SURAJ INDUSTRIES LTD

Registered Office –Plot no. 2, Phase-3, Sansarpur Terrace, Distt. Kangra, H.P.-173212
CIN: L26943HP1992PLC016791
Email id- secretarial@surajindustries.org; Website- www.surajindustries.org
Telephone No:- 01970-256414

To,
BSE Limited
Phirozee Jeejeeboy Towers,
Dalal Street,
Mumbai-400001

Date: 16.10.2017

Scrip Code: 526211

Subject: Annual Report for the financial year 2016-17

Dear Sir,

Pursuant to the provisions of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find enclosed Annual Report for the financial year 2016-17.

We hereby confirm that the Annual Report for the financial year 2016-17 was approved by the members of the Company at their 25th Annual General Meeting held on 27th September, 2017, as per the provisions of Companies Act, 2013.

Kindly acknowledge the receipt.

Thanking You,
For Suraj Industries Ltd.

Sd/-
Bhanumati Ramchandran
(Company Secretary)

SURAJ INDUSTRIES LTD. NEW DELHI

Encl: As above

25th
ANNUAL REPORT
2016 - 2017

SURAJ INDUSTRIES LTD

CIN : L26943HP1992PLC016791

BOARD OF DIRECTORS

Chairman and Director	Shri. Syed Azizur Rahman
Director	Smt. Suchi Bahl
Director	Shri. Narender Singh Bisht
Company Secretary	Smt. Bhanumati Ramchandran
Bankers	Punjab National Bank
Auditor	M/s Satendra Rawat & Co, Chartered Accountants
Secretarial Auditor	Monika Kohli & Associates Practicing Company Secretaries
Registered Office	Plot No. 2, Phase III Sansarpur Terrace, Kangra, Himachal Pradesh, 173212 Contact No-01970-256414
Corporate Office	F-32/3, First Floor, Okhla Industrial Area, Phase – II, New Delhi-110020 Contact No-01142524455
Share Transfer Agent	Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3rd Floor, 99, Madangir, New Delhi-110062 Contact No-011-29961281/82

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NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of **M/s Suraj Industries Ltd** will be held on Wednesday, September 27, 2017 at 2.00 P.M. at the Registered Office of the Company at Plot No.2, Phase-III, Sansarpur Terrace, Distt. Kangra, Himachal Pradesh-173212 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 and the reports of Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Syed Azizur Rahman (DIN-00242790), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the 30th Annual General Meeting to be held in the year 2022 and to fix their remuneration and to pass the following resolution thereof:

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, including any statutory modification(s) or re-enactment thereof for the time being in force, **M/s Satendra Rawat & Co, Chartered Accountants,** having Firm Registration No. 008298C be and are hereby appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the year 2022 (subject to ratification by members at every AGM) at such remuneration as fixed by the Board of Directors.**"**

SPECIAL BUSINESS

4. To consider and pass the following resolution as **Special Resolution**:

   "RESOLVED THAT pursuant to the Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and subject to the approvals and other permissions as may be required, the Board of Directors of the Company be and are hereby authorized to borrow money for the purpose of the Company's business from time to time with or without security, in excess of the aggregate of the paid-up capital and free reserves of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) as the Board of Directors in their absolute discretion deem fit in the interest of the Company, up to an aggregate amount of Rs. 100 Crores (Rupees Hundred Crores only).

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to negotiate and finalize all the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, securities, etc. as it may consider fit in the interest of the company and to execute all agreements, deeds, undertakings, etc. and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, necessary, desirable or expedient for giving effect to this Resolution.**"**

5. To consider and pass the following resolution as **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Nazir Baig (DIN 07468989) who has submitted a declaration of independence under section 149(6) of the Companies Act, 2013 is eligible for appointment and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as Independent Director of the Company for a term upto 5 years from 27th September, 2017 to 26th September, 2022 and whose office shall not be liable to retire by rotation."

   RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, necessary, desirable or expedient for giving effect to this Resolution.**"**

NOTES:

a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED HEREWITH.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

b) Members/ Proxies should fill the Attendance Slip for attending the meeting and bring their Attendance Slip along with their copy of the annual report to the meeting.

c) Corporate members are requested to send duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.

d) The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special businesses set out in Item No. 4 & 5 is annexed hereto.

e) All documents referred to in the notice are open for inspection at the registered office of the Company during business hours on all working days upto the date of the meeting and will also be available at the meeting venue on the date of the meeting.

Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning from twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' notice in writing of the intention so to inspect is given to the Company.

f) Members are requested to notify immediately any change in their address, quoting folio numbers to the Company.

g) The Company has a dedicated E-mail address secretarial@surajindustries.org for members to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest. The Company's website www.surajindustries.org has a dedicated section on Investors.

h) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares can submit their PAN details to the Company/RTA.

i) Member(s) who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc. from the Company electronically.

j) Member(s) may also note that the Notice of the Meeting and the Annual Report for the Financial Year 2016-17 will also be available on the Company's website www.surajindustries.org for download.

k) Pursuant to Section 72 of the Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

l) In case of joint holders, only such joint holder who is named first in the order of names will be entitled to vote.

m) As per Section 118 (10) of the Companies Act, 2013 read with Secretarial Standards for general meeting issued by the Institute of Companies Secretaries of India "No gifts, gift coupons or cash in lieu of gifts shall be distributed to members at or in connection with the meeting".

n) The Company has recently been allotted ISIN (INE170U01011) by CDSL for dematerialization of the company's shares. We hereby request all the members to get their shares dematerialized.

o) Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2017 to 27.09.2017 (both days inclusive).

Voting Options:

The business set out in the Notice of the AGM may be transacted through electronic voting system from a place other than the venue of the meeting (remote e-voting) or through Polling Paper at the AGM. Information relating to e-Voting facility and voting at the AGM is given below:

(1) Voting through electronic means

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and **Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015,** the Company is pleased to provide facility to the members to exercise their right to vote on resolutions proposed to be considered at AGM by electronic means and the items of business given in the Notice of the AGM may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by CDSL (Central Depository Services Limited).

II. The facility for voting through poll shall be made available at the meeting and the member(s) attending the meeting who have not cast their vote by remote e-voting shall be entitled to cast their vote at the meeting through poll. No voting by show of hands will be allowed at the Meeting.

III. Members who have cast their vote by remote e-Voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-Voting period commences at 10:00 A.M on 24.09.2017 and ends at 5:00 P.M on 26.09.2017 during this period members of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date 20.09.2017 ("**Cutoff date**"), may cast their vote by remote e-Voting. No remote e-Voting shall be allowed beyond the aforesaid date and time and remote e-Voting module shall be disabled by CDSL upon expiry of aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The instructions for remote e-Voting are as under:

A. <u>In case of members receiving an e-mail from CDSL</u>

i. The shareholders should log on to the e-voting website <u>www.evotingindia.com</u> during the voting period.

ii. Click on "Shareholders" tab.

iii. Now enter your User ID;

a) For CDSL: 16 digits beneficiary Id

b) Members holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and Click on Login.

v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vi. If you are a **first time user** follow the steps given below:

For members holding shares in Demat Form and Physical Forms

PAN*	**Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)** **- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.** **- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.**
Dividend Bank Details **OR Date of Birth (DOB)**	**Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.** **If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).**

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on the **EVSN** of Suraj Industries Ltd which is **170817009**

xi. On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii. Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.

xiii. After selecting the resolution you have decided to vote on, click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click on "**OK**", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.

xiv. Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvi. If Demat account holders have forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Note for –Non Individual Shareholders and Custodians:

- Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned certified true copy of the Board Resolution /Power of Attorney (POA)/Authority letter etc. which they have issued in favor of the Custodian, if any should be uploaded in PDF format in the system for the scrutinizer to email at csscrutinizer@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com to verify the same.

xviii. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

ixx. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

B. In case of members receiving physical copies of the Notice of the AGM

(i) Initial Password, along with User ID and EVSN is provided at the bottom of Attendance Slip.

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xvi) above to cast vote.

(2) Voting at AGM

The members who have not cast their vote by remote e-Voting can exercise their voting rights at the AGM via polling papers. The Company will make arrangements of Polling Papers in this regard at the AGM venue.

(3) Other Instructions

I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-Voting user manual for Shareholders available at the Downloads section of www.evotingindia.com or call at toll **free no.: 1800-200-5533.**

II. If you are already registered with CSDL for remote e-Voting, you can use your existing User ID and Password for casting your vote.

III. You can also update your mobile number and Email ID in the user profile details of the folio which may be used for sending future communication(s).

IV. Voting rights (for voting through remote e-Voting as well as Polling Paper) shall be reckoned on the paid up value of the shares registered in the name of the members of the Company as on Cut-off date i.e. 20.09.2017

V. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of the AGM and holding shares as of the Cut-off date i.e. 20.09.2017 may obtain the User ID and Password by sending a request (along with Name, Folio No./ DP ID & Client ID, as the case may be and shareholding) at helpdesk.evoting@cdslindia.com or RTA at beetalrta@gmail.com

However, if you are already registered with CDSL for remote e-Voting then you can use your existing User ID and Password for casting your vote. If you forgot your Password, you can reset your Password by using **"Forgot User Details / Password"** option available on www.evotingindia.com or contact **CDSL on toll free no.: 1800-200-5533.**

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

VI. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting as well as voting at the AGM through Polling Paper. A person who is not a member as on the Cut-off date should treat this Notice for information purpose only.

VII. Mr. Deepak Kukreja, a Practicing Company Secretary (FCS No. 4140, C.P. No. 8265) of M/s DMK Associates, Company Secretaries, has been appointed as "Scrutinizer" to scrutinize the remote e-Voting and Poll process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available at the AGM for the same purpose.

VIII. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of Polling Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

IX. The poll process shall be conducted and a report thereon shall be prepared in accordance with the provisions of the Companies Act, 2013 read with the relevant rules made there under. In such an event, votes cast under Poll taken together with the votes cast through remote e-voting shall be counted for the purpose of passing of resolution(s).

X. The Scrutinizer, after scrutinizing the votes cast at the AGM and through remote e-Voting, will, not later than forty eight (48) hours of conclusion of the AGM, make a consolidated Scrutinizer's Report and submit the same to the Chairman or a person authorised by him in writing.

XI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.surajindustries.org and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him and the results shall also be communicated to the Stock Exchange where your company has listed. The results shall be displayed at the Registered Office at Plot No. 2, Phase-III, Sansarpur Terrace, Distt. Kangra, Himachal Pradesh-173212.

