



SURAJ LIMITED

Mfg. & Exporters of :

Stainless Steel Seamless & Welded Pipes, Tubes,

'U' Tubes, Foils, Coil, Flanges & Fittings

Date: 26.05.2017

To

Bombay Stock Exchange Limited (BSE)

25th Floor, Phiroze Jeejeebhoy Towers,

Dalal Street, Fort, Mumbai – 400 001

www.bseindia.com

Subject: Submission of annual report under regulation 34 & Notice for the 24th annual General Meeting under regulation 30 of SEBI listing regulations, 2015.

Dear Sir,

Pursuant to regulation 34(1), we hereby submit softcopy of the annual report for the financial year 2016-17, including necessary documents and disclosures as stated under regulations 34(2) and 34(3) of the above referred regulations.

Further, pursuant to Regulation 30 read with Part A of schedule III, we also submit herewith a soft copy of the notice of 24th Annual General Meeting schedule on 20th June 2017.

Kindly acknowledge the receipt and take the same on record.

Yours Faithfully,

For, Suraj Limited

Shilpa Patel



Shilpa Patel

Director-Commercial

DIN: 07014883

REGD. OFFICE :

'Suraj House',

Opp. Usmanpura Garden, Ashram Road,

Ahmedabad - 380 014. Gujarat (INDIA)

Tel. : 0091-79-27540720 / 27540721

Fax : 0091-79-27540722

Email : suraj@surajgroup.com

CIN : L27100GJ1994PLC021088

MUMBAI OFFICE :

Kanji Mansion, Block No. 3,
1st Floor, 311/317, S.V.P. Road,
Mumbai - 400 004. (INDIA)

Tel. : 0091-22-23891649, 23891758

Fax : 0091-22-23854979

Email : surajm@surajgroup.com

www.surajgroup.com

WORKS :

Survey No. 779/A, Thol,

Kadi - Sanand Highway,

Tal. - Kadi, Dist. Mehsana (INDIA)

Tel. : (02764) 274216 / 274217

Fax : 0091-2764-274419

Email : surajt@surajgroup.com

24th ANNUAL REPORT

2016-2017



SURAJ LIMITED

Progress is Life

10 Years Overview

(₹.in Lakh)

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|-----------|----------|----------|----------|------------|-------------|----------|----------------|-------------|-------------|
| Sales & Other Income | 29223.086 | 23097.13 | 17687.13 | 23932.66 | 25031.46 | 26713.77 | 23901.15 | 25139.75 | 15405.55 | 19659.46 |
| Profit before Finance Cost, Depreciation & Tax | 3476.85 | 2193.84 | 2784.80 | 3399.21 | 3527.63 | 3702.79 | 2766.94 | 2680.72 | 1708.33 | 2115.19 |
| Depreciation | 502.82 | 545.41 | 893.40 | 998.15 | 1015.26 | 1036.07 | 1073.01 | 731.98 | 705.12 | 628.26 |
| Net Profit after tax for the year | 1366.312 | 595.04 | 533.25 | 674.79 | 625.41 | 714.53 | 367.8 | 689.10 | 39.12 | 42.91 |
| Share capital | 1700.91 | 1700.91 | 1700.91 | 1926.41 | 1926.41 | 1926.41 | 1926.41 | 1926.41 | 1926.41 | 1926.41 |
| Reserve & surplus | 2918.82 | 3200.23 | 5243.96 | 5581.79 | 5871.36 | 6247.82 | 6277.55 | 6605.54 | 6638.63 | 6681.55 |
| Shareholders Funds | 4619.73 | 4901.14 | 6944.87 | 7508.2 | 7797.77 | 8174.23 | 8203.96 | 8531.95 | 8565.04 | 8607.96 |
| Gross Block | 6465.42 | 7969.30 | 12951.26 | 13977.57 | 14157.50 | 14480.96 | 14883.77 | 15087.66 | 15243.60 | 15530.85 |
| Net Block | 4780.81 | 5743.49 | 9837.65 | 9865.82 | 9061.15 | 8357.41 | 7752.59 | 7402.80 | 6876.34 | 6545.62 |
| Dividend | 255.14 | 255.14 | 255.14 | 288.96 | 288.96 | 288.96 | 288.96 | 288.96 | 0.00 | 0.00 |
| Rate of Dividend Book Value of share (in Rs.) | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 0% | 0% |
| Book Value of share (in Rs.) (Face Value Rs.10/-) | 27.16 | 28.81 | 40.83 | 38.98 | 40.48 | 42.43 | 42.59 | 44.29 | 44.46 | 44.68 |
| Earnings per Share (in Rs.) | 8.03 | 3.50 | 3.14 | 3.50 | 3.25 | 3.71 | 1.91 | 3.58 | 0.20 | 0.22 |
| Yearly High & Low Share Price Rupees | 421-108 | 222-47 | 147-61 | 97-53 | 69 - 47.25 | 61.50-40.30 | 64-13.85 | 103.80 - 40.55 | 72.50-34.00 | 54.00-33.50 |



