Act, 1956 & accounting standards.

1.2 Revenue recognition

The Company recognizes revenue on accrual basis in accordance with Accounting Standard 9.

1.3 Expenditure

Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

1.4 Fixed assets/Depreciation & Amortization

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any costs include all expenses incurred to bring the assets to its present location and condition for its intended use.

Depreciation on other tangible fixed assets is provided at the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are ready to use. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale, deduction, discardment as the case may be.

1.5 Investments

Long term Investments are stated at cost, less provision for other than temporary diminution in value. Short term investments are carried at lower of cost and fair value, computed category-wise.

1.6 Foreign Exchange Transactions

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Exchange differences arising on these settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, other than those relating to fixed assets are recognized as income or as expenses in the year in which they arise.

1.7 Miscellaneous Expenditure

Miscellaneous expenditure is written off in the profit and loss account in the year of incurrance or commencement of business whichever is later.

1.8 **Borrowing Cost**

Borrowing costs are determined in accordance with the provisions of AS 16. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.9 **Provision for Tax**

Tax expense for the year comprises current and deferred is included in determining the net profit for the year. Provision for current tax is based on the tax liabilities computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax expense or benefit is recognized on timing difference between accounting and taxable income that originates in one year and is capable of reversal in one or more subsequent period. Deferred tax assets and liabilities are measured using the tax rates and laws that have been substantively enacted by the balance sheet date.

1.10 **Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

1.11 **Payment to auditor**

Particulars	March 31, 2013	March 31, 2012
Audit & Taxation fees	6000/-	5515/-

1.14 The Current Assets, Loans & Advances has value equal to the amount at which they are stated and provisions for known liabilities have been made.

1.15 Notes are integral part of the Balance Sheet and Profit & Loss Account.

1.16 The company does not have any suppliers under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amount unpaid as at the yearend together with interest paid/payable as required under the said Act have not been provided.

1.17 All known liabilities have been provided for on the basis of available information/ estimates.

1.18 Foreign exchange: There is no foreign exchange expenditures of the company.

1.19 Estimated amount of contracts remaining to be executed capital accounts is **NIL**.

1.20 Earning in Foreign Currency is **NIL**.

1.21 The Current Assets, Loans & Advances has value equal to the amount at which they are stated and provisions for known liabilities have been made.

* All known liabilities have been provided.

* Contingent liabilities:-

Name of the statute	Name of the dues	Amount (Rs)	Forum where dispute is pending	Year
Income Tax Act	Tax	182 lacs	High Court of Delhi	2004-05

* In the opinion of the Board the Current Assts, Loans & Advances have been valued on realization in the ordinary course of Business.

2.1 Share Capital

In `

Particular	31/03/2013	31/03/2012
Authorised		
500000(5000000) Equity Shares Normal of ` 10/- Par Value	5000000.00	50000000.00
	5000000.00	50000000.00
Issued		
4213300(4213300) Equity Shares Normal of ` 10/- Par Value	42133000.00	42133000.00
	42133000.00	42133000.00
Subscribed		
4213300(4213300) Equity Shares Normal of ` 10/- Par Value	42133000.00	42133000.00
	42133000.00	42133000.00
Paidup		
4213300 (4213300) Equity Shares Normal of ` 10/- Par Value Fully Paidup	42133000.00	42133000.00
	42133000.00	42133000.00
Less :		
Calls In Arrear By Others	7125625.00	7125625.00
	35007375.00	35007375.00

Holding More Than 5%

Particular	31/03/2013	% Held	31/03/2012	% Held
RAJIV AGARWAL	253500	6.02	253500	6.02
SUDEV EXPORTS LTD.	454000	10.78	454000	10.78
SUDEV FINANCIAL CONSULTANCY	372500	8.84	372500	8.84
VINAM DISTRIBUTORS PVT. LTD.	340300	8.08	340300	8.08

2.2 Reserve and Surplus

In `

Particular	31/03/2013	31/03/2012
	0.00	0.00
Profit and Loss Opening	(34449959.00)	(34881930.23)
Amount Transferred From Statement of P&L	(387000.00)	431971.21
	(34836959.00)	(34449959.02)
	(34836959.00)	(34449959.02)

2.3 Short Term Borrowings

In `

Particular	31/03/2013	31/03/2012
Loans repayable on demand		
Others		
Unsecured loans	3300000.00	3300000.00
	3300000.00	3300000.00

2.4 Other Current Liabilities

	In `	
Particular	31/03/2013	31/03/2012
Current maturities of long-term debt		
Other payables		
Other Current Liabilities		
Audit fees payable	93408.00	87408.00
DUE TO DIRECTOR	234088.00	234088.00
others creditors	115000.00	0.00
	442496.00	321496.00

2.5 Short Term Provisions

	In `	
Particular	31/03/2013	31/03/2012
Employee Benefits		
Gratuity	25000.00	25000.00
Tax Provision		
Current Tax	0.00	115000.00
	25000.00	140000.00