XII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed at the 25thAGM scheduled to be held on Wednesday, 27th September, 2017.

p) The route map of the venue for the Annual General Meeting is attached herewith.

q) The relevant details of Directors proposed to be appointed/ reappointed, as required under Reg. 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings are also annexed as **Annexure-A.**

By Order of the Board
For Suraj Industries Ltd

Place : New Delhi
Dated : 14.08.2017

Sd/-
Bhanumati Ramchandran
Company secretary
Membership No.: ACS 9145

Add: E 13, GTB Hospital, Staff Quarters Delhi-110095

Registered Office:
Plot No. 2, Phase-III, Sansarpur Terrace,
Distt. Kangra, Himachal Pradesh-173212
Ph- 01970-256414

Corporate office:
F-32/3, First Floor, Okhla Industrial Area,
Phase – II, New Delhi-110020
Ph- 011-42524455

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

It is proposed to increase the borrowing powers to meet the business requirements of the Company. Section 180 (1) (c) of the Companies Act, 2013, inter alia provides that the Board of Directors of the company shall not without the consent of members in general meeting borrow money from the different sources in excess of aggregate of the paid up capital and free reserves of the company. Therefore it is necessary to obtain the approval of the members as per Section 180 (1) (c) of the Companies Act, 2013.

In this regard it is proposed to authorize the Board of Directors to borrow money in pursuance to the provisions of Section 180 (1) (c) of the Companies Act, 2013 from any Bank(s), Financial Institutions (FIs), NBFC, Bodies Corporate or Business Associates in excess of paid up capital and free reserves of the Company to the extent Rs. 100 Crores (Rupees Hundred Crores only) including the money already borrowed for the purposes of business activities of the Company.

All documents referred to in the notice and explanatory statement shall be open for inspection at the registered office of the Company during business hours on all working days up to the date of the meeting and will also be available at the meeting venue on the date of the meeting.

Your Directors recommend the resolution as set out at item no. 4 for your approval.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

ITEM NO. 5

As per the provisions of Section 149(4) of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 every listed company shall have at least1/3rd of its total number of directors as Independent Directors. Section 149(6) of the said Act, lays down the criteria for independence Mr. Nazir Baig has furnished declaration to the Company under Section 149(7) of the Companies Act, 2013, confirming that he meets the criteria prescribed for independent director under Section 149(6) of the said Act.

In the opinion of the Board Mr. Nazir Baig is a person of integrity, possesses the relevant expertise and experience, fulfills the conditions specified in the said Act and the Rules made there under and is independent of the management of the Company. Notice as required under Section 160 of the Companies Act, 2013 has been received from a member proposing the candidature of the Mr. Nazir Baig as Independent Director of the Company. The appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Director. Independent Director of the Company. Further, in terms of Section 149(13) of the said Act, independent director is not liable to retire by rotation.

Accordingly, the Board proposed to appoint Mr. Nazir Baig Independent Director of the Company for a period of 5 years with effect from 27th September 2017 to 26th September 2022, as set out at **Item No. 5** of this Notice. Brief profile of the said Independent Director, in terms of Regulation 36 of the Listing

Regulations read with Secretarial Standard-2 on General Meetings is provided after this Notice as**" Annexure-A"**.

No remuneration would be paid to the Independent Director except Sitting Fees.

Except Mr. Nazir Baig being an appointee, none of the other Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise in the resolution.

The approval of members by way of Ordinary Resolution is hereby solicited for the appointment of Mr. Nazir Baig as an Independent Director for a period of Five years.

Your Directors recommend the resolution as set out at item no. 5 for your approval.

Copy of draft letter of appointment of Mr. Nazir Baig as an Independent Director setting out the terms and conditions of appointment would be available for inspection without any fees by the members at the registered office of the Company during business hours on all working days upto the date of the Annual General Meeting.

By Order of the Board
For Suraj Industries Ltd

Place : New Delhi
Dated : 14.08.2017

Sd/-
Bhanumati Ramchandran
Company Secretary
Membership No.: ACS 9145

Address: E 13, GTB Hospital, Staff Quarters Delhi-110095

Registered Office:
Plot No. 2, Phase-III, Sansarpur Terrace,
Distt. Kangra, Himachal Pradesh-173212
Ph- 01970-256414

Corporate office:
F-32/3, First Floor, Okhla Industrial Area,
Phase – II, New Delhi-110020
Ph- 011-42524455

"Annexure A"

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY (PURSUANT TO REGULATION 36 OF THE LISTING REGULATIONS AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS)

For Item No-2 & 5

S.No.	Particulars	Name of Directors	
		Mr. Syed Azizur Rahman	**Mr. NazirBaig**
1.	DIN No.	00242790	07468989
2.	Date of Birth	15th October, 1962	12th May, 1967
3.	Age	54 Years	50 Years
4.	Date of Appointment on the Board	30th October, 2015	-
5.	Experience in specific functional area	He has 29 years of experience in manufacturing inclusive of 19 years as Unit Head/Business head	He has 26 Years of experience in commercial matters having worked in various companies engaged in Manufacturing and trading of FMCG products & Commodities.
6.	No. of equity shares held in the Company (as on 31st March, 2017)	100 shares	100 Shares
7.	Qualifications	Mechanical Engineer	Graduate in Commerce
8.	List of other Directorships	• Shri Gang Industries and Allied Products Limited • Gold Coin Marketing Private Limited	• VRV Foods Limited • Bhankerpur Distilleries Limited
9.	Membership/Chairman of Committees of the other Companies	Shri Gang Industries and Allied Products Limited: • Audit Committee- Member • NRC- Member • Stakeholders Relationship Committee- Member	No
10.	Relationships, between Directors inter se	No	No

By Order of the Board
For Suraj Industries Ltd

Place : New Delhi
Dated : 14.08.2017

Sd/-
Bhanumati Ramchandran
Company Secretary
Membership No.: ACS 9145

Registered Office:
Plot No. 2, Phase-III, Sansarpur Terrace,
Distt. Kangra, Himachal Pradesh-173212
Ph- 01970-256414

Add: E 13, GTB Hospital,
Staff Quarters, Delhi-110095

Corporate office:
F-32/3, First Floor, Okhla Industrial Area,
Phase – II, New Delhi-110020
Ph- 011-42524455

DIRECTORS' REPORT

To,
The Members,
Suraj Industries Ltd

Your Directors hereby present the 25th Annual Report along with the Audited Statement of Accounts for the Financial Year ended March 31, 2017.

FINANCIAL RESULTS OF THE COMPANY

The financial results of the Company for the year under review and comparative figures for the previous year are summarized below:

(in Rs.)

	2016-2017	2015-2016
Income	-	-
Net Profit (Loss) before extraordinary items and tax	**(15,00,831)**	**(8,39,447)**
Provision for Taxation Income Tax	-	-
Net Profit/(Loss) after tax for the year	**(15,00,831)**	**(8,39,447)**
Additional Depreciation as per Schedule II of Companies Act, 2013 charged against reserves.	-	-
Profit/ (Loss) Brought Forward	**(10,53,84,305)**	**(10,45,44,857)**
Net Profit/ (Net Loss) Carried to Balance Sheet	**(10,68,85,136)**	**(10,53,84,305)**

PERFORMANCE OF BUSINESS:

During the financial year 2016-17, the Company has incurred a loss of Rs. **15,00,831/-**(Fifteen Lacs Eight Hundred and Thirty One Only) as compared to loss of **Rs. 8,39,447/-** (Eight Lacs Thirty Nine Thousand Four Hundred and Forty Seven) in the last year.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company is exploring various business avenues to restart operations in the Company which can give it steady returns in the long run.

DIVIDEND

Due to the present financial position, your Directors are unable to recommend any dividend for the year under review.

AMOUNT TRANSFERRED TO RESERVES:

Due to losses, the company has not transferred any amount to reserves.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year Mr. J.K Jain, Director of the Company expired on 15th November, 2016 due to illness and ceased to hold office from that date.

Pursuant to the provisions of section 152 of the Companies Act, 2013 and in accordance with the provisions of Articles of Association of the Company, Mr. Syed Azizur Rahman, Director of the Company, is liable to retire by rotation and being eligible, offer himself for re-appointment.

Mr. Syed Azizur Rahman is not disqualified under Section 164(2) of the Companies Act, 2013.

Your Company was required to appoint Chief Financial Officer pursuant to Section 203 of the Companies Act, 2013 read with rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, however the position of Chief Financial Officer was not filled during the last year. The Board of Directors in their meeting held on August 14, 2017 appointed Mr. Sujeet Kumar Gupta as Chief Financial Officer of the Company.

EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed form MGT-9 is annexed herewith as **"Annexure A"**

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

i) In the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable Accounting standards have been followed and that there are no material departures.

ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit or loss of the Company for the Financial year ended March 31, 2017.

iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) With the closure of all the business segments as mentioned in **Note no. 1** under Basis for Qualified Audit Opinion of Auditor's Report, the accounts have been prepared without following the going concern assumption.

v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to constitute corporate social responsibility committee pursuant to section 135 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial Position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference are mentioned in the Corporate Governance Report which forms part of the Director Report.

The Board, during the year under review, had accepted all the recommendations made to it by the Audit Committee.

AUDITORS

M/s Satendra Rawat & Company, Chartered Accountants, Statutory Auditors of the company hold office until the conclusion of ensuing Annual General Meeting and your Directors recommend their appointment for a period of five years i.e from the conclusion of this AGM until the conclusion of the 30th AGM of your Company. The company has received the requisite certificate from M/s Satendra Rawat & Company, Chartered Accountants to the effect that their appointment, if effected, would be in accordance with the provisions of Section 139 (2) of the Companies Act, 2013 and Rules made there under.

AUDIT REPORT

The Auditor had pointed one remark, which is replied by the Board of Directors hereunder:

Auditors Remark

In the Auditor Report under point no. 1 of Basis for Qualified Audit Opinion, it has been stated that "Attention is drawn to note no. 1(a) and note 14 of the Balance Sheet to the effect that these accounts have been prepared without following the going concern assumption on the closure & cessation of the two business segments by the Company and disposal of major assets of these discontinued segments in preceding years".

Board's Reply

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

SECRETARIAL AUDITOR

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company had appointed Ms. Monika Kohli, Company Secretary in Practice to undertake the Secretarial Audit of the Company for financial year 2016-17.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report in prescribed form MR-3 for Financial Year 2016-17 forms part of the Annual Report as **"Annexure B**" to the Board Report.

Further, Secretarial Auditor had pointed out certain remarks, which are replied by the Board of Directors hereunder:

Secretarial Auditors Remark – 1

The Company was required to appoint Internal Auditor as per the section 138 of the Companies Act, 2013 read with rule 13 of Companies (Accounts) Rule 2014. However, it is observed that no Internal Auditor has been appointed by the Company during the period.

