



## **S R K INDUSTRIES LIMITED**

(FORMERLY KNOWN AS ASSOCIATED TEXTILE RUBBER PRODUCTS LTD.)

**COIMBATORE**

**20<sup>th</sup> ANNUAL REPORT  
2010 - 2011**

## **S R K INDUSTRIES LIMITED**

( FORMERLY KNOWN ASSOCIATED TEXTILE RUBBER PRODUCTS LIMITED)

11 / 5-D1,PAPPAMPATTI ROAD, KANNAMPALAYAM-PO  
COIMBATORE-641402, TAMILNADU,INDIA

### **DIRECTORS**

Sri. T. Narayanan Kutty  
(Chairman cum Managing Director)  
Smt. Geetha Narayanan  
Sri T. Achuthan  
Sri Rakeshchand M. Jain  
Sri T. Sandeep  
Smt. Bharathamani  
Sri M. A. Subramanian  
Sri Kamal Shanthilal Jain

### **AUDITORS**

Sri S. Ganesh  
Chartered Accountant  
55, Rangai Gowder Street  
Coimbatore-641001

### **BANKERS**

1. The Catholic Syrian Bank Ltd  
Raja street Branch  
Coimbatore-641005
2. Yes Bank  
Horniman Circle  
Mumbai-400001

### **REGISTERED OFFICE**

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

**NOTICE**

All share holders

Notice is hereby given that the 20<sup>th</sup> Annual General Body meeting of the shareholders of the Company will be held on the 30<sup>th</sup> August 2011 at the Registered office of the company at 11/5D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641402, TamilNadu to transact the following business.

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31-3-2011, the Profit and Loss account for the year ended on that date, The Director's report and the Auditor's Report there on.
2. To elect a Director in place of Sri T. Sandeep who retires by rotation at this meeting and being eligible offers himself for re-election.
3. To elect a Director in place of Sri Rakeshchand M.Jain who retires by rotation at this meeting and being eligible offers himself for re-election.
4. Sri.M.A.Subramanian, professional Director who retires by rotation at this meeting and being eligible, has not offered himself for re-election. Hence his vacancy has been decided not to be filled up.
5. To elect a Director in place of Sri. Kamal.Shanthilal Jain who retires by rotation at this meeting and being eligible offers himself for re-election.

6. To appoint Auditor and fix their remuneration and pass the following resolution.

RESOLVED that Mr.S.Ganesh, Chartered Accountant, Coimbatore is hereby reappointed as the Auditor of the Company from the conclusion of this AGM to the conclusion of the next AGM on a remuneration that may be decided by the Managing Director in consultation with the Auditor.Special Business.

7. Mr. Kamal Shanthilal Jain has been taken as a director of the Board with effect from 15-05-2011

To consider and if thought fit, to pass with or without modification the following resolution as ordinary resolution.

RESOLVED that Sri. Kamal Shanthilal Jain be and is hereby appointed as an independent Director of the Company whose office shall be liable to retire by rotation.

8. To consider and if thought fit to pass with or without notification the following resolution as special resolution.

RESOLVED THAT pursuant to the provisions of the sections 198,269, 302,309,310 read with Schedule XIII and other applicable provisions, if any, of the Company's Act, 1956 ( including any statutory modifications and/or reenactments of the Company's Act and/or any notification which the Central government may issue from time to time) approval of the members of the Company be and is hereby accorded for the payment of a remuneration of Rs15000/- (Rupees fifteen thousands only) per month to

Sri.T.Narayanan Kutty, Managing Director of the company for the remaining duration of office, ie. upto29-07-2014 as Managing Director.

RESOLVED further that in the event of absence or inadequacy of profits in any financial year the aforesaid remuneration payable to Sri. T.Narayanan Kutty shall be minimum remuneration payable to him in terms of provisions of Schedule XIII to the Company's Act,1956.

RESOLVED further that he shall be entitled to perquisites as are allowed under the Company's Act, 1956 subject to the ceiling under sections 198 and 309. He shall not be entitled for any sitting fee for attending any Meetings of the Board of Directors or committees thereof.The Managing Director shall be entitled to reimbursement of travelling expenses and entertainment expenses actually incurred in the course of the Company's business.

Note :-

1. A member entitled to attend and vote at the meeting is also entitled to appoint proxy(ies) to attend and vote at the AGM and such proxies need not be member(s). A proxy form is also enclosed.
2. Members are requested to notify promptly change of address, if any, to the Registrars, M/S Cameo Corporate Services Ltd, Chennai.
3. The Register of Members and the Transfer Books of the Company shall remain closed on29th and 30th August 2011 (both days Inclusive)

**ANNEXURE TO NOTICE**

Explanatory statement pursuant to section 173(2) of the Company's Act, 1956 which forms part of the notice convening the Annual General Meeting of the Company on 30-08-2011Item No-7 Your Co being a listed company, had to comply with the listing agreements and should have independent directors and an Audit committee. Special notice pursuant to section 257 of The Company's Act.1956 has been received from a member with requisite deposit proposing the Appointment of Sri.Kamal Shanthilal Jain as an Independent Director. None of the Directors is interested in the resolution. Item No-8 Sri.T.Narayanan Kutty was initially appointed as the Managing Director on 26-03-1994 and was reappointed after every five years, lately on 30-07-2009. As the company was making huge losses he had declined to draw salary and other benefits. As the Board thought that to keep him without payments permanently would be against the natural rules, have decided to make the payments from the financial year. The Board has decided to allow him the payments in their meeting held on 14-01-2011.

By order of the Board  
For S R K INDUSTRIES LIMITED

Place: Coimbatore  
Date: 30-07-2011

Sd/  
T. Narayanan Kutty  
Chairman cum Managing Director

**DIRECTOR'S REPORT**

Ladies and Gentlemen,

Your directors have pleasure in presenting the 20th Annual report of your company for the year 2010-2011

**OPERATIONAL RESULTS :**

	2010-2011	2009-2010
	(Rs in lakhs)	
Profit/(loss)	1.70	2.06
Depreciation	0.05	0.01
Net Profit	1.65	2.05

**PRESENT SCENARIO :**

Our company has been struggling for a long period. For the year ended we were able to turn the corner by diversifying our activities. We took to trading of textile in the last financial year and posted a turn over of Rs.744.96 and for the second consecutive year made a profit even though very meager. Even though we could not make huge profits which could be distributed among the Members, we could stop the trend of making losses. A large portion of sales tax dues have also been paid back. Now a very small sum of dues are remaining to be paid in sales tax and ESI accounts which the Company hope to settle by the next year end.

**FUTURE PROSPECTS :**

The company has already made efforts to increase the revenue. For this purpose a multi pronged steps are taken. We have changed the "Main objectives clauses" of the company so that we can venture into new areas of operations other than the manufacturing of Cots and Aprons for textile industries only. We intend to increase our presence in "Trading Sector" which has proven to be of good scope for the Company.

In order to reflect the new activities as added in the main objectives clauses, we have changed the company's name as "S R K INDUSTRIES LIMITED". We have commenced the procedure to comply with all the concerned agencies/ institutions. As are aware that the trading of our shares are suspended by Bombay stock exchange. We have fulfilled all the criterion for the revocation of the suspension. We hope that BSE's order lifting the revocation is expected very soon. Since permitted by the members to increase the Authorised Capital of the Company to Rs.14 Crores, we hope to infuse new capital.