2.6 Long-term loans and advances

	In `	
Particular	31/03/2013	31/03/2012
Loans and advances to others		
Unsecured, considered good		
LOANS & ADVNCES	3113219.00	3113219.00
	3113219.00	3113219.00

2.7 Cash and cash equivalents

	In `	
Particular	31/03/2013	31/03/2012
Cash in Hand	163285.00	544284.98
Others		
	163285.00	544284.98

2.8 Other current assets

	In `	
Particular	31/03/2013	31/03/2012
INCOME TAX	661408.00	661408.00
	661408.00	661408.00

2.9 Other income

	In `	
Particular	31/03/2013	31/03/2012
Profit(Loss) on Redemption / Sale of Investment & Fixed Assets (Net)		
Profit On Sale Of Land	0.00	10292134.98
Loss On Sale of Building	0.00	(5101541.32)
Loss On Sale OF Plant	0.00	(10877537.95)
Miscellaneous		
Intt. R/Off	0.00	17865566.00
	0.00	12178621.71

3.0 Cost of materials consumed

In `		
Particular	31/03/2013	31/03/2012
Raw Material		
	0.00	0.00
	0.00	1910162.00

Details of Raw Material

Particular	31/03/2013	31/03/2012
	0.00	0.00

3.1 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

In `		
Particular	31/03/2013	31/03/2012
Opening		
	0.00	0.00
Closing		
	0.00	0.00
Increase/Decrease		
	0.00	0.00

Details of Changes in Inventory

Particular	31/03/2013	31/03/2012
Finished Goods		
	0.00	3241810.00

3.2 Employee benefits expense

In `		
Particular	31/03/2013	31/03/2012
Salary, Wages & Bonus		
SALARY	168000.00	196000.00
Staff Welfare Expenses		
Staff Welfare	4.00	10960.00
	168000.00	206960.00

3.3 Other expenses

In `		
Particular	31/03/2013	31/03/2012
Administrative and General Expenses		
Telephone Postage		
Telephone Expenses	12325.00	0.00
Printing Stationery		
Printing	2815.00	0.00
Stationary	4518.00	0.00
Auditors Remuneration		
Audit Fees	6000.00	5515.00
Repairs Maintenance Expenses		
Others	12224.00	0.00
Travelling Conveyance		
CONVEYANCE	28682.00	24840.00
Custodial Fees		

Custodial Fees	13000.00	0.00
Subscriptions, Membership Fees Fees & Subscription	0.00	8974.05
Registration and Filing Fees	23000.00	569038.00
Other Administrative and General Expenses Office Expense	82200.00	73200.00
Selling Distribution Expenses Advertising Promotional Expenses Advertisement Exp	26000.00	0.00
Write off Assets and Liabilities Assets Written Off BadDebts Advances Writtenoff	0.00	5590158.75
Other Expenses misc Exp Bank Charges	8236.00 0.00	0.00 992.70
	219000.00	6272718.50

3.4 Tax expense

Particular	In `	
	31/03/2013	31/03/2012
Current tax		
Prov for tax	0.00	115000.00
	0.00	115000.00

In terms of our attached report of even date
For GUPTA JALAN & ASSOCIATES
CHARTERED ACCOUNTANTS

For SUDEV INDUSTRIES LIMITED

INDERMOHAN SINGH
(PARTNER)
M. NO. : 087877
FRN NO:003721N

RAJIV AGARWAL
(DIRECTOR)

ANUPMA AGARWAL
(DIRECTOR)

Date – 31/08/2013
Place – New Delhi

SUDEV INDUSTRIES LIMITED

Regd. Office: A-74/1 & 2, UPSIDC Area, Sikandrabad, District Bulandshahar (U.P.) - 203205
Corp. Office: BP-77, Pitam Pura, New Delhi - 110088

PROXY FORM

I/We.....of.....
.....being a member/members of the above named Company, hereby appoint Shri
..... of or failing him Shri..... as
my/our proxy to vote for me / us on my / our behalf at the 20th ANNUAL GENERAL
MEETING of the Company to be held at 11.30 a.m. on Monday, the 30th September, 2013 at its
Registered Office, at A-74/1 & 2, UPSIDC Area, Sikandrabad, District Bulandshahar, Uttar
Pradesh and at any adjournment thereof.

Signed.....

Date

Affix Revenue Stamp of Re. 1

Note: Proxy Form(s) must reach the Company's Registered Office not less than 48 hours before
the Commencement of the Meeting.

L/F No..... DP ID..... Client ID..... No. of
Shares.....

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting venue)

No. of Shares held..... L/F No..... DP
ID..... Client ID Name of the attending Member (in
Block Letters)..... Name of Proxy (in Block
Letters).....

(To be filled in if the Proxy attends instead of the Member)

I hereby record my presence at the 20th ANNUAL GENERAL MEETING of Sudev Industries
Limited held at its registered office at Sikandarabad on 30th September, 2013 at 11.30 a.m.

Member's/ Proxy's Signature

(To be signed at the time of handing over this slip)