Board's Reply

Since the Company did not have any continuing business operations and the volumes of transactions are very less and the company is a loss making entity, therefore, it was not feasible to appoint internal auditor. However, the internal controls were adequately exercised during the Financial Year ended March 31, 2017. The Board of Directors at its meeting held on 14th August, 2017 has appointed M/s Mohan Gupta & Company, Chartered Accountants, as Internal Auditor of the Company in compliance of the Companies Act, 2013.

Secretarial Auditors Remark – 2

The Company was required to appoint Chief Financial Officer pursuant to section 203 of the Companies Act, 2013 read with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However it is observed that no Chief Financial Officer has been appointed by the company during the period.

Board's Reply

As stated above the Company is not doing any business activity for many years therefore no finance professional has shown his interest to take the position of Chief Financial Officer of the Company during the Financial Year 2016-17

The Board of Directors at its meeting held on 14th August, 2017 has appointed Mr.Sujeet Kumar Gupta as Chief Financial officer of the Company in compliance of the Companies Act, 2013.

Secretarial Auditors Remark – 3

The Trading in equity shares of the Company had been suspended by the BSE Limited vide Suspension Notice No. 20130404-33 dated April 4, 2013 placed on the Exchange website & BSE letter no. DCS/COMP/ SCDec-12/526211/361/2012-13 dated March 18, 2013 & letter no. DCS/COMP/AJ/SUS/526211/07/2013-14 dated April 04, 2013 respectively due to non-compliance of the various clause of the Listing Agreement. Also during the year the Company has received communications through emails from Listing Department, BSE Limited mentioning observation /pending compliance(s) of Listing requirement & the Company has submitted its replies from time to time in response to the letters received from BSE Limited, however approval for resumption of trading in equity is yet to be received from the BSE Limited.

Board's Reply

The trading in equity shares of the Company was suspended due to non-payment of listing fees & certain non-compliance of listing agreement. The Company has since then paid the listing fees that was due and has completed the pending compliances and submitted all the documents with BSE for revocation of

suspension of trading. The Company is constantly following up with BSE Limited for resumption of trading in share activities.

Secretarial Auditors Remark – 4

It is observed that the promoter's 100% equity shares in the company are in physical form which is in non compliance of Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015 (LODR).

Board's Reply

The Company has been allotted ISIN by CDSL for dematerialization of the Company's Shares. The Company has also made an application to NSDL for obtaining ISIN from NSDL which is under process. The Company had made request to all the shareholders including promoters through notice of last Annual General Meeting asking to dematerialize theirs shares. Similar request to all shareholders including promoters to be made in the notice of ensuing Annual General Meeting which is being sent to all the shareholders and will also make necessary advertisement through public notice requesting members to dematerialize their shares. The Management will also follow up with the promoters to get their shares dematerialize to make the Company compliant as per LODR.

Secretarial Auditors Remark – 5

As per regulation 17(8) of LODR the Company is required to obtain certificate from CEO/ CFO, however it observed that said certificate has been obtained from the whole time Director of the Company.

Board's Reply

As stated earlier the Company is not carrying any business activities since many years and it doesn't have any CEO/CFO. Therefore Mr. Syed Azizur Rahman, the then Whole Time Director of the Company had submitted certificate, in terms of Regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, to the Board.

SHARE CAPITAL

During the year, there has been no change in the authorised, subscribed and paid-up share capital of the Company. As at March 31, 2017, the paid-up share capital stood at Rs7,34,30,000 comprising of 72,86,000 fully paid equity shares of 10/- each and 1,14,000 partly paid equity shares of Rs 10/- each.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017.

DETAILS OF SUBSIDIARIES/ JOINT VENTURE AND ASSOCIATES COMPANY

The Company has no subsidiary/ Joint Venture and Associate Company during the year.

NUMBER OF BOARD MEETING

During the Financial Year 2016-17, six Board meetings were held during the year. The intervening gap between any two meetings did not exceed 120 days, as prescribed under Companies Act,2013 and the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The details of all Board held are given in the Corporate Governance Report.

CORPORATE GOVERNANCE DISCLOSURES

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering to the best corporate practices prevalent globally.

A detailed report on Corporate Governance is attached as **Annexure "C".** A certificate from a Practising Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in **Regulation 34(3) read with Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015,** is attached to the Corporate Governance Report.

Your Company gives due emphasis on the adaptability to such procedures so as to ensure transparency, accountability & integrity in all respect.

CODE OF CONDUCT

In compliance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, the Company has framed and adopted a code of conduct. The code is applicable to the members of the Board and all employees of the Company.

The Board Members have affirmed compliance with the Code of Conduct for the year ended March 31, 2017. Further, the Code of Conduct is also available on our website http://www.surajindustries.org

PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE

The company is not required to form "Internal Complains Committee" under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redresssal) Act, 2013 as the Company had only two employees during the period under review.

DECLARATION BY INDEPENDENT DIRECTOR(S)

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Companies Act, 2013 and **Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015**, a separate meeting of the Independent Directors was held on March 10, 2017.

The Independent Directors at the meeting reviewed the following:-

- Performance of non-independent Directors and the Board as a whole
- Assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

- Performance of the Chairperson of the Company

COMMITTEE

Pursuant to the requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors has constituted the following Committees:

1. Audit Committee,
2. Nomination & Remuneration Committee and
3. Stakeholders Relationship Committee.

The details of composition and terms of reference of these committees are mentioned in the Corporate Governance Report.

NOMINATION & REMUNERATION POLICY

The Company has framed a Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Companies Act 2013 read with **Regulation 19 and Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015**.

The Policy is also available on our website http://www.surajindustries.org

There is no change in the policy during the financial year 2016-17.

PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has neither made any investment(s) nor given any loan(s) or guarantee(s) which is covered under the provisions of Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contract, arrangement and transaction with related parties which could be considered material in accordance with the Company's Policy on materiality of and dealing with related party transactions (the "Policy") and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable.

DEPOSITS

During the year under review, your Company had not accepted deposits covered under Chapter V of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

The Company is not engaged in any activity where conservation of energy and technology absorption is required. Further, during the year there were no foreign exchange earnings or outgo. Hence the details required under Section 134(3) (m) of the Companies Act 2013 read with rule 8(3) Companies (Accounts) Rule, 2014 are not given.

RISK MANAGEMENT

The Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. Board has prepared Risk Management Plan which is reviewed and monitored on regular basis, to identify and review critical risks.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees and Stakeholder Relationship Committee. The evaluation was carried out on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and its shareholders etc.

The Directors expressed their satisfaction with the evaluation process.

THE CHANGE IN THE NATURE OF BUSINESS, IF ANY;

There was no change in the nature of business of your company during the year under review.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Board has Vigil Mechanism/Whistle Blower Policy, a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provide for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy is also available on our website http://www.surajindustries.org**.**

During the year under review no personnel has been denied access to the audit committee.

There is no change in the policy during the financial year 2016-17

PARTICULARS OF MANAGERIAL REMUNERATION AND EMPLOYEES

1. **Disclosure in terms of Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-**
   - The Company had only two permanent employees, as against one employee last year Ms. Bhanumati Ramchandran; Company Secretary is one of the employee.
   - Details of Remuneration paid to Company Secretary during the Financial Year 2016-2017 is given below:

Particulars	Amount
Salary	60,000
Contribution to PF/ Superannuation/ Gratuity	NIL
Perquisites	NIL
Total Remuneration	**60,000**

- During the year under review no remuneration was paid to any Executive and Non-Executive Directors of the Company.
- Ms. Bhanumati Ramchandran, Company Secretary was paid remuneration of Rs 60,000/- during the year as per the remuneration policy of the Company and there is an increase of 90.47% in her remuneration as compared to the remuneration given in last year.
- In view of the above no other disclosure required in terms of Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is applicable.

2. Disclosure in terms of Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

There was no employee who has drawn salary as mentioned in the aforesaid rule.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

In terms of the provisions of Regulations 34 and Part B of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015, the Management's discussion and analysis report has been given separately and forms part of the Annual Report as **Annexure "D".**

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENTS

Your Directors would like to express their gratitude and appreciation for the assistance and cooperation received from the Banks during the year under review.

Your Directors also place on record their deep sense of appreciation for the devoted services rendered by all the employees of the company and for the continued co-operation & support received from shareholders of the Company.

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

Place: New Delhi
Date: 14.08.2017

Sd/-
Syed Azizur Rahman
Chairman & Director
DIN: 00242790
Add: Flat B-104 (FF),
Ananda Apartment,
Sector-48, Noida, UP-201301

Annexure "A"

Form No. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	CIN	L26943HP1992PLC016791
2	Registration Date	09/07/1992
3	Name of the Company	SURAJ INDUSTRIES LTD
4	Category/Sub-category of the Company	Company Limited By Shares. Indian Non-Government Company.
5	Address of the Registered office & contact details	Plot No. 2, Phase III , Sansarpur Terrace, Himachal Pradesh- 173212 secretarial@surajindustries.org
6	Whether listed company	Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	**BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.** Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, New Delhi-110062.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	At present the Company is not doing any business activity.	N.A.	N.A.

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate Companies	% of shares held	Applicable Section
----------NIL----------					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	NIL	2860050	2860050	38.65	NIL	2860050	2860050	38.65	NIL
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp.	NIL	85000	85000	1.15	NIL	85000	85000	1.15	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub- total (A) (1):-	NIL	2945050	2945050	39.80	NIL	2945050	2945050	39.80	NIL