We may be in a position to commence new projects using the new infused capital. We hope the combined efforts in multi phased activities will bring positive results in the coming months.

**AUDITORS :**

Sri.S.Ganesh, Chartered Accountant, 55, Rangai Gowda Street, Coimbatore who is retiring by this AGM as Auditor has indicated his willingness to continue and the availability for appointment as Auditor for the next financial year and the necessary proposals for his re-appointment is also made

**MANAGEMENT DISCUSSION AND ANALYSIS :**

A detailed report on management discussion and analysis is enclosed as an annexure - 1 to this report.

**SECRETARIAL COMPLIANCE CERTIFICATE :**

Pursuant to the provisions of Section 383A of the Companies Act, 1956 the necessary Secretarial Compliance certificate is attached herewith as annexure -2.

**DEPOSITS :**

The Company has not accepted any deposit from Public during the financial year.

**EMPLOYEES :**

There is no employee in the Company drawing remuneration that requires declaration under Section 217(2A) of the Company's Act, 1956.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO :**

The Company did not have any activity related to conservation of energy, technology absorption. There was neither Foreign Exchange Earning nor Foreign Exchange out going during the year under review.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Your Directors in terms of Section 217(2AA) of the Company's Act, 1956 confirm that :

1. All applicable accounting standards have been followed in the preparations of the annual accounts.
2. Your Directors have selected such accounting policies and applied them consistently, made judgements at estimates that are reasonable and prudent so as to give a true and fair view of the statement of affairs of the Company as of 31-03-2011 and of the profit of the Company for the year ended on 31-03-2011.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts have been prepared on a going concern basis as stated in the notes on accounts.

**CORPORATE GOVERNANCE:**

Pursant to clause 49 of the listing agreement with the Stock Exchange, a detailed Corporate Governance Report is attached with this Annual Report as annexure - 3.

We also take this opportunity to assure our shareholders that it will be our endeavor to see that their investments bear fruit at the earliest possible time.

We use this opportunity to express our gratitude towards our staff.

By order of the Board  
For S R K INDUSTRIES LIMITED

Sd/-

(T. Narayanan Kutty)

Chairman cum Managing Director

Place : Coimbatore

Date : 30-07-2011

## ADDENDUM TO DIRECTOR'S REPORT

The Company had suffered huge financial losses for the last so many years for various reasons mentioned in earlier Annual reports. Now the Company has made certain changes in its operations as has been mentioned in the earlier pages to overcome the financial crises. The company has paid the entire dues of PF pending for a long time. Now only a small portion of ESI dues are to be settled for which the Company is taking steps.

By order of the Board  
For S R K INDUSTRIES LIMITED

Sd/-  
T. Narayanan Kutty  
Chairman cum Managing Director

Place: Coimbatore  
Date: 30-07-2011

## MANAGEMENT DISCUSSIONS AND ANALYSIS -2010-2011

### Annexure 1 to the Director Report

#### Disclaimer:

Readers are cautioned that the Management Discussions and Analysis contains forward looking statements that involve risks and uncertainties. When used in this discussion, the words 'anticipate', 'believe', 'estimate', 'intend', 'will', and 'expected' and other similar expressions as they relate to the company or its business are intended to identify such forward looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward looking statements. The important factors that would make a difference to the company's operations include economic conditions affecting demand supply and price conditions in the domestic and overseas markets, raw material prices, changes in the govt. regulations, labour negotiations, tax laws and other statutes, economic development within India and the countries within which the company conducts business and incidental factors. The company undertakes no obligation to publicly amend, modify, or revise any forward looking statements on the basis of any subsequent developments, information or events. The following discussion and analysis should be read in conjunction with the company's financial statements included herein and the notes thereto.

#### Management discussions and analysis

During the year 2010-11, the company was in the process of looking for ways to revive the activities of the company. As all are aware our stocks were suspended from being traded in BSE and the factory was effectively closed from 01-10-2004. In order to avoid mounting interest and other charges we had settled the loans raised from Banks and financial Institutions. During the financial year we have settled sales tax dues for Rs 7.11 lacs and now an amount of Rs1.95 lacs has to be settled under the defferedschem with in 2015. Small amounts of ESI dues are to be settled for which Company is taking steps.

#### 1. Increase of Authorised Capital

Company's entire capital had been wiped off due to the accumulated losses. In order to make the company assets positive we need fresh capital infused. Further the

intending investor will have to be allotted shares. Hence it was decided to increase the authorized capital from Rs4.75Crores to Rs 14 Crores. An extra ordinary general meeting was called to pass the necessary amendments on the 12th of April 2010 and the Authorised Capital was increased to Rs. 14 Crores.

To increase the authorized capital and to bring in fresh capital, it is imperative for making our shares dematerialised as the same is in physical form presently. Steps are taken to dematerialize our shares, initially the existing lot.

## 2. Changing the Main Object Clause

Presently the company was designed to manufacture Cots and Aprons, which are spares for textile spinning industry. For the amount of new capital intended to be brought in and to make profit after paying of dividends, the reviving of the factory for manufacturing cots and aprons only won't be viable. New lines of activities will have to be added up for generating more profits. Hence it was decided to change the main objective clauses in our Memorandum of Association. Through the process of postal Ballots following clauses have been added as main objectives.

To carry on the business as manufacturers, producers, processors, makers, convertors, exporters, traders, buyers, sellers, retailers, wholesalers, inventor's, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires, repairers, operators, hirers, lessors and otherwise deal in all kind of textile and engineering goods, machineries, tools, equipments, accessories, spares, appliances and implements.

To carry on all or any of the following business namely, to enter into, manage, undertake, carry on and engaged in the business of Real Estate Development, Land Development, Area Estate and Site Development and to carry on the business as Planners, Builders, Real Estate Developers, Contractors, Real Estate Brokers, Agents, Brick Makers, and to build/construct own, operate, maintain, manage, control and administer, Earth works, farmhouses, Parks, Gardens, Row-Houses, Duplex apartments, Commercial, Residential or Industrial building complexes, Retail stores, shopping centers, Market Yards and deal in, manage and carry on all types of businesses and profession related to land dealings, buildings, farms, estates, properties, areas and sites.

## 3. Change the Company's Name

The company's name from the present one was changed to '**S R K INDUSTRIES LIMITED**' after getting the approval of share holders through the exercise of postal ballots and Registrar of Companies. The logic behind the name change was that the present name reflect only the present activities of manufacture as related to Textile only. As we changed the main objective clauses we expect to do different activities. To make the name reflect the new activities under taken by the company it was necessary to switch to a new name which is common in nature.

## Performance during the year

During the financial year 2010-11 the company was into trading in textile. The activity started in the last quarter of the last financial year and during the year 2010-11 posted a turn over of Rs.7.45 crore.

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

## Revoking of suspension of trading

We have completed all the compliance requirements of BSE for lifting of the suspension of trading of our shares. We are following the matter closely and presume to receive favourable orders immediately.