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs –Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other- Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub- total (A) (2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholding of Promoter A =(A)(1)+(A)(2)	NIL	2945050	2945050	39.80	NIL	2945050	2945050	39.80	NIL
B. Public Shareholding									
1**. Institutions**									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	100	100	0.00	NIL	NIL	100	100	0.00
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1):-	NIL	100	100	0.00	NIL	100	100	0.00	NIL
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	NIL	1005100	1005100	13.58	100	1006500	1006600	13.60	0.02
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1000	2071350	2072350	28.00	7000	2066450	2073450	28.02	0.02
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	NIL	1377400	1377400	18.62	NIL	1374800	1374800	18.58	(0.04)
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	1000	4453850	4454850	60.20	7100	4447750	4454850	60.20	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	1000	4453950	4454950	60.20	7100	4453950	4454950	60.20	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	1000	7399000	7400000	100.00	7100	7392900	7400000	100.00	NIL

ii) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anita Gupta	10	-	NIL	10	-	NIL	NIL
2	Rajesh Gupta	10	-	NIL	10	-	NIL	NIL
3	Suchi Bahl	185000	2.50	NIL	185000	2.50	NIL	NIL
4	Suraj Gupta	2675030	36.15	NIL	2675030	36.15	NIL	NIL
5	Global Spirits Private Limited	85000	1.15	NIL	85000	1.15	NIL	NIL
	Total	**2945050**	**39.80**	**NIL**	**2945050**	**39.80**	**NIL**	**NIL**

iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	**-**	**-**	**-**	**-**

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Delhi Liquors Limited**				
	At the beginning of the year	562500	7.60	562500	7.60
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	**562500**	**7.60**	**562500**	**7.60**
2.	**Seema Kukreja**				
	At the beginning of the year	100	0.00	100	0.00
Add:	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): **Transfer on 14.10.2016**	-	-	**374500**	**5.06**
	At the end of the year	**-**	**-**	**374600**	**5.06**
3.	**Makhan Chor Portfolios Private Limited**				
	At the beginning of the year	**350000**	**4.72**	**350000**	**4.72**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	**350000**	**4.72**	**350000**	**4.72**
4.	**Sanjeev Kumar**				
	At the beginning of the year	300000	4.05	300000	4.05
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	**300000**	**4.05**	**300000**	**4.05**
5.	**Sandeep Agrawal**				
	At the beginning of the year	**238000**	**3.22**	**238000**	**3.22**
Less:	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): **Transfer on 20.08.2016**	-	-	2700	0.04
	At the end of the year	**-**	**-**	**235300**	**3.18**
6.	**Deepak Kukreja**				
	At the beginning of the year	**160000**	**2.16**	**160000**	**2.16**
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	**-**	**-**	-	-
	At the end of the year	**160000**	**2.16**	**160000**	**2.16**
7.	**Shanti Devi**				
	At the beginning of the year	100000	1.35	100000	1.35
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	**100000**	**1.35**	**100000**	**1.35**
8.	**Rohit Prasad**				
	At the beginning of the year	86300	1.17	86300	1.17
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	**-**	**-**	**-**	**-**
	At the end of the year	**86300**	**1.17**	**86300**	**1.17**
9.	**VRV Foods Limited**				
	At the beginning of the year	81200	1.10	81200	1.10
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	**-**	**-**	**-**	**-**
	At the end of the year	**81200**	**1.10**	**81200**	**1.10**
10.	**Ratan Lal Bansal**				
	At the beginning of the year	50000	0.68	50000	0.68
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	**-**	**-**	**-**	**-**
	At the end of the year	**50000**	**0.68**	**50000**	**0.68**

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Suchi Bahl, Director**				
	At the beginning of the year	185000	2.50	185000	2.50
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	**185000**	**2.50**	**185000**	**2.50**
2.	**Syed Azizur Rahman, Director**				
	At the beginning of the year	-	-	-	-
Add:	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): **Transfer on 20.08.2016**	-	-	**100**	**0.00**
	At the end of the year	-	-	**100**	**0.00**
3	**Shashi Sharma, Director**				
	At the beginning of the year	-	-	-	-
Add:	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): **Transfer on 20.08.2016**	-	-	**100**	**0.00**
	At the end of the year	-	-	**100**	**0.00**

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	11354000	-	11354000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**11354000**	-	**11354000**
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	11354000	-	11354000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	11354000	-	11354000
Total (i+ii+iii)	-	**11354000**	-	**11354000**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to Other Directors: NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(In Rs.)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	60,000	-	60,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**-**	**60,000**	**-**	**60,000**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties/punishment/compounding of offences under Companies Act for the year ending March 31, 2017.

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

Place: New Delhi
Date: 14.08.2017

Sd/-
Syed Azizur Rahman
Chairman & Director
DIN: 00242790
Add: Flat B-104 (FF),
Ananda Apartment,
Sector-48, Noida,
UP-201301

ANNEXURE B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s Suraj Industries Ltd
CIN: L26943HP1992PLC016791
Plot No-2, Phase III,
Sansarpur Terrace,
Himachal Pradesh-173212

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Suraj Industries Ltd** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable to the Company during the Audit Period)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment(ODI) and External Commercial Borrowings (ECB); **(No FDI, ODI and ECB was taken by the company during the Audit Period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**

d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the Audit Period)**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)**

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

No business activity was carried on by the company during the current / preceding financial year(s), therefore no specific laws were applicable to the company during the Financial Year as identified by the Management.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited.

(iii) The Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. as mentioned above except:

1. *The Company was required to appoint Internal Auditor pursuant to section 138 of the Companies Act, 2013 read with rule 13 of Companies (Accounts) Rules, 2014. However it is observed that no Internal Auditor has been appointed by the company during the period.*

2. *The Company was required to appoint Chief Financial Officer pursuant to section 203 of the Companies Act, 2013 read with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However it is observed that no Chief Financial Officer has been appointed by the company during the period.*

3. *The Trading in equity shares of the Company had been suspended by the BSE Limited vide Suspension Notice No. 20130404-33 dated April 4, 2013 placed on*

the Exchange website & BSE letter no. DCS/COMP/ SCDec-12/526211/361/2012-13 dated March 18, 2013 & letter no. DCS/COMP/AJ/SUS/526211/07/2013-14 dated April 04, 2013 respectively due to non-compliance of the various clause of the Listing Agreement. Also during year the Company has received communications through emails from Listing Department, BSE Limited mentioning observation /pending compliance(s) of Listing requirement & the Company has submitted its replies from time to time in response to the letters received from BSE Limited, however approval for resumption of trading in equity is yet to be received from the BSE Limited.

4. *It is observed that 100% promoter's equity shares are in physical form which is in non compliance of Regulation 31 of SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015 (LODR).*
5. *As per Regulation 17(8) of LODR (Earlier clause 49 of Listing Agreement), the Company is required to obtain certificate from CEO/CFO, however it observed that said certificate has been obtained from the Whole Time Director of the Company.*

Based on the information received and records maintained, we further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

For MONIKA KOHLI & ASSOCIATES
COMPANY SECRETARIES

(MONIKA KOHLI)
B.Com (H), FCS, LL.B.
Prop.
FCS 5480
C P 4936

Date: 14.08.2017
Place: New Delhi

ANNEXURE 1

To,
The Members,
M/s Suraj Industries Ltd
CIN: L26943HP1992PLC016791
Plot No-2, Phase III,
Sansarpur Terrace,
Himachal Pradesh-173212

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2017 of even date is to be read with along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MONIKA KOHLI & ASSOCIATES
COMPANY SECRETARIES

(MONIKA KOHLI)
B.Com (H), FCS, LL.B.
Prop.
FCS 5480
C P 4936

Date: 14.08.2017
Place: New Delhi

Annexure "C"

REPORT ON CORPORATE GOVERNANCE

"Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society."

As per Listing Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company is not required to comply with the Requirement of Para C, D and E of Schedule V. However, your Company is voluntarily complying with the requirements of Para C, D and E of Schedule V to the extent possible as a part of its good corporate governance practice.

A good Corporate Governance is a system by which Companies are directed and controlled by the management in the best interest of the stakeholders and others. Corporate Governance ensures fairness, transparency and integrity of the Management. Corporate Governance is a way of life, rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Companies. Your company has been practicing the principles of Good Corporate Governance for the last many years.

The Company has a mission to provide sustainable advanced solution and service to our customers, long term partnership with its investors, maximizing value to our stakeholders, clients, suppliers and its employees.

This has been articulated through the Company's Code of Business Conduct and Ethics, Corporate Governance guidelines, charters of various sub-committees of the Company's Disclosure policies. These policies seek to focus on enhancement of long term stakeholder's value without comprising on Ethical Standards and Corporate Social Responsibilities.

1. COMPANY'S PHILOSOPHY

Company Philosophy on Corporate Governance is founded upon a rich legacy of fair ethical and transparent Governance practices, many of which were in place even before they were mandated by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Company believes in adopting best practices in the area of corporate governance and follows the principles of full transparency and accountability by providing information on various issues concerning the Company's business and financial performance to its shareholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. The Company will continue to focus its resources, strengths and strategies to achieve growth in business.

The Board considers itself as the Trustee of its Shareholders. During the period under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the Company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

2. BOARD OF DIRECTORS

A) Composition and Category of the Board

The Composition of the Board of Directors is in conformity with the code of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2017 our Board comprised of Four Directors, One Executive and Three Non-Executive Directors, out of which two are Independent Directors.

Details of the Board of Directors and the Directorships/ Membership in the Board/ Board Committees, respectively of other companies (Excluding Suraj Industries Ltd) are as follows:

Sl. No	Name of Directors	Category of Director	Relationship With Other Directors	No. of Positions held in other Companies		
				Board	Committee	
					Membership	Chairmanship
1.	Mr. Narendra Singh Bisht	Non Executive Independent Director	None	10	3	3
2.	Mr. Syed Azizur Rahman	Executive Director	None	2	3	-
3.	Ms. Suchi Bahl	Non Executive Non Independent Director	None	2	-	-
4.	Mr. Shashi Sharma	Non Executive Independent Director	None	7	-	-
5.	Mr. Janeshwar Kumar Jain*	Non Executive Non Independent Director	None	-	-	-

* Mr. Janeshwar Kumar Jain expired on 15th November, 2016.

B) Meeting of Board of Directors

During the Financial Year 2016-17, Six (6) Board Meetings were held i.e on 30th May 2016, 12thAugust, 2016, 3rd September, 2016, 12th November, 2016, 29th November, 2016 and 13th February 2017 & the maximum gap between two consecutive meeting did not exceed 120 Days.

The attendance record of each Director is as under:

S. No	Name of Director	No. of Board Meeting Held	No. of Board Meeting Attended	Attendance at last Annual General Meeting held on 28 September, 2016
1.	Mr. Narendra Singh Bisht	6	6	Yes
2.	Mr. Syed Azizur Rahman	6	6	No
3.	Mr. Shashi Sharma	6	2	Yes
4.	Ms. Suchi Bahl	6	3	No
5.	Mr. Janeshwar Kumar Jain*	4**	3	Yes

* Mr. Janeshwar Kumar Jain expired on 15th November, 2016.

** Meetings held during the period April 1, 2016 – November 15, 2016.

C) Independent Director

The details of the methodology adopted by the Company for familiarizing the Independent Directors with the business and operations of the Company is uploaded on the website and can be accessed on http://www.surajindustries.org/investor-relations.html.

Familiarization Programs for Independent Directors

In compliance with the provisions of Regulation 25(7) of the SEBI Listing Regulations, 2015, All Independent Directors are familiarized about the company, through various programmes from time to time, including the following:

(a) nature of the industry in which the company operates;

(b) business model of the company;

(c) roles, rights, responsibilities of independent directors; and

(d) any other relevant information.

The policy on the familiarization programmes for Independent Directors has been uploaded on the Company's website at the http://www.surajindustries.org/investor-relations.html.

D) Non-Executive Directors' compensation and disclosures

None of the Non-Executive Independent Directors have any pecuniary relationship or transactions with the Company, its promoters, its Senior Management or its subsidiaries which in the judgment of Board may affect the independence of the Director other than holding shares of the company.

No remuneration or sitting fees is paid to Non-Executive Directors including Independent Directors. Company has no Employee Stock Option Scheme hence, no stock options were granted to any Non-Executive Directors.

During the year, Non Executive Directors of the Company had no pecuniary relationship or transactions with the Company which has potential conflict with the interest of the Company at large, other than holding shares of the Company.

3. AUDIT COMMITTEE

The Company has duly constituted Audit Committee in conformity with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of Companies Act, 2013.

The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Audit Committee has **powers to**

- investigate any activity within its terms of reference
- seek information from any employee
- Obtain outside legal or other professional advice, and
- secure attendance of outsiders with relevant expertise wherever it considers necessary

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

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  b) changes, if any, in accounting policies and practices and reasons for the same;
  c) major accounting entries involving estimates based on the exercise of judgment by management;
  d) significant adjustments made in the financial statements arising out of audit findings;
  e) compliance with listing and other legal requirements relating to financial statements;
  f) disclosure of any related party transactions;
  g) modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly

financial statements before submission to the board for approval

- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with related parties
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- To review the functioning of the whistle blower mechanism
- Carrying out any other function as is mentioned in the terms of reference of the audit committee
- Review the management discussion and analysis of financial condition and results of Operations.
- Management letters / letters of internal control weaknesses issued by the statutory auditors
- Internal audit reports relating to internal control weaknesses
- To investigate on any other matter referred by the Board.

Composition and Attendance of Audit Committee

Five Audit committee meetings were held during the year, i.e. on 30.05.2016, 12.08.2016, 03.09.2016, 12.11.2016, 13.02.2017.

The Composition of Audit Committee during the Financial Year 2016-17 is as follows.

Sl. No	Name of Members	Designation	No. of Meeting	
			Held	Atte-nded
1.	Mr. Narendra Singh Bisht	Chairman	5	5
2.	Mr. Shashi Sharma	Member	5	2
3.	Mr. Janeshwar Kumar Jain*	Member	4**	3
4.	Mr. Syed Azizur Rahman	Member	1#	1

***** Mr. Janeshwar Kumar Jain expired on 15th November, 2016.

****** Meetings held during the period April 1, 2016 – November 15, 2016.

Mr. Syed Azizur Rahman was appointed as a member of the Committee w.e.f. November 29, 2016.

4. Nomination & Remuneration Committee

The Company has duly constituted Nomination and Remuneration Committee in confirmation with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of Companies Act, 2013.

The Nomination and Remuneration Committee has been constituted to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

It shall also formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The terms of reference of the Nomination and Remuneration Committee inter-alia the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of performance of independent directors and the Board of Directors.
- Devising a policy on diversity of board of directors
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Composition and Attendance of Nomination and Remuneration Committee

During the year one Nomination and Remuneration committee meetings was held on 03.09.2016.

The Composition of Nomination and Remuneration Committee during the Financial Year 2016-17 is as follows.

Sl. No	Name of Members	Designation	No. of Meeting	
			Held	Atte-nded
1.	Mr. Narendra Singh Bisht	Chairman	1	1
2.	Mr. Shashi Sharma	Member	1	1
3.	Mr. Janeshwar Kumar Jain*	Member	1	1
4.	Mr. Suchi Bahl #	Member	N.A	N.A

***** Mr. Janeshwar Kumar Jain expired on 15th November, 2016.

Ms. Suchi Bahl was appointed as a member of the Committee w.e.f. November 29, 2016.

Performance Evaluation criteria for Independent Directors

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has adopted Performance Evaluation Policy formulated and recommended by the Nomination & Remuneration committee to evaluate performance of each Director, the Board as a whole, its Committees and the Chairperson. Evaluation is carried out by the Board, Nomination and Remuneration Committee and by the Independent Directors.

A structured questionnaire was prepared for the Directors considering various factors for evaluation including contribution to the Board work, domain expertise, strategic vision, industry knowledge, participation, effectiveness and quality of discussions etc.

Performance of the Board was evaluated by each Director on the parameters such as its roles and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner etc. Independent directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective committee members on the parameters such as role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of committee composition, timely receipt of information by the Committee, knowledge updation by the committee members etc.

Performance of the Chairperson was evaluated by the Independent Directors on the parameters of demonstration of effective leadership, contribution to the Boards' work, communication with the Board, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings etc.

Directors were also evaluated individually by all other Directors (except the Director himself/herself) on the parameters of his / her preparedness at the Board meetings, devotion of time and efforts to understand the Company and its business, quality in contributions at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board Members, Senior Management and Key Managerial Personnel. Nomination and Remuneration Committee and the Board carry out evaluation of the individual Directors.

Separate meeting of the Independent Directors was held on March 10, 2017, inter alia, to review and carry out the performance evaluation of non-Independent Directors, the Chairperson and the Board.

The Directors expressed their satisfaction with the entire evaluation process.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 178 of Companies Act, 2013.

The Stakeholder Relationship Committee is made for redressing the grievances of Stakeholder efficiently and effectively.

As per the current status of the company as on March 31st 2017 the company has redressed all the grievances received from Stakeholders.

The terms of reference of the Stakeholders relationship Committee are as under:

a) The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

b) Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, consolidation/subdivision of share certificates etc.

Details of shares transfer/transmissions approved by the committee are placed at the Board Meetings from time to time.

Composition of Stakeholders Relationship Committee

The Composition of Stakeholders Relationship Committee during the Financial Year 2016-17 is as follows.

Sl. No	Name of Members	No. of Meeting Held	No. of Meeting Attended
1.	Mr. Narendra Singh Bisht	8	8
2.	Mr. Shashi Sharma	8	3
3.	Mr. Janeshwar Kumar Jain*	6**	6
4.	Mr. Syed Azizur Rahman	2#	2

***** Mr. Janeshwar Kumar Jain expired on 15th November, 2016.

****** Meetings held during the period April 1, 2016 – November 15, 2016.

Mr. Syed Azizur Rahman was appointed on the Committee on November 29, 2016.

Compliance Officer

Ms. Bhanumati Ramchandran, Company Secretary cum compliance officer of the company. The corresponding address of Company Secretary & Compliance Officer is as follows:

Registered Office: Plot No. 2, Phase-III, Sansarpur Terrace, Distt. Kangra, Himachal Pradesh-173212, Ph- 01970-256414

Corporate Office: F-32/3, First Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, Ph-011-42524455

E-mail ID: secretarial@surajindustries.org

Website: http://www.surajindustries.org

The Company welcomes all the shareholders to communicate with the Company as per the above details or through the Company's Registrar and Share Transfer Agent, whose particulars are given in this report.

The investor complaints that were received during the year have been resolved within stipulated time.

During the year under review 2 investor complaints were received which were duly resolved and as at 31st March, 2017 there were no pending Complaints.

6. GENERAL MEETING

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

Year	Location	Date	Time	Items approved by Special Resolution
2014	Plot No. 2, Phase-III Sansarpur Terrace, Distt. Kangra, Himachal Pradesh-173212	30.09.2014	03:00 P.M.	None
2015	Plot No. 2, Phase-III Sansarpur Terrace, Distt. Kangra, Himachal Pradesh-173212	29.09.2015	03:00 P.M.	None
2016	Plot No. 2, Phase-III, Sansarpur Terrace, Kangra ,Himachal Pradesh-173212	28.09.2016	3:30 P.M.	None

7. Means of Communication

In accordance with the Listing Regulations, the quarterly / half yearly / annual results are regularly submitted to the BSE Limited with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. The results are being generally published in the Himachal Times (English) and Himachal Times (Hindi) newspapers in the state of Himachal Pradesh in terms of the **SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**.

The official news releases, including quarterly, half yearly and annual results and presentations are posted on Company's website **(www.surajindustries.org).** Various sections of the Company's website keep the investors updated on the key and material information of the Company by providing timely information like Board profile, press release, financial results, annual reports, shareholding pattern, stock information etc.

8. General Shareholder Information

a) Annual General Meeting

Date and time : 27th September, 2017 at 2:00 P.M.

Venue : Plot No. 2, Phase III Sansarpur Terrace Kangra, Himachal Pradesh 173212

b) Financial Year : **2016-2017**

c) Dividend Payment date : N.A.

d) Date of Book Closure : 24th September, 2017 to 27th September, 2017

e) Stock Exchanges at which shares of the Company are listed : BSE Limited, Pheroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

The Company has paid the listing fees for Financial Year 2017-18 to the Stock Exchanges where the shares of Company are listed.

Stock Code : 526211

ISIN : INE170U01011

f) Stock Market Data

The trading in company's equity shares are suspended by the BSE Limited due to certain non-compliance of Listing Agreement. However, the Company has made good all the previous non compliances and requested the BSE to grant permission for trading in equity shares of the Company. Therefore no stock market data is available.

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

The trading in Company's equity shares are suspended by the BSE Limited due to certain non-compliance of Listing Agreement. Therefore, price performance in comparison to broad based indices cannot be done.

h) Reasons for suspension of trading in equity shares

The trading has been suspended due to non-payment of listing fees & certain non-compliance of listing agreement. The Company has since then paid the listing fees that was due and has completed the pending compliances and submitted all the documents with BSE Limited for revocation of suspension of trading.

i) Registrar and Share Transfer Agent

M/s Beetal Financial & Computer Services (P) Ltd is the Registrar and Share Transfer Agent of the Company, to whom communications regarding change of address, transfer of shares, change of mandate etc. can be addressed by the shareholders holding shares in the physical mode, as per the details mentioned below:

Beetal Financial & Computer Services (P) Ltd

Beetal House, 3rd Floor, 99, Madangir, New Delhi- 110062

Ph: 011-29961281-83 **E-mail ID:**beetalrta@gmail.com

j) Share Transfer System

Transfers of Shares in physical form are registered and dispatched within 15 days from the date of their receipt, subject to the documents being valid and complete in all respects. In case of objection, the same are also dispatched within 3 weeks. The Share Transfer Committee meets frequently to consider the transfer applications and other proposals.

k) Distribution of Shareholding as on March 31, 2017

No. of equity shares held	No. of Share holders	% of share-holders	No. of shares held	% of share-holding
Up to 5000	16558	99.00	1777370	24.02
5001 to 10000	85	0.51	68500	0.93
10001 to 20000	20	0.12	31000	0.42
20001 to 30000	6	0.04	13800	0.19
30001 to 40000	2	0.01	6800	0.09
40001 to 50000	33	0.20	163300	2.21
50001 to 100000	3	0.01	25700	0.34
100001 to above	18	0.11	5313530	71.80
Grand Total	**16725**	**100.00**	**7400000**	**100.00**