## Internal controls

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

**Compliance Certificate - Annexure 2 to the Director's report  
FORM**

**COMPLIANCE CERTIFICATE**

[See Rule 3 of the Companies (Compliance Certificate) Rules, 2001]

To  
The Members  
**S R K Industries Limited**  
11/5-D1 Pappampatti Road  
Kannampalayam PO  
Coimbatore 641402

CIN: L02511TZ1991PLC003381  
Authorized share capital:Rs.14,00,00,000  
Paid up share capital: Rs.3,76,69,000  
Financial Year : 31.03.2011

I have examined the registers, records, books and papers of the **S R K Industries Limited** (Formerly known as Associated Textile Rubber Products Limited), (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate as per the provisions and the rules made there under and all entries thereon have been duly recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as specified in the said annexure.
3. The company, being a Public Limited company, comments on minimum paid up capital and maximum number of members is not required.
4. The Board of Directors duly met 9(Nine) times respectively on 30.04.2010, 31.05.2010, 12.07.2010, 30.07.2010, 14.10.2010, 24.11.2010, 05.01.2011, 06.01.2011 and 14.01.2011 (dates) in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed (no circular resolutions passed) in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 11.08.2010 to 12.08.2010 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31-03-2010 was held on 12.08.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

7. An Extra-Ordinary General Meeting was held on 12.04.2010 during the financial year.
8. The Company has not advanced any loan to its directors and/or persons or firms or companies referred in the Section 295 of the Act during the financial year.
9. The Company has not entered any contract during the year requiring approval from the Regional Director as required under Section 297 of the Act
10. The company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the board of directors, members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. The company :
  - (i) has delivered all the share certificates on lodgment thereof for transfer of equity shares during the financial year or any other purpose in accordance with the provisions of the Act.
  - (ii) was not required to deposit any amount in a separate Bank account as no dividend was declared during the financial year.
  - (iii) was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - (iv) has no amounts in unpaid dividend account, application money due for refund, matured deposits, debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years, hence the question of transfer of the same to Investor Education and Protection Fund does not arise.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of alternate directors, additional directors and directors to fulfill casual vacancy during the financial year.
15. There was no appointment of Managing Director/Whole Time Director/ Manager covering the provisions of section 269 of the Act read with schedule XIII to the Act during the year under review.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any equity shares during the financial year and there were no issue of debentures or other securities.

20. The company has not bought back any shares during the financial year.
21. The company has not redeemed any preference share/debenture since no preference share or debenture has been issued.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31<sup>st</sup> March 2011 is/are within the borrowing limits of the company.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum of Association of the company with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has altered the provisions of the Memorandum of Association of the company with respect to the objects of the company through Postal Ballot during the year under scrutiny.
28. The company has altered the provisions of the Memorandum of Association of the company with respect to name of the company through Postal Ballot during the year under scrutiny.
29. The company has altered the provisions of the Memorandum of Association of the company with respect to share capital of the company during the year under scrutiny.
30. The company has altered its Articles of Association during the financial year.
31. According to the information furnished to me, there was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act. .
32. The company has not received any money as security from its employees during the financial year.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

R .DHANASEKARAN  
Company Secretary in practice

Place: Coimbatore  
Date : 20.07.2011

R. Dhanasekhran  
Proprietor  
Membership No.: ACS 21145 /CP No.: 7745

**ANNEXURE-A**

Name of the Company : **S R K Industries Limited**  
CIN : L02511TZ1991PLC003381  
Financial Year ended : 31.03.2011

**Registers as maintained by the Company**

Sl. No.	Sections under the Companies Act, 1956	Name of the Register
1.	143	Register of Charges
2.	150	Register of Members
3.	163	Copies of Annual Returns
4.	193	Minutes Books for Board/General Meetings
5.	301	Register of disclosure of interest/Contracts
6.	303	Register of Directors
7.	307	Register of Directors' Shareholding

**ANNEXURE 'B'**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31<sup>st</sup> March, 2011.

(a) Forms and Returns filed with Registrar of Companies.

Sl. No.	E Form No / Return	Filed Under Section	Description of the Form	Date Filing & SRN	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes / No.
1	23	192	Registration of resolutions	A84769371 10.05.2010	Yes	N.A
2	5	94A(2)	Notice of Increase in Authorised Share Capital	A84773159 10.05.2010	Yes	N.A
3	1A	21	Application for availability of Change of name	A85312197 18.05.2010	Yes	N.A
4	1A	21	Application for availability of Change of name	A88104484 30.06.2010	Yes	N.A
5	66	383A	Compliance Certificate for the financial year ended 31.03.2010	P57573016 29.10.2010	No	Yes

6	23AC & 23ACA	220	Balance sheet as at 31.03.2010 & Profit or loss a/c for the financial year ended 31.03.2010	P57577249 29.10.2010	No	Yes
7	20B	159	Annual Return made up to 12.08.2010	P61500948 26.11.2010	No	Yes
8	61	192A	Board Resolution for Approving Postal Ballot	A99954679 06.12.2010	Yes	N.A
9	1A	21	Application for availability of Change of name	B03198777 17.01.2011	Yes	N.A
10	32	303(2)	Resignation of Director	B04209953 29.01.2011	Yes	N.A
11	20A	149(2A)	Declaration of compliance of provisions of Sec149(2A)	B05006416 07.02.2011	Yes	N.A
12	23	192	Registration of Resolution	B05006317 07.02.2011	Yes	N.A
13	23AC & 23ACA	220	Balance sheet as at 31.03.2008 & Profit or loss a/c for the financial year ended 31.03.2008	P48594105 07.07.2010	No	Yes
14	20B	159	Annual Return made up to 30.09.2008	P48594121 07.07.2010	No	Yes

(b) Forms and Returns filed with Regional Director : Nil

(c) Forms and Returns filed with Central Government or other authorities : Nil

Sl. No.	E Form No / Return	Filed Under Section	Description of the Form	Date Filing & SRN	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes / No.
1	1B	21	Application for approval of the Central Government for change of name of the company	B05535919 14.02.2011	Yes	N.A

R .DHANASEKARAN  
Company Secretary in practice

sd/-  
R. Dhanasekhran  
Proprietor  
Membership No.: ACS 21145 /CP No.: 7745

Place: Coimbatore  
Date : 20.07.2011

### CORPORATE GOVERNANCE REPORT - Annexure 3 to the Director's Report

(As required under Clause 49 of the Listing Agreements entered with the Stock Exchanges)

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

#### POSITION OF BOARD OF DIRECTORS

S.N.	Name of the Directors	Position	Membership	Other Boards	Other comm.
1.	Sri. T.Narayanan Kutty	Managing Director	—	—	One
		Promoter	Nil		
2.	Smt. Geetha Narayanan	Director – Promoter	—	—	—
3.	Sri. T. Sandeep	Independent Director	—	—	Two
4.	Sri. T.Achuthan	Independent Director	—	—	Two
5.	Smt. M. Bharathamani	Independent Director	—	—	Three
6.	Sri. Rakeshchand M. Jain	Executive Director	Seven	—	One
7.	Sri. M.A.Subramanian	Professional Director	One	—	—
8.	Sri. Kamal.S.Jain	Independent Director	One	—	—

#### BOARD MEETINGS AND ATTENDANCE

Nine Board meetings were held on 12-04-2010,30-04-2010, 12-07-2010, 30-07-2010, 12-08-2010, 14-10-2010, 24-11-2010, 05-01-2011, 14-01-2011

Details of attendance of each Director at the meeting of the Board and General Meeting during the financial year ended March 31, 2011.

Director	No.of Meeting Held	No.of meeting Attended	Attendance in AGM
1. Sri. T.NarayananKutty	9	9	YES
2. Sri. Vasanth Bhadra	8	5	No
3. Smt. Geetha Narayanan	9	3	No
4. Sri. T. Achuthan	9	5	YES
5. Smt. M.Bharathamani	9	9	YES
6. T. Sandeep	9	5	YES
7. Rakeshchand M. Jain	9	5	YES
8. M.A.Subramanian	9	0	No

Details of attendance of each Director at the meeting of various Committees of the Board held during the financial year ended March 31, 2011.