The Shareholding Pattern as on 31st March, 2017 was as under:

S. NO	Category	No. of Shares Held	% of Share-holding
A)	**Promoters Holding**	29,45,050	39.80
B)	**Non Promoter Holding**		
1.	**Bank/Financial Institution**	100	0.01
2.	**Others**	-	-
i)	**Bodies Corporate**	10,06,600	13.60
ii)	**Indian Public**	3448250	46.59
iii)	**NRIs/OCBs**	-	-
	Total	74,00,000	100

Dematerialization of Shares

The Company has been allotted ISIN i.e. INE170U01011by CDSL for dematerialization of the Company's Shares. The Company is under process to enter into a tripartite agreement with NSDL for allotment of ISIN for dematerialization.

m) Outstanding GDRs/ADRs/Warrants or Convertible Instruments, conversion

Date and likely impact on Equity : Not Applicable

n) Commodity Price Risks

The Company does not have any commodity price risks.

o) Plant Location: Plot No. 2, Phase III Sansarpur Terrace Himachal Pradesh Kangra 173212.

p) Address for correspondence:

Registered Office: Plot No. 2, Phase III Sansarpur Terrace, Himachal Pradesh, Kangra173212
Ph : 01970-256414

Corporate Office: F-32/3, First Floor, Okhla Industrial Area, Phase – II, New Delhi-110020
Ph : 011-42524455

9. OTHERS DISCLOSURES

a) Materially Significant Related Party Transactions

During FY 2016-17, the Company has not entered into any materially significant transactions with the related party viz. promoters, directors, management, their relatives or subsidiaries that may have potential conflict with the interests of Company at large. Members may refer to Disclosures of transactions with related parties i.e. Promoters, Directors, Relatives, or Management made in the Balance Sheet in Notes to the Accounts.

In terms of Regulation 23 of SEBI (Listing Obligations And Disclosure Regulations),2015, the Company has formulated a policy on dealing with Related Party Transactions which is disclosed on Company's website (Web link: http://www.surajindustries.org/policy.html).

b) Accounting Standards

The Company has followed the Accounting Standards laid down by the Companies Act, 2013.

c) Details of Non-Compliances

During the last three (3) years, there were no structures or penalties imposed on the Company either by the Stock Exchanges or SEBI or any other statutory authority for non-compliance of any matter related to capital markets. However the trading in the Company's Shares has been suspended by the Stock Exchange due to certain non-compliance of Listing Agreement.

d) Details of Vigil Mechanism

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, every listed company shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed and Such vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee.

For the above mentioned purpose your company has created Vigil Mechanism under the auspices of Audit committee to provide Protection and heard genuine concerns of employees and its Directors and to make transparency and comply the code of conduct of the company efficiently and accurately.

Your company has uploaded the Vigil Mechanism Policy which has disclosed on Company's website (Web link: http://www.surajindustries.org/policy.html).

Till the date audit committee has not received any Complaints from its directors and employees and Your Company is affirming that till the date no person has denied to access to Audit Committee.

e) Details of compliances with mandatory requirements of the Listing Regulations

During the year, the Company had complied with all applicable mandatory corporate governance requirements of the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations.

f) Adoption of the non-mandatory requirements as specified in Part E of Schedule II of Listing Regulations, 2015

The Company has not yet adopted any of the non-mandatory requirements as specified in Part E of Schedule II of Listing Regulations, 2015.

g) Certificate on Corporate Governance:

The Company has obtained **Certificate on Corporate Governance** as stipulated Regulation 34 read with Para E of Schedule V of **SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015** from M/s Manoj Verma & Associates, Company Secretary in Practice

h) Prohibition of Insider Trading:

In accordance with SEBI (Prohibition of Insider Trading) Regulation, 2015, the Board of Directors has adopted the Insider Trading policy for prevention of insider trading to be followed by Directors, Employees and other connected persons.

i) Policy on Material Subsidiary

In term of Regulation 16 of SEBI (Listing Obligations And Disclosure Regulations) 2015, the Company has formulated a policy for material subsidiary which is disclosed on Company's website (Web link: http://www.surajindustries.org/policy.html)

Particulars of Policy	Web Address
Vigil Mechanism Policy	http://www.surajindustries.org/policy.html
Nomination & Remuneration Policy	http://www.surajindustries.org/policy.html
Policy on Board Diversity	http://www.surajindustries.org/policy.html
Policy for Determining Material Subsidiary	http://www.surajindustries.org/policy.html
Related Party Transaction Policy	http://www.surajindustries.org/policy.html
Criteria for making Payment to Non Executive Directors	http://www.surajindustries.org/policy.html
Determining Materiality of Information	http://www.surajindustries.org/policy.html

10. CEO/CFO Certification

As the Company doesn't have any CEO as on date Mr. Sujeet Kumar Gupta, Chief Financial Officer & Mr. Syed Azizur Rahman, Director (he was Whole Time Director till 8th May, 2017) of the Company has submitted the certificate, in terms of **Regulation 17 (8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015**, to the Board.

11. MANAGEMENT DISCUSSION AND ANALYSIS:

A report on Management Discussion and Analysis is a part of Corporate Governance Report as Annexure D.

12. CODE OF CONDUCT

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to Directors (including Senior Management of the Company) have been sent to all the Directors and Senior Management Personnel. The Code is also disclosed on the website of the Company (Web Link: http://www.surajindustries.org/investor-relations.html)

The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the financial year ended 31st March, 2017.

Declaration Affirming Compliance of provisions of the Code of Conduct

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the period ended March 31, 2017.

By order of the Board
For Suraj Industries Ltd

Place: New Delhi
Date: 14.08.2017

Sd/-
Syed Azizur Rahman
Chairman & Director
DIN: 00242790
Address: Flat B-104 (FF),
Ananda Apartment Sector-48
Noida, Uttar Pradesh-201301

Registered office:
Plot No. 2, Phase III Sansarpur Terrace,
Himachal Pradesh, Kangra173212
Ph- 01970-256414

Corporate office:
F-32/3, First Floor, Okhla Industrial Area,
Phase – II, New Delhi-110020
Ph- 011-42524455

CEO AND CFO COMPLIANCE CERTIFICATE

{UNDER REGULATION 17(8) READ WITH PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015}

To,
The Board of Directors,
Suraj Industries Ltd

We hereby certify that:-

a) We have reviewed the financial statements including the cash flow statement of the Company for the year ended as on March 31, 2017 and that to the best of our knowledge and belief :

   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 including cash flow statement present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of my knowledge and belief, there are no transactions entered into by the Company which are fraudulent, illegal or violative of the Company's code of conduct.

c) Based on my observance and on the basis of submissions received through sub-certification process, I certify that internal controls and financial reporting are established, maintained and are effective considering the nature and size of the business requirement. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.

d) During the period under review, no significant changes were observed in the internal controls over financial reporting and accounting policies of the Company. Furthermore, no instance of fraud has been found by management or employees having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi

Date: 14.08.2017

Sd/-
Sujeet Kumar Gupta
Chief Financial officer
Add: S-46, School Block,
Shakarpur, New Delhi-110092

Sd/-
Syed Azizur Rahman
Director
DIN: 00242790
Add: Flat B-104 (FF),
Ananda Apartment Sector-48
Noida, Uttar Pradesh-201301

Note:

As the Company doesn't have any CEO as on date Mr. Sujeet Kumar Gupta, Chief Financial Officer & Mr. Syed Azizur Rahman, Director (he was Whole Time Director till 8th May, 2017) of the Company have submitted the certificate, in terms of **Regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015**, to the Board.

Annexure "D"

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

FINANCIAL PERFORMANCE

Due to adverse market condition & bleak prospects, the company has exited from edible oil business. At present there are no operations in the Company. The details of financial performance are given below:

- During the year, company has incurred a loss of Rs. 15.01 lacs as against the loss of Rs. 8.40 lacs in the previous year.
- The total accumulated loss carried to the Balance Sheet was Rs. 1068.85 lacs

CASH FLOW ANALYSIS

The Cash Flow Statement for the year under reference in terms of **Regulation 34(2) of the (Listing Obligations and Disclosures Requirements) Regulations, 2015** entered by the Company with the Stock Exchanges is annexed with the Annual Accounts of the Company.

FINANCE COST

The financial charges for the year ended March 31, 2017 was NIL

PROFIT & LOSS ACCOUNT

As on March 31, 2017 there was debit balance of Rs. 1068.85 lacs in the Profit & Loss Account as against Rs. 1053.84 lacs of last year.

EARNING PER SHARE

Earnings per share of the company are (0.20) as against the EPS of (0.11) of previous year.

INTERNAL CONTROLS

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

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES /INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company has only two employees apart from a Director. There were no Human Resources/Industrial Relations.

By Order of the Board
For Suraj Industries Ltd

Place: New Delhi
Date: 14.08.2017

Sd/-
Syed Azizur Rahman
Chairman & Director
DIN: 00242790
Address: Flat B-104 (FF),
Ananda Apartment Sector-48
Noida, Uttar Pradesh-201301

CORPORATE GOVERNANCE CERTIFICATE

To the Members of Suraj Industries Ltd

We have examined the compliance of the conditions of Corporate Governance by **Suraj Industries Limited** for the year ended on March 31, 2017 as stipulated in **Regulation 34(3), Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** of the said company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in **Regulation 34(3), Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

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

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

For Manoj Verma & Associates
Company Secretaries

Sd/-
Manoj Kumar Verma
Practicing Company Secretary
CP- 8275
FCS-7632

Date : 14.08.2017
Place : New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of Suraj Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Suraj Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgment and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken in to account the provisions of the Act and the Rules made there under including the Accounting Standards and matters which are required to be included in the audit report. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative announcement issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Audit Opinion

1. *Attention is drawn to note no 1(a) and Note 14 of the Balance sheet to the effect that these accounts have been prepared without following the going concern assumption on the closure & cessation of the two business segments by the company and disposal of major assets of these discontinued segments in preceding years.*

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;

b) in the case of the Statement of Profit & Loss, of the Loss for the year ended on that date; and

c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2017 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanations given to us, we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said order.

2. As required by section 143(3) of the Act, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow statement dealt with by this report are in agreement with the books of accounts;

   (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion,

the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow statement comply with the Accounting Standards specified in Section 133 of the Act; read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of written representation received from the Directors as on March 31, 2017 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2017 from being appointed as a Director in terms of section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' ; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us-

(i) The Company has disclosed the impact of pending litigations as at March 31, 2017 on its financial position in its financial statements.

(ii) The Company has made provision as at March 31, 2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

(iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No. - 074126

Date: 29.05.2017
Place: New Delhi

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended March 31, 2017)

1. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

   b) During the year, Fixed assets of the Company have been physically verified by the management which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. As mentioned to us no material discrepancies were noticed by the management on such verification.

   c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does own any immoveable property.

2. Since there is no inventory as at the end of the year with the company hence clause relating to physical verification and maintaining of proper records of inventory is not applicable for the year.

3. The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

5. The Company has not accepted any deposits from the public within the meaning of Sections 73 and 74 of the Act and the rules framed there under to the extent notified.

6. Pursuant to the rules made by the Central Government for the maintenance of cost records in respect of the Vanaspati segment, under section 148 of the Act. We are of the opinion that, prima facie, the prescribed accounts and records, relating to materials, labour and other items of cost, was not required to be maintained for the year as there was no manufacturing activity for the year under review.

7. **a)** According to the information and explanations given to us and the records of the Company examined by us, we are of the opinion that the Company is regular in depositing the undisputed statutory dues including Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, VAT, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.

   b) According to the records of the company and information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Service Tax, Wealth Tax, Excise Duty and Cess on account of any dispute.

8. According to the records of the Company examined by us and the information given to us, we are of the opinion that the company has not defaulted in repayment of dues to banks. However, there are no dues payable to financial institutions or debenture holders.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation provided to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have been informed of any such case by the management.

11. The Company has not paid any managerial remuneration during the year. Hence, the clause is not applicable.

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company has not entered into any transactions with the related parties as specified in sections 177 and 188 of the Act.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company is not required to be registered with Reserve Bank of India u/s 45-IA of the Reserve Bank of India Act, 1934.

For Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.- 074126

Date: 29.05.2017
Place: New Delhi

Annexure – B to the Independent Auditor's Report

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Suraj Industries Limited ("the company") as of March 31, 2017 in conjunction with our audit of financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI)'. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exits, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedure selected depends on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we obtained is sufficient and appropriate to provide the basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the asset of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitation of internal financial controls over financial reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Satendra Rawat& Co
Chartered Accountants
FRN- 008298C

Sd/-
(CA. Satendra Rawat)
Partner
Membership No. - 074126

Date: 29.05.2017
Place: New Delhi

BALANCE SHEET AS AT 31ST MARCH 2017

(In Rs)

Particulars			Note No.	AS AT 31.03.2017	AS AT 31.03.2016
1			2	3	4
I.	**EQUITY AND LIABILITIES**				
1	**Shareholders' funds**				
	(a)	Share capital	2	**73,430,000**	73,430,000
	(b)	Reserves and surplus	3	**(84,286,629)**	(82,785,798)
2	**Non-current liabilities**				
		Long-term provisions	4	**73,217**	70,217
2	**Current liabilities**		5		
	(a)	Short Term Borrowings		**11,354,000**	11,354,000
	(b)	Trade payables		**12,001,963**	16,302,870
	(c)	Other current liabilities		**504,753**	500,000
	(d)	Short-term provisions		**65,000**	12,500
		TOTAL		**13,142,304**	18,883,789
II.	**ASSETS**				
	Non-current assets				
1	(a)	Fixed assets			
		(i) Tangible assets	6	**30,816**	30,816
		(ii) Intangible assets		**-**	-
2	**Current assets**				
	(a)	Cash and cash equivalents	7	**23,361**	51,297
	(b)	Short-term loans and advances	8	**12,989,127**	18,164,127
	(c)	Other current assets	9	**99,000**	637,549
		TOTAL		**13,142,304**	18,883,789

Siginficant Accounting Policies 1
Notes form part of these financial statements 2-25

This is the balance sheet refered to in our report of even date

For Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

For and on behalf of the Board of Directors

Sd/-
Syed Azizur Rahman
(Director)
DIN- 00242790

Sd/-
Narendra Singh Bisht
(Director)
DIN- 01881694

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.- 074126

Sd/-
Bhanumati Ramachandran
(Company Secretary)

Date: 29.05.2017
Place: New Delhi

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(In Rs)

Particulars		Note No.	2016-2017	2015-2016
I.	Revenue from operations		-	-
III.	**Total Revenue**		**-**	**-**
IV.	**Expenses:**			
	Employee benefits expense	10	123,000	31,500
	Other expenses	11	1,377,831	807,948
	Total expenses		**1,500,831**	**839,448**
V.	**Profit before exceptional and extraordinary items and tax (III-IV)**		(1,500,831)	(839,448)
VI.	**Exceptional items**		-	-
VII.	**Profit/(Loss) before extraordinary items and tax (V - VI)**		(1,500,831)	(839,448)
VIII.	Extraordinary Items		-	-
IX.	**Profit before tax (VII- VIII)**		(1,500,831)	(839,448)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
XI	**Profit (Loss) for the period from continuing operations (VII-VIII)**		-	-
XII	Profit/(loss) from discontinuing operations		(1,500,831)	(839,448)
XIII	Tax expense of discontinuing operations		-	-
XIV	**Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)**		(1,500,831)	(839,448)
XV	**Profit (Loss) for the period (XI + XIV)**		(1,500,831)	(839,448)
XVI	Earnings per equity share (Refer Note 31):			
	(1) Basic		(0.20)	(0.11)
	(2) Diluted		(0.20)	(0.11)

Siginficant Accounting Policies 1
Notes form part of these financial statements 2-25

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

For Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

For and on behalf of the Board of Directors

Sd/-
Syed Azizur Rahman
(Director)
DIN- 00242790

Sd/-
Narendra Singh Bisht
(Director)
DIN- 01881694

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.- 074126

Sd/-
Bhanumati Ramachandran
(Company Secretary)

Date: 29.05.2017
Place: New Delhi

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(In Rs)

		2016-17		2015-16	
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit before Tax		(1,500,831)		(839,448)
	Adjustments		-		-
	Operating Profit before Working Capital Changes		(1,500,831)		(839,448)
	Adjustment for:				
	Trade & Other Receivables	5,713,549		1,851,510	
	Trade Payables & Other Liabilities	(4,240,654)	1,472,895	(1,024,735)	826,775
	Cash Generated from Operations		(27,936)		(12,673)
	Less: Taxes Paid		-		-
	Net Cash from Operating Activities……A		**(27,936)**		**(12,673)**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Net Cash from Investing Activities…….B		-		-
C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Cash from Financing Activities……C		-		-
D)	**NET INCREASE / (DECREASE) IN CASH &**				
	CASH EQUIVALENTS (A + B + C)		**(27,936)**		**(12,673)**
	Opening Cash & Cash Equivalents		**51,297**		**63,970**
	Closing Cash & Cash Equivalents		**23,361**		**51,297**

NOTE: Figures in Brackets represent outflows.

As per our report of even date attached.

FFor Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

For and on behalf of the Board of Directors

Sd/-
Syed Azizur Rahman
(Director)
DIN- 00242790

Sd/-
Narendra Singh Bisht
(Director)
DIN- 01881694

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.- 074126

Sd/-
Bhanumati Ramachandran
(Company Secretary)

Date: 29.05.2017
Place: New Delhi

NOTES TO THE FINANCIAL STATEMENTS AS AT 31.03.2017

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

a) ACCOUNTING CONVENTION

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies(Accounts) Rules 2014, till the standards of accounting or any addendum therto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.

b) RECOGNITION OF INCOME AND EXPENDITURE

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

c) RETIREMENT AND PENSION BENEFITS

i) Retirement benefits in the form of Provident fund and Family Pension fund is a defined contribution scheme and the contributions are charged to the profit and loss account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

ii) Gratuity is a defined benefit obligation. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on the projected unit credit method made at the end of the financial year.

iii) Long term compensated balances in the form of leave encashment are provided for based on actuarial valuation at the end of the financial year. The actuarial valuation is done as per projected unit credit method.

iv) Actuarial gains/losses are debited to profit and loss account and are not deferred.

d) FIXED ASSETS

i) Fixed Assets are stated at cost, less accumulated depreciation other than 'Leasehold Land', where no amortization is made. The cost includes taxes, duties, freight and other incidental expenses related to acquisition, installation and commissioning.

ii) Capital subsidies, if any, on acquisition of specified fixed assets are reduced from the original cost and the net amount are adopted as the historical cost of gross block and depreciated accordingly.

iii) Capital work in progress is capitalized as fixed assets on the date of commissioning of the asset.

e) METHOD OF DEPRECIATION AND AMORTISATION:

i) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in the Schedule II of the Companies Act,2013.

ii) An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

f) VALUATION OF INVENTORIES :

i) Raw Material, Packing Material- At cost

ii) Finished Goods (Including Goods in Transit)- At cost or net realisable value

iii) Stock in Process- At cost

iv) By Products- At net realisable value

v) Loose Tools- At cost and charged off when discarded

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

g) INCOME TAX

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

h) SEGMENT REPORTING:

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

i) PROVISIONS AND CONTINGENT LIABILITIES:

i) A provision is recognized when the company has a present obliation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

ii) The disclosure is made for all possible or present obligations that may but probably will not required outflow of resources, as contingent liability in the financial statements.

NOTE 2 SHARE CAPITAL

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number	Rs	Number	Rs
Authorised				
Equity Shares of Rs 10/- each	**10,000,000**	**100,000,000**	10,000,000	100,000,000
Issued and Subscribed				
Equity Shares of Rs 10/- each	**7,400,000**	**74,000,000**	7,400,000	74,000,000
Paid up				
Equity Shares of Rs 10/- each fully paid	**7,286,000**	**72,860,000**	7,286,000	72,860,000
Equity Shares of Rs 10/- Rs 5 paid -up	**114,000**	**570,000**	114,000	570,000
	7,400,000	**73,430,000**	7,400,000	73,430,000

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	31.03.2017		31.03.2016	
	No of shares	Rs	No of shares	Rs
Equity shares outstanding at the beginning of the year	**7,400,000**	**73,430,000**	7,400,000	73,430,000
Equity shares Issued during the year	**-**	**-**	-	-
Equity shares bought back during the year	**-**	**-**	-	-
Equity shares outstanding at the end of the year	**7,400,000**	**73,430,000**	7,400,000	73,430,000

b) Details of shareholders holding more than 5% Equity Shares in the Company

Name of Shareholder	31.03.2017		31.03.2016	
	Holding %	No. of Equity shares held	Holding %	No. of Equity shares held
SURAJ GUPTA	**36.15**	**2,675,030**	36.15	2,675,030
DELHI LIQUORS LIMITED	**7.60**	**562,500**	7.60	562,500
SEEMA KUKREJA	**5.06**	**374,500**	-	-
SUSHIL KUMAR	**-**	**-**	5.06	374,500