#### Audit Committee

The Audit Committee has met 5 times during the financial year ended March 31, 2011  
The Dates of the Meetings are:

30-04-10, 30-07-10, 12-08-10, 14-10-10, and 14-01-11

Sri.T.Sandeep was the Chairman of the Committee and other members of the committee are Smt. Bharathamani and Sri T.Achuthan. Every Member attended all the meetings.



**INVESTMENT COMMITTEE**

In order to invest, the excess funds available after the infusion of funds through preferential equity issue and before the full utilization of these fund, an investment committee has been constituted on 30-04-2010.

Sri.T.Sandeep, Smt.Bharathamani and Sri.Rakeshchand M.Jain were the members and Sri.Rakeshchand M. Jain presided over the proceedings of the committee. Till the date of reporting, the committee has 5 meetings on 30-04-2010, 05-05-2010, 01-06-2010, 12-08-2010, AND 05-01-2011. All the Members attended each of the meetings.

**SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE**

The Board has constituted a share transfer and grievance committee on 30-04-2010 attend he complaints from the shareholders regarding non-transfer of shares, non receipt of balance sheets etc. The members of the committee are Sri.T.Narayanan Kutty, Managing Director, Sri.T.Achuthan and Smt.Bharathamani. The committee had 5 meetings during the reporting year on 30-04-2010,05-05-2010,01-06-2010,12-08-2010, AND 05-01-2011. All 3 Members attended all the 5 meetings.

**APPOINTMENT OF DIRECTORS**

Disclosure required under Clause 49 of the Listing agreement in respect of Directors seeking appointment at the Twentieth Annual General Meeting.

Name of the Directors	Kamal Shanthilal Jain
Date of Birth	28-03-1966
Age	46 yrs
Date of appointment	15-05-2011
Functional areas	Finance
Qualification	Chartered Accountant
Directorships in other companies	One CSM Commodity Ltd
Committee/Executive positions held in other Companies	as Director

Disclosure required under Clause 49 of the Listing agreement in respect of Directors seeking reappointment at the Twentieth Annual General Meeting.

Name of the Directors	T.Sandeep	Rakeshchand M.Jain	Kamal.S.Jain
Date of Birth	24-06-1986	12-06-1959	28-03-1966
Age	25 Yrs	51 Yrs	46 yrs
Date of Appointment	30-07-2009	16-01-2010	15-05-2011
Expertise in	IT / Marketing	Marketing	Finance
Functional Areas	Independent	Director	Independent
Qualification	B.E	B.Com	CA
Directorships in othercompanies	Nil	Seven	One

**SHARE TRANSFER SYSTEM**

Applications for share transfer held in physical form and are received both at the Registered Office of the Company and at the Registrar & Share Transfer Agents M/s Cameo Corporate Services Limited and if the documents are found to be in order the transfer work is completed and the transfer endorsed share certificates or defective documents as the case may be, are returned within a period of 30 days from the date of receipt.

Share transfer committee meets regularly depending on the transfers received so that the same can be duly transferred and dispatched as per listing agreement.

**DISTRIBUTION OF SHARE HOLDING (As on 31.03.2011)**

Range		No. of Share holders	Percentage to no.of share holders	In Rs.	Percentage ton.o.f shares
From	To				
1	5000	410	34.8639	1533250	4.0703
5001	10000	326	27.7210	2542000	6.7482
10001	20000	103	8.7585	1552000	4.1200
20001	30000	89	7.5680	2308000	6.1270
30001	40000	55	4.6768	1974000	5.2403
40001	50000	64	5.4421	3141750	8.3404
50001	100000	62	5.2721	5102000	13.5442
100001	And above	67	5.6972	19516000	51.8091
<b>Total</b>		<b>1176</b>	<b>100.00</b>	<b>37669000</b>	<b>100.00</b>

**CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.2010 TO 31.03.2011**

A. Cash flow from Operating Activities:- Enclosed

B. Cash flow from investing Activities :-

**RELATED PARTY TRANSACTION**

Remuneration paid to Managing Director Rs. 1,80,000/-

The remuneration payable to the Directors have not been drawn by them.

**DEPOSITORY SYSTEM****DEMATERIALISATION OF SHARES**

Shares in the Company are not dematerialized since no operation is there.

**SHAREHOLDING PATTERN AS ON 31.03.2011**

Category	% of shareholding
Directors and Associates	14.9141
Other Body Corporate.	0.0238
Nationalised Banks / Mutual Funds	NIL
Public.	83.3735
NRI	1.6883
Total	100.00

**MEANS OF COMMUNICATION**

The quarterly/half-yearly/annual financial results of the company are announced within the stipulated period and are normally published in English and Tamil Newspapers.

**CODE OF CONDUCT**

A detailed report on code of conduct is enclosed as an annexure to this Corporate Governance report.

**STATUTORY COMPLIANCE, PENALTIES AND STRUCTURES**

There was no instance of non-compliance of any matter related to the capital markets during the last 5 years.

**SHAREHOLDER'S INFORMATION ANNUAL GENERAL MEETING**

Day and Date	: Thursday, 30th August, 2011
Time	: 11-00 a.m.
Venue	: Registered Office, 11/5D, Pappampatti Road, Kannampalayam Post, Coimbatore-641 402.
Book Closures	: 29and 30th August 2011 (Both Days Inclusive)

**FINANCIAL CALENDAR**

Results announced	: 30-07-2011
Posting of Annual Report	: On or before 02-08-2011
Last date for receipt of proxy forms	: On or before 11-00A.M. on 28.08.2011.
Announcement of Quarterly results	: 30-07-2010,14-10-2010, 14-01-2011 and 14-04-2011
Book Closure	: 29-08-2011to 30.08.2011 (Both Days Inclusive).

**SHARE PRICE MOVEMENT (BSE SENSEX)**

No trading took place.

**SHARE DETAILS**

The Company's Equity Shares are listed on the following Stock Exchanges :

**Bombay Stock Exchange Ltd.**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Stock Code 511636

The Madras Stock Exchange Limited, 1<sup>st</sup> Line Beech, Chennai 600002

**DEPOSITORY SYSTEM**

The company has not dematerialized its shares as yet.

**INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)**

Not allotted so far.

**TRANSFER AGENTS**

The Company's transfer agents are M/s Cameo Corporate Services Limited, Subramanyam Building, Mount Road, Chennai 600 002..

**ADDRESS FOR CORRESPONDENCE**

**Registration of POA, Status Change, Transmission, Consolidation, Split and other queries may directly be sent to the following address:**

**T.Narayanan Kutty**  
Managing Director

S R K INDUSTRIES LIMITED  
11/5D1.Pappampatti Road,  
P.O.Kannampalayam  
Coimbatore-641 107  
Phone :0422-2316881  
Fax : 0422 -2316881  
e-mail :asterltd@in.com

On behalf of the Board of Directors  
For S R K INDUSTRIES LIMITED

sd/-

Place: Coimbatore  
Date : 30-07-2011

T. Narayanan Kutty  
Managing Director

**Declaration of compliance with the Code of conduct as provided in Clause 49 of the Listing Agreement with the Exchange.**

The Company has obtained from all the members of the Board and Senior Management affirmation that they have complied with the Code of Business conduct and Ethics for Director and Senior Management in respect of the financial year 2010-2011.