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

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

NOTE 3 RESERVES & SURPLUS

Particulars	As at 31 March 2017	As at 31 March 2016
Capital Reserve As per Last Year	**22,598,507**	22,598,507
Surplus / (Deficit) in the Statement of Profit & Loss		
Opening Balance	**(105,384,305)**	(104,544,857)
Add/(Less):Additional depreciation pursuant to enactment of schedule II of the Companies Act 2013(Refer Note No-6)	**-**	-
Net Profit/(Net Loss) for the current year	**(1,500,831)**	(839,448)
Closing Balance	**(106,885,136)**	(105,384,305)
Total	**(84,286,629)**	(82,785,798)

NOTE 4 LONG TERM PROVISIONS:

Particulars	As at 31 March 2017	As at 31 March 2016
Provision for employee benefits	**73,217**	70,217

NOTE 5 CURRENT LIABILITIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs	**Rs**
Short Term Borrowings		
Other Unsecured Loans (Interest Free)		
- From Bodies Corporate*	10,929,000	10,929,000
- From Others*	425,000	425,000
	11,354,000	11,354,000
Terms of repayment*		
All loans are interest free without any specific terms of repayment.		
Trade Payables [Due to MSME -Nil]	**12,001,963**	**16,302,870**
[Refer to Note - 16]		
Other current liabilities:		
Security Deposits (Interest Free)	**500000**	500000
TDS Payable	**4753**	0
	504753	500000
Short Term Provisions:		
Provision for expenses	**65,000**	12,500
	65,000	12,500
Total	**23,925,716**	**28,169,370**

NOTE 6 FIXED ASSETS

PARTICULARS	GROSSBLOCK				ACCUMLATED DEPRECIATION					NETBLOCK	
	As at 01.04.2016	Additions during the year	Disposals during the year	As at 31.03.2017	As at 01.04.2016	Charge for the year	On Disposals	Deduction/ Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Tangible assets:											
Other Equipments & Appliances	334,200	-	-	**334,200**	317,490		-		317,490	**16,710**	16,710
Furniture & Fixtures	282,125	-	-	**282,125**	268,019		-		268,019	**14,106**	14,106
TOTAL	616,325	-	-	**616,325**	585,509	-	-	-	585,509	**30,816**	30,816
Previous year figures	*616,325*	-	-	*616,325*	*585,509*	-	-	-	*585,509*	*30,816*	*30,816*

Note: No depreciation is chared for the year as the WDV on 01.04.2015 remains only 5% of the gross value of the assets.

NOTE 7 CASH & CASH EQUIVALENTS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs	Rs
Cash on Hand	12,110	37,111
Balances with Banks in Current Accounts	11,251	14,187
Total	**23,361**	**51,298**

NOTE 8 SHORT TERM LOANS & ADVANCES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs	Rs
Other Advances (Unsecured, considered good)	12,989,127	18,164,127
Total	**12,989,127**	**18,164,127**

NOTE 9 OTHER CURRENT ASSETS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs	Rs
Unrealised Stock Invest*	99,000	99,000
Sales Tax Deposit (Refundable)	-	275,000
Income Tax Refund Due	-	263,549
Total	**99,000**	**637,549**

*Stock invest pertaining to Share application money for 10,300 equity Shares (Previous year 10,300 equity shares) of Rs. 10/- each were returned unrealized by the Bankers and the same were allotted and included in Share Capital during the financial year 1993-94 as part of Company's maiden public issue. Out of these shares, the company has to still receive a sum of Rs. 99,000 as on 31.03.2017 as per details given below:

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

Note 10 EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs	Rs
Salaries and incentives	123,000	31,500
Total	**123,000**	**31,500**

Note 11 OTHER EXPENSES

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs	Rs
Fee & Taxes	292,214	546,696
Legal & Professional Expenses	165,400	163,000
Postage Expenses	237,621	-
Advertisement	33,707	55,805
Auditors Remuneration(Statutory Audit Fees)	12,500	12,500
Other Expenses	97,840	29,947
Balance Written Off	538,549	-
Total	**1,377,831**	**807,948**

NOTE 12 In the opinion of the board, the current assets, loans & advances have a value on realisation in the ordinary course of business at least equal to the amount at which these are stated in the balance sheet as at 31.03.2017.

NOTE 13 The balances of some of the Sundry Creditors, Loans & Advances are subject to letters of confirmations without expecting any major deviations to affect materiality of these accounts.

NOTE 14 Upto the end of the previous reporting periods, the Company had two business segments viz. (i) Manufacturing of Vanaspati; (ii) Liquor, identified as discontinued operations. During the previous year, the discontinued operations were completed and the remaining assets or liabilities which continue after the discontinued operations are completed, have been eliminated from the disclosures of Discontinued operations. After the completion of said discontinued operations were completed, the company has not yet commenced any new sustainable business activity and therefore these accounts have been prepared on the same basis without following the going concern assumption as in the previous years. In view of these facts, the company has not identified any seperate business segment for its review and disclosures. The intermittent trading operations, if any, which may be non-recurring and casual in nature, has not been considered as a separate business segment for the purpose of reviewing its operations.

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

NOTE 16 There are no amount due to small scale Industrial undertaking suppliers,covered under Micro, Small and Medium Enterprises Development Act, 2006.

NOTE 17 RELATED PARTY DISCLOSURE

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

A) Names of the Related parties and description of relationship

Key Managerial Personnel

a) J K Jain, Director (upto 15.11.2016)
b) Shashi Sharma, Director
c) Narendra Singh Bisht, Director
d) Suchi Bahl, Director
e) Syed Azizur Rahman, Director

B) Transactions during the year with the Related Parties:

Transaction	For the year ended 31 March 2017	For the year ended 31 March 2016
	Rs	Rs
No Transaction	Nil	Nil

NOTE 18 DEFERRED TAX:

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

	2016-17	2015-16
	Rs in Lacs	Rs in Lacs
Deferred Tax Liabilities		
Fixed Assets	**0.10**	0.10
Total	**0.10**	0.10
Deferred Tax Assets		
Provision for Gratuity, Bonus & Leave Encashment	**0.23**	0.22
Unabsorbed depreciation and business losses as per IT	**35.30**	53.16
Total	**35.53**	53.38
Accumulated Net Deferred Tax Assets	**35.43**	53.28

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

NOTE 19 PROVISION FOR INCOME TAX

The provision for the current Income Tax is not considered necessary for the financial year 2016-17 in view of the brought forward business loss, unabsorbed depreciation allowance, other deductions and benefits under the provisions of Income Tax Act, 1961.

Note 20 Expenditure in Foreign Currency during the year- Nil (Previous Year Nil)

Note 21 Value of Imports on CIF Basis- Nil (Previous Year Nil)

Note 22 Value of imported and indigenous raw materials, stores, spare parts and components consumed -Nil (Previous Year Nil)

Note 23 BASIC AND DILUTED EARNING PER SHARE

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

Particulars	**As at 31.03.2017 (Rs)**	**As at 31.03.2016 (Rs)**
Profit for the year after extra-ordinary items	**(1,500,831)**	**(839,448)**
Profit for the year before extra-ordinary items	**(1,500,831)**	**(839,448)**
No. of weighted average equity shares (Basic & Diluted)	**7,343,000**	**7,343,000**
BASIC & DILUTED EARNING PER SHARE (Rs.)		
Before extra-ordinary items	**(0.20)**	**(0.11)**
After extra-ordinary items	**(0.20)**	**(0.11)**

Note 24 Details of Specified Bank Notes (SBN) held during the period from 8th Nov 2016 to 30th Dec 2016 were as follows

Particulars	**SBNs**	**Other Denomination Notes**	**Total**
Closing cash as on 08.11.2016	Nil	22110	22110
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted Payments	Nil	10000	10000
(-) amount Deposited in banks	Nil	Nil	Nil
Closing Cash in hand as on 30.12.2016	Nil	12110	12110

NOTE 25 The previous year's figures have been re-classified/re-grouped wherever required to conform with the current year's figures.

or Satendra Rawat & Co
Chartered Accountants
FRN- 008298C

For and on behalf of the Board of Directors

Sd/-
Syed Azizur Rahman
(Director)
DIN- 00242790

Sd/-
Narendra Singh Bisht
(Director)
DIN- 01881694

Sd/-
(CA. Satendra Rawat)
Partner
Membership No.- 074126

Sd/-
Bhanumati Ramachandran
(Company Secretary)

Date: 29.05.2017
Place: New Delhi

Proxy Form - Form MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

I / We, being the member(s) of shares of the above named company, hereby appoint:

(i) Name: .....Address: .....

.....

E-Mail .....Signature ..... or failing him/her

(ii) Name: .....Address: .....

.....

E-Mail .....Signature ..... or failing him/her

(iii) Name: .....Address: .....

.....

E-Mail .....Signature ..... or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Wednesday, September 27, 2017 at 2:00 P.M. at the Registered Office of the Company at Plot No. 2, Phase-III, Sansarpur Terrace, Distt. Kangra, Himachal Pradesh- 173212:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the years ended on 31st March, 2017 and the report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Syed Azizur Rahman (DIN- 00242790) who retires by rotation and eligible offers himself for re-appointment.
3. To appoint M/s Satendra Rawat & Co. Chartered Accountants as Statutory Auditors of the company to hold office for a period of 5 years from the conclusion of 25th AGM till the conclusion of 30th AGM and to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and approve the borrowing limits of Rs. 100 Crores pursuant to the provisions of Section 180(1) (c) of the Companies Act, 2013.
5. To appoint Mr. Nazir Baig, Independent Director of the Company.

Affix Revenue Stamp of Re. 1/-

Signed this _____ day of September _____, 2017.

Signature of the Shareholder .....

Signature of Proxy holder(s) .....

Note: This form of Proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

ATTENDENCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my Presence at the Annual General Meeting of the Company on **Wednesday, the 27th Day of September, 2017 at 2:00 P.M at Plot No. 2, Phase-III, Sansarpur Terrace, Distt. Kangra, Himachal Pradesh- 173212:**

Signature of the Shareholder	Signature of the Proxy

Note: 1. Briefcase, Hand Bags etc. are not allowed inside the Meeting Hall.

2. Please note that no gifts will be distributed at the meeting.

Map data ©2015 Google 200 m

Techfab
Manufacturer
Plot No. 3W, Phase 3, Industrial Area, Sansarpur T...

TERRACE PHARMACEUTICALS PVT ...
Pharmaceutical Company
Plot No. 3B-A, Phase 3, INDUSTRIAL AREA, MDR42...

Book Post

If undelivered, please return to:

Suraj Industries Ltd

Plot No. 2, Phase-III, Sansarpur Terrace,
Distt. Kangra, Himachal Pradesh-173212