On behalf of the Board of Directors  
For S R K INDUSTRIES LIMITED

sd/-

Place: Coimbatore  
Date : 30-07-2011

T. Narayanan Kutty  
Managing Director

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER  
CFO CERTIFICATION**

To the Board of Directors S R K industries limited

Dear Sirs,

**Sub: CEO/CFO Certificate**

**(Issue in accordance with provisions of Clause 49 of the Listing Agreement)**

- a. The company has reviewed financial statements and the cash flow statement for the year and to the best of my knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. There are no instances of significant fraud of which I have become aware and the involvement therein,

For S R K INDUSTRIES LIMITED  
T. Narayanan Kutty  
Chief Executive Officer cum Managing director

Place: Coimbatore  
Date: 30.07.2011

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
S R K Industries Limited

I have examined the compliance of condition of Corporate Governance procedure implemented by S R K Industries Limited, for the year ended on 31<sup>st</sup> March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock Exchange in India.

The compliance conditions of Corporate Governance is the responsibility of the 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 Agreement) issue by the I.C.A.I. & 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 an expression of opinion on the financial statement of the Company.

In my opinion and to the best of our information and according to the explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement during the year 2010-2011.

On the basis of records maintained by the company I state that as at 31<sup>st</sup> March 2011, there were no investor grievances pending with the company.

I 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.

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

Place: Coimbatore  
Date: 30.07.2011

**CODE OF CONDUCT - Annexure to Corporate Governance Report**  
**Applicable to all directors, senior management and employees of the Company**

**Preamble :** Code of Conduct was circulated to the employees and senior management & directors, This Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct.

**Philosophy :** S R K Industries Limited is a professionally managed organisation and the core value underlying our corporate philosophy is "trusteeship". We believe this organisation has been handed to us by the various stakeholders in "trust" and we as professionals are the "trustees" of these stakeholders. It is therefore our responsibility to ensure that the organisation is managed in a manner that protects and furthers the interests of our stakeholders. We recognise society as an important stakeholder in this enterprise and therefore it is part of our responsibility to practice good corporate citizenship.

It is also our belief that in order to serve the interests of our stakeholders in perpetuity, we must build S R K Industries Limited into an institution whose dynamism and vitality are anchored in its core values.

**Corporate Governance Policy :** The Corporate Governance Policy is the apex level instrument guiding conduct of the affairs of the Company and clearly delineates the roles, responsibilities and authorities of the key entities in the governance structure of the Company. This Code forms an integral part of the Company's Governance Policy. The directors, senior management and employees must adhere to the Corporate Governance Policy of the Company.

**Good Corporate Citizenship :** In the conduct of the Company's business, the practice of good corporate citizenship is a prerequisite and embraces the following:

**Dealing with People in the Organisation :** In dealing with each other, directors, senior management and employees shall uphold the values which are at the core of our HR Philosophy - trust, teamwork, mutuality and collaboration, meritocracy, objectivity, self respect and human dignity. Indeed, these values form the basis of our HR management systems and processes. In selection and recruitment, while meritocracy will be a prime criterion, managers will scrupulously consider all factors that go towards securing the interests of the Company. SRK INDUSTRIES LTD will focus on meritocracy, equity and upholding of Company values in all people processes including performance management systems, appraisals, remuneration and rewards.

**A Gender Friendly Workplace :** As a good corporate citizen, S R K Industries Limited is committed to a gender friendly workplace. It seeks to enhance equal opportunities for men and women,

S R K Industries Limited maintains an open door for reportees; encourages employees to report any harassment concerns and is responsive to employee complaints about harassment or other unwelcome and offensive conduct.

S R K Industries Limited demands, demonstrates and promotes professional behavior and respectful treatment of all employees.

**Relationships with Suppliers and Customers :** All directors, senior management and employees shall ensure that in their dealings with suppliers and customers, the Company's interests are never compromised. Accepting gifts and presents of more than a nominal value, gratuity payments and other payments from suppliers or customers will be viewed as serious breach of discipline as this could lead to compromising the Company's interests.

**Legal Compliance :** It is the Company's policy to comply fully with all applicable laws and regulations. Ensuring legal and regulatory compliance is the responsibility of the Chief Executives of the Businesses and the Divisional Management Committees. The Company cannot accept practices which are unlawful or may be damaging to its reputation. Divisional Management Committees must satisfy themselves that sound and adequate arrangements exist to ensure that they comply with the legal and regulatory requirements impacting each business and identify and respond to developments in the regulatory environment in which they operate. In the event the implication of any law is not clear, the Company's Legal Department shall be consulted for advice.

**Health and Safety :** The Company attaches great importance to a healthy and safe work environment. ITC is committed to provide good physical working conditions and encourages high standards of hygiene and housekeeping. Particular attention should be paid to training of employees to increase safety awareness and adoption of safe working methods, particularly designed to prevent serious or fatal accidents.

**Environment Policies :** The Company believes that commitment to sustainable development is a key component of responsible corporate citizenship and therefore deserves to be accorded the highest priority. Accordingly, the Company is committed to Best Practices in environmental matters arising out of its business activities and expects each business to fully demonstrate this commitment.

In addition to complying with applicable laws and regulations, Businesses must establish procedures for assessing the environmental effects of their present and future activities. They should adopt Best Practices in their environmental policies and procedures.

**PERSONAL CONDUCT:**

All directors, senior management and employees have the obligation to conduct themselves in an honest and ethical manner and act in the best interest of the Company at all times. They are expected to demonstrate exemplary personal conduct through adherence to the following:

**Avoidance of Conflict of Interest :** All directors, senior management and employees must avoid situations in which their personal interest could conflict with

the interest of the Company. This is an area in which it is impossible to provide comprehensive guidance but the guiding principle is that conflict, if any, or potential conflict must be disclosed to higher management for guidance and action as appropriate.

**Transparency and Auditability :** All directors, senior management and employees shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes, including as appropriate, segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records. It shall be necessary to voluntarily ensure that areas of operation are open to audit and the conduct of activities is totally auditable.

**Protection of Confidential Information :** No director, senior management and employee shall disclose or use any confidential information gained in the course of employment/ association with the Company for personal gain or for the advantage of any other person. No information either formally or informally shall be provided to the press, other publicity media or any other external agency except within approved policies.

**Company Facilities :** No director, senior management and employee shall misuse Company facilities. In the use of Company facilities, care shall be exercised to ensure that costs are reasonable and there is no wastage.

**Leading by Example:** The organisation's directors and senior management set the professional tone for the Company. Through both their words and their actions, the organisation's leadership conveys what is acceptable and unacceptable behavior. S R K Industries Limited directors, senior management and employees must constantly reinforce through their actions and behavior that S R K Industries Limited stated beliefs of responsible corporate citizenship are rooted in individual conviction and personal integrity.

**Waivers :** Any waiver of any provision of this Code of Conduct for a director, senior management or employee must be placed for approval before the Company's Board of Directors/ Corporate Management Committee, as appropriate.

**Non Adherence :** Any instance of non-adherence to the Code of Conduct / any other observed unethical behaviour on the part of those covered under this Code should be brought to the attention of the immediate reporting authority, who shall in turn report the same to the Managing Director

## AUDITOR'S REPORT

### TO THE MEMBERS OF S R K INDUSTRIES LIMITED

I have audited the attached Balance sheet of S.R.K.INDUSTRIES LIMITED as on 31.03.2011 and the Profit and Loss account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These Financial Statements are the responsibility of the Company's Management. My responsibility is to express an opinion on these financial statements based on my audit.

1. I conducted my audit in accordance with Auditing Standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956. I enclose in the annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

3. Further to my comments in the Annexure referred to in paragraph 2 above, I report that :

- a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- b) In my opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from my examination of those books.
- c) The Balance sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In my opinion the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956.

- e) In my opinion, and based on information and explanations given to me, none of the directors are disqualified as on 31 st March 2011 from being appointed as directors in terms of clause g) of sub-section (1) of section 274 of the Companies Act 1956.
- f) In my opinion and to the best of my information and according to the explanations given to me, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India.
- i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31 st March 2011
- ii) in so far as it relates to the Profit and Loss Account, of the 'Profit' of the Company for the year ended on that date, and
- iii) in so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

sd/-

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

Place : Coimbatore

Date : 30.07.2011

55, Rangai Gowder Street,  
COIMBATORE 641 001

#### ANNEXURE TO AUDITOR'S REPORT

##### Referred to in Paragraph 2 of my report of even date

- 1 In respect of its fixed assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to me, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in my opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. In my opinion, the Company has not disposed off its fixed assets during the year.
- 2 In respect of its inventories:
  - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
  - b. In my opinion and according to the information and explanations given to me, the procedures of physical verification of inventories followed by the management at reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories. As explained to me, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- 3 In respect of loans, secured or unsecured, granted or taken by the Company to / from Companies, or other parties covered in the register maintained under Section 301 of the Companies Act,1956.
  - a. The Company has not granted any loans to other companies during the year.
  - b. Since the Company has not granted loans to other Companies, the question of Prima facie prejudicial rate of interest, repayment of Principal and interest, and overdue of loan does not arise.
  - c. The Company has not taken any loans from other Companies during the year.

- 4 In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of my audit, I have not observed any major weaknesses in internal controls.
- 5 In respect of transactions covered under section 301 of the Companies Act, 1956.
- a. In my opinion and according to the information and explanations given to me, there are no transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956.
- b. In my opinion and according to the information and explanations given to me, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs 5,00,000 (Rupees Five lakhs Only) or more.
- 6 The Company has not accepted any deposits from the public.
- 7 The Company does not have a separate internal audit system. However, in my opinion, the existing internal Control procedures are adequate having regard to the size and nature of the business of the Company.
- 8 The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- 9 In respect of Statutory dues, undisputed statutory dues with regard to Provident Fund dues and Employees' State Insurance, the Company has not deposited regularly with the appropriate authorities due to the severe financial crisis faced by the Company.
- 10 The Company has accumulated losses and has not incurred cash loss during the financial year covered by my audit and has not incurred cash loss in the immediately preceding financial year.
- 11 Since the Company has not availed any loans during the year, the question of repayment does not arise.
- 12 In my opinion and according to the information and explanation given to me, no loans and advances have been granted by the company on the basis of security by way of pledge of Shares and Securities.

- 13 In my opinion, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, clause 4 (xiii) of the Companies ( Auditor's Report ) Order 2003 is not applicable to the Company.
- 14 In my opinion and according to the information and explanation given to me, the Company is not dealing or trading in shares, securities, debentures and other investments.
- 15 In my opinion and according to the information and explanation given to me, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- 16 The Company has not raised any new term loans during the year.
- 17 The Company has not used the short term loans for long term investments and vice versa.
- 18 During the year, the company has not made any preferential allotment of shares to parties and Companies.
- 19 The Company has not issued debentures, therefore the question of creation of securities does not arise.
- 20 The Company has not raised any money by way of public issue during the year.
- 21 In my opinion and according to the information and explanations given to me, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

sd/-

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

Place : Coimbatore

Date : 30.07.2011

55, Rangai Gowder Street,  
COIMBATORE 641 001

## BALANCE SHEET AS AT 31.03.2011

	Schedule	As at 31.03.2011	As at 31.03.2010
<b>SOURCE OF FUNDS</b>			
Share Holders Fund			
Share Capital	A	37,669,000.00	37,669,000.00
Reserves and Surplus	B	5,605,660.00	5,605,660.00
<b>Loan Funds</b>			
Secured Loans	C	226,069.91	940,994.91
Total		<u>43,500,729.91</u>	<u>44,215,654.91</u>
<b>APPLICATION OF FUNDS</b>			
Fixed Assets			
Gross Block	E	585,910.00	554,535.00
Less: Depreciation		553,869.12	549,322.64
Net Block		<u>32,040.88</u>	<u>5,212.36</u>
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	F	659,000.00	688,500.00
Sundry Debtors	G	504,568.00	36,625,855.00
Cash and Bank Balance	H	424,640.74	174,817.33
Other Current Assets	I	23,288.00	8,000.00
		<u>1,611,496.74</u>	<u>37,497,172.33</u>
<b>Less: Current Liabilities &amp; Provisions</b>			
Current Liabilities & Provisions	J	1,979,939.00	37,520,321.83
Net Current Assets		<u>(368,442.26)</u>	<u>(23,149.50)</u>
<b>MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)			
Miscellaneous Expenditure	K	2,368,287.00	2,651,769.97
Profit and Loss Account (annexed)		41,468,844.29	41,581,822.08
		<u>43,500,729.91</u>	<u>44,215,654.91</u>

Significant Accounting Policies and Notes on the accounts 'N'

Schedules referred to above form and integral part of the Balance Sheet  
As per my Report of even date For S R K Industries Limited

sd/-	sd/-	sd/-
S. Ganesh	T. Narayanan Kutty	Rakeshchand M. Jain
Chartered Accountant	Managing Director	Director
Membership No. 210367		
Place: Coimbatore		
Date : 30.07.2011		

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011

	Schedule	Current Year	Previous Year
<b>INCOME</b>			
Sales		74,496,121.00	36,640,355.00
Other Income			
Sundry Balance W/off		632,933.83	119,019.00
Sub Total	(a)	<u>75,129,054.83</u>	<u>36,759,374.00</u>
<b>EXPENDITURE</b>			
Purchase		73,518,935.00	36,184,895.00
Decrease in WIP & F.G.		29,500.00	13,000.00
Payment to and provisions for employees	L	130,000.00	61,250.00
Administrative and Selling Expenses	M	997,224.59	108,258.57
Depreciation		4,546.48	842.19
Preliminary and Public Issue Expenses Written off		283,482.97	185,173.00
Sub Total	(b)	<u>74,963,689.04</u>	<u>36,553,418.76</u>
<b>NET PROFIT FOR THE YEAR</b>	(a-b)	165,365.79	205,955.24
Less : Prior Period Items		23,321.00	17,610.00
Provision for Taxation		25,930.00	31,212.00
Income Tax relating to previous year		3,137.00	-
Brought forward Loss from earlier years		41,581,822.08	41,738,955.32
<b>NET LOSS TRANSFERRED TO BALANCE SHEET</b>		<u>41,468,844.29</u>	<u>41,581,822.08</u>

Significant Accounting Policies and Notes on the accounts 'N'

Schedules referred to above form and integral part of the Profit & Loss Account  
As per my Report of even date For S R K Industries Limited

sd/-	sd/-	sd/-
S. Ganesh	T. Narayanan Kutty	Rakeshchand M. Jain
Chartered Accountant	Managing Director	Director
Membership No. 210367		
Place: Coimbatore		
Date : 30.07.2011		



**CASH FLOW STATEMENT AS ON 31.03.2011 AS PER CLAUSE 32 OF THE LISTING AGREEMENT**

(Figures in Rupees)

<b>I. Cash flow from Operating Activities :</b>			
Net profit before tax and extra-ordinary items			165,365.79
Adjustments for :			
Depreciation		4,546.48	
Miscellaneous Expenditure		283,482.97	288,029.45
Operating Profit before Working Capital Changes			453,395.24
Adjustments for :	<b>31.03.2011</b>	<b>31.03.2010</b>	
Trade and other receivable	527,856.00	36,633,855.00	
Inventories	659,000.00	688,500.00	
Trade Payable & Provisions	(1,954,009.00)	(37,489,109.83)	
	<u>(767,153.00)</u>	<u>(166,754.83)</u>	
			600,398.17
Cash generated from operations			1,053,793.41
Interest Paid			-
Cash flow before extraordinary items			1,053,793.41
Extra-ordinary items - Prior Prior items			(26,458.00)
Income tax paid			(31,212.00)
Net Cash from operating activities	<b>(A)</b>		996,123.41
<b>Net Cash Flow from Investing Activities:</b>			
Purchase of Fixed Assets		31,375.00	31,375.00
Net Cash used in Investing activities	<b>(B)</b>		964,748.41
<b>Cash Flow from Finance Activities:</b>			
Decrease in Loan Funds		714,925.00	
Net Cash from Financing Activities	<b>(C)</b>		714,925.00
Net Cash increase/decrease in cash equivalents	<b>( A + B + C )</b>		249,823.41
<b>II. Cash and Cash Equivalents :</b>			
Cash and Cash Equivalents as at 31.03.2010		174,817.33	
Cash and Cash Equivalents as at 31.03.2011		424,640.74	
Net Cash increase/decrease in cash and cash equivalents			<u>(249,823.41)</u>

Sd /-	For and on behalf of the board	
S.Ganesh	For S.R.K.Industries Ltd.,	
Chartered Accountant	Sd /-	Sd /-
M.No. 210367	T.N.Kutty	Rakeshchand M. Jain
Place: Coimbatore	Managing Director	Director
Date: 30.07.2011		

**SCHEDULE A TO K FORMING PART OF THE BALANCE SHEET**

	As at 31.03.2011	As at 31.03.2010
<b>SCHEDULE -A.SHARE CAPITAL</b>		
<b>AUTHORISED CAPITAL</b>		
14000000 (Previous year 4750000)		
Equity Share of Rs.10/each)	140,000,000.00	47,500,000.00
	<u>140,000,000.00</u>	<u>47,500,000.00</u>
<b>ISSUED , SUBSCRIBED AND PAID-UP:</b>		
3766900 Equity Share of		
Rs.10/-each fully paid up	37,669,000.00	37,669,000.00
	<u>37,669,000.00</u>	<u>37,669,000.00</u>
<b>SCHEDULE -B.RESERVES AND SURPLUS</b>		
Subsidy from Government	1,337,660.00	1,337,660.00
Share Forfeiture A/c.	4,268,000.00	4,268,000.00
	<u>5,605,660.00</u>	<u>5,605,660.00</u>
<b>SCHEDULE -C.SECURED LOANS</b>		
Interest free Sales Tax Loan	226,069.91	940,994.91
	<u>226,069.91</u>	<u>940,994.91</u>

## SCHEDULE - E-FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2010	Additions		Up to 31.03.2010	for the year	TOTAL	As on 31.03.2011	As on 31.03.2010
		Before 30.09.2010	After 30.09.2010					
Vehicle	554,535	-	-	549,323	1,349	550,672	3,863	5,212
Computer	-	-	26,000	-	2,667	2,667	23,333	-
Printer	-	5,375	5,375	-	530	530	4,845	-
<b>Total</b>	554,535	5,375	26,000	549,323	4,546	553,869	32,041	5,212
Previous Year	554,535	-	-	548,480	842	549,323	5,212	-

	As at 31.03.2011	As at 31.03.2010
<b>SCHEDULE F: INVENTORIES</b>		
Finished Goods	659,000.00	688,500.00
	<u>659,000.00</u>	<u>688,500.00</u>
<b>SCHEDULE G: SUNDRY DEBTORS</b> ( Less than 6 Months)		
Coner International	-	10,127,220.00
Coner International Pvt Ltd	-	10,483,857.00
Ruchika International	504,568.00	16,014,778.00
	<u>504,568.00</u>	<u>36,625,855.00</u>
<b>SCHEDULE H: CASH AND BANK BALANCES</b>		
Cash on Hand	14,340.19	136,834.19
The South Indian Bank, Ltd.,	3,585.00	3,585.00
Karur Vysha Bank - Mumbai	-	13.14
Catholic Syrian Bank	337,875.00	4,385.00
Yes Bank	68,840.55	30,000.00
	<u>424,640.74</u>	<u>174,817.33</u>
<b>SCHEDULE I: OTHER CURRENT ASSETS</b>		
Sales Tax Deposit	8,000.00	8,000.00
Advance Income Tax	15,000.00	-
Advance for Purchase Nakoda Textile	288.00	-
	<u>23,288.00</u>	<u>8,000.00</u>
<b>SCHEDULE J: CURRENT LIABILITIES</b>		
Sundry Creditors	1,400,000.00	36,184,895.00
Advance received from customer	-	632,933.83
Expenses Payable	554,009.00	671,281.00
	<u>1,954,009.00</u>	<u>37,489,109.83</u>
<b>PROVISIONS</b>		
Provision for Taxation	25,930.00	31,212.00
	<u>25,930.00</u>	<u>31,212.00</u>
<b>SCHEDULE K: MISCELLANEOUS EXPENDITURE</b>		
Preliminary Expenses	-	575.99
Public Issue Expenses	-	19,763.98
Development of New Products Expenses	2,368,287.00	2,631,430.00
	<u>2,368,287.00</u>	<u>2,651,769.97</u>

**SCHEDULE L & M FORMING PART OF THE PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31.03.2011**

	Current Year	Previous Year
<b>INCREASE / DECREASE IN F.G.</b>		
Decrease in Finished Goods	29,500.00	13,000.00
	<u>29,500.00</u>	<u>13,000.00</u>
<b>SCHEDULE L: PAYMENTS TO AND PROVISION FOR EMPLOYEES</b>		
Wages and Salaries	130,000.00	61,250.00
	<u>130,000.00</u>	<u>61,250.00</u>
<b>SCHEDULE M :</b>		
<b>ADMINISTRATIVE AND SELLING EXPENSES</b>		
Postage & Telephones	29,915.00	580.00
Printing & Stationery	96,493.00	1,891.00
Licenses and Taxes	-	23,774.00
Bank Charges & Bank Commission	1,607.59	2,060.57
Travelling Expenses	10,877.00	8,790.00
Consultancy Charges	10,000.00	10,000.00
Audit Fees	25,000.00	25,000.00
ROC Filling Charges	476,000.00	14,000.00
General Expenses	61,738.00	1,600.00
Computer Maintenance	1,605.00	-
Vehicle Maintenance	33,800.00	-
Insurance	2,650.00	-
Staff Welfare Expenses	27,400.00	1,500.00
Director Remeration	180,000.00	-
Listing Fees	40,139.00	19,063.00
	<u>997,224.59</u>	<u>108,258.57</u>

**SCHEDULE N****SIGNIFICANT ACCOUNTING POLICIES****1 AS -1. DISCLOSURE AND BASIS OF ACCOUNTING**

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

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

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

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

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

**4 AS-6. DEPRECIATION**

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

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

The Company recognises its revenue and expenditure on accrual basis.

**6 AS -10. FIXED ASSETS**

Fixed Assets are shown at cost less accumulated depreciation.

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

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

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

Key Management personnel

1. Mr.T.N.Kutty - Chairman cum Managing Director
2. Mr. Rakeshchand M. Jain - Director

Related Party Transaction are as under : Remuneration paid to Managing Director Mr. T. N. Kutty Rs. 1,80,000/-

**9 AS- 20 EARNING PER SHARE**

The Earning per share is Rs. 0.04

**10 AS 22- TAXES ON INCOME**

Deferred tax as on 31.03.2011 has not been recognised since there is no certainty of sufficient taxable income being available against which such deferred tax assets can be realised.

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

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

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31 st MARCH 2011****1 Miscellaneous Expenditure**

Preliminary expenses and Public Issue Expenses has been fully written off during this year. Development of New product expenditure is written off at 10% during this year, since the nature of business of the company is changed and no further expenditure will be incurred for the development of new products. Hence it is decided by the Company to write off this expenditure over a period of 10 years.

2 In accordance with the requirement for disclosure of amounts due to the SSI units, the company has no dues to the Sundry creditors during this year

3 Confirmation of Balances in respect of Creditors, Debtors, Loans and Advances as at Balance Sheet date are not entirely received.

4 Details of Remuneration of chairman cum managing Director.

	31.03.2011	31.03.2010
Salary	180,000.00	-

5 Details of Remuneration of Director.

	31.03.2011	31.03.2010
Salary	-	-

6 Number of Employees employed during the year or part of the year in receipt of not less than Rs.24,00,000 /- per annum or Rs.2,00,000- per month -Nil (Previous year Nil)

7 As per Sick Industrial Compaines Act 1985, the accumulated losses of the Company at the end of financial year resulted erosion of fifty percent of peak net work.

8 Prevoius years figures have been regrouped and reclassified wherever found necessary to confirm this year's classification.

Signatures of Schedules and notes forming part of accounts.

As per my Report of even date For S R K Industries Limited

sd/-	sd/-	sd/-
S. Ganesh	T. Narayanan Kutty	Rakeshchand M. Jain
Chartered Accountant	Managing Director	Director

Membership No. 210367

Place: Coimbatore

Date : 30.07.2011

**1.INSTALLED CAPACITY**

( Capacity of produce at 100% level)

	31-3-2011	31-3-2010
The regular products of production is discontinued		
1. CAPACITY UTILISED	Nil	Nil

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

**2. PURCHASE OF FABRICS**

	31-03-2011	31-03-2011	31-03-2010	31-03-2010
	Rs. in Lacs	Qty in lac (Mtrs)	Rs. in Lacs	Qty. in lac (Mtrs)
	735.19	8.99	361.85	4.26

**3. SALES**

	31-03-2011	31-03-2011	31-03-2010	31-03-2010
	Rs. in Lacs	Qty in lac (Mtrs)	Rs. in Lacs	Qty. in lac (Mtrs)
Aprons & Cots	0-32			0.15
Fabrics	744.65	8.99	366.26	4.26
Total	744.97		366.41	

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

4. OPENING STOCK	31-03-2011	31-03-2010
	Rs in Lacs	Rs in Lacs
Finished goods (Aprons & cots)	6.88	7.02

**5. CLOSING STOCK**

Finished goods (Aprons & Cots)	6.59	6.88
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Value of Imports on CIF basis	Nil	Nil
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6. Expenditure in Foreign Exchange	Nil	Nil
7. Amount remitted in foreign Exchange	Nil	Nil
8. Earnings in Foreign exchange	Nil	Nil
9. Advance received in Foreign Exchange	Nil	Nil

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(As per amendment in schedule VII to the Companies Act vide Govt. Notification No.388 (E) dated 15.05.95)

**I REGISTRATION DETAILS**

REGISTRATION No. : 3381  
Balance Sheet date : 31.03.2011  
State Code : 18

**II CAPITAL RAISED DURING THE YEAR (AMOUNT IN THOUSAND)**

Public Issue : NIL  
Bonus Issue : NIL  
Rights Issue : NIL  
Private Issue : NIL

**III POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS**

(Amount in Thousand)

Total Liabilities : 43,501  
Total Assets : 43,501

**SOURCE OF FUNDS**

Paid up Capital : 37,669  
Reserved and surplus : 5,606  
Secured Loans : 226

43,501**APPLICATION OF FUNDS**

Net Fixed Assets : 32  
Net current Assets : (368)  
Misc .Expenditure : 2,368  
Accumulated Loss : 41,469

43,501**IV PREFORMANCE OF COMPANY**

(Amount in Thousand)

Turnover : 74,496  
Profit before Tax : 165  
Earning per Share : Rs. 0.04

**V GENERAL NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY**

For S R K Industries Limited

sd/- S. Ganesh Chartered Accountant Membership No. 210367  
sd/- T. Narayanan Kutty Managing Director  
sd/- Rakeshchand M. Jain Director

Place: Coimbatore  
Date : 30.07.2011

**S R K INDUSTRIES LIMITED**

(FORMERLY KNOWN AS ASSOCIATED TEXTILE RUBBER PRODUCTS LTD.)

**11/5D1, PAPPAMPATTI ROAD, KANNAMPALAYAM-POST  
COIMBATORE - 641 402, TAMILNADU**

**PROXY FORM**

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

\_\_\_\_\_ as our proxy to attend and vote for me/us on my/our behalf at the 20<sup>th</sup> Annual general meeting of the said company to be held on the 30<sup>th</sup> August 2011 at 11 am at Regd. Office at 11/5D1, Pappampatti Road, Kannampalayam Post, Coimbatore - 641402 and at my adjournment thereof. Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Affix Re.1/- Revenue Stamp

Signature(s) of the Member(s) \_\_\_\_\_  
Folio No. \_\_\_\_\_

**NB.**

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

TEAR HERE

**S R K INDUSTRIES LIMITED**

**11/5D1, PAPPAMPATTI ROAD, KANNAMPALAYAM - POST, COIMBATORE - 641402.**  
ATTENDANCE SLIP TO BE HANDED OVER AT THE ENTRANCE HALL.

I/We hereby record my/our presence at the 20<sup>th</sup> Annual General Meeting at 11/5D1, Pappampatti Road, Kannampalayam- post, Coimbatore-641402 on 30<sup>th</sup> August 2011 at 11 am.

Name of the Member :  
Folio Number :  
Name of proxy/Representation( In block letters) :  
(To be filled in if proxy attends instead of member)  
Signature of Member or Proxy :

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

BOOK - POST

TO

*If undelivered please return to :*

**S R K INDUSTRIES LIMITED**

(Formerly Known Associated Textile Rubber Products Ltd.)  
11 / 5-D1,PAPPAMPATTI ROAD, KANNAMPALAYAM-PO  
COIMBATORE-641402, TAMILNADU