SURAJ LIMITED

CIN : L27100GJ1994PLC021088

**Manufacturer, Exporter of Stainless Steel, Seamless Pipes,
Tubes, 'U' Tubes, Flanges & Fittings**

24th ANNUAL REPORT 2016-2017

| | | | |
|---|---|---|--|
| BOARD OF DIRECTORS | : | ASHOK SHAH GUNVANT SHAH KUNAL SHAH SHILPA PATEL DIPAK SHAH KETAN SHAH HAREN DESAI BHUPENDRASINH PATEL | CHAIRMAN & CFO VICE CHAIRMAN & WHOLE TIME DIRECTOR MANAGING DIRECTOR & CEO WHOLE TIME DIRECTOR INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR INDEPENDENT DIRECTOR |
| COMPANY SECRETARY | : | VATAN BRAHMBHATT | |
| AUDITORS | : | PANKAJ K. SHAH ASSOCIATES (CHARTERED ACCOUNTANTS) | |
| BANKERS | : | PUNJAB NATIONAL BANK STANDARD CHARTERED BANK IDBI BANK LTD. | |
| PLANT LOCATION | : | SURVEY NO. 779/A, VILLAGE-THOL, KADI-SANAND HIGHWAY, TAL. -KADI, DIST, MEHSANA. (GUJARAT) | |
| REGISTERED OFFICE | : | “SURAJ HOUSE”, OPP. USMANPURA GARDEN. ASHRAM ROAD, AHMEDABAD - 380 014. PH. : 0091-79-27540720 / 21 E-MAIL : suraj@surajgroup.com • CIN : L27100GJ1994PLC021088 | |
| REGISTRAR & TRANSFER AGENT | : | MCS SHARE TRANSFER AGENT LTD. 101, SHATDAL COMPLEX, OPP. BATA SHOW ROOM, ASHRAM ROAD, AHMEDABAD - 380 009. | |

Chairman's Speech to Shareholders

Respected Shareholders,

The financial year 2016-17 also was full of challenges and crucial commitments. As the year progressed, business environment remained difficult and operation in such a critical environment found to be challenging for steel industries.

Discarding the global challenges, your company continued to carry on business cautiously which resulted into turnover of Rs. 19626.37 Lakh. On the mark of report that your Company sustained its profitability due to controlling expenses and finance cost and posted a net profit of Rs. 42.91 Lakh

It will not be out of place at this juncture to say that your Company's ability deliver growth and sustain business gradually. The momentum is attributable to its ability to remain relevant to its esteemed customers' changing choice and preference, need and extensive global presence.

I would like to take this opportunity on behalf of the Board of Directors and its leadership team to thank each shareholder, Banks and Financial Institutions for their continued co-operation, support and commitment to the Company.

Success is working together and not a destination. It is with this hope and faith I look forward to your continuous confidence in your Company embarking on the next phase of its growth journey.

With best wishes,

Sincerely

Ashok Shah

Chairman & CFO

NOTICE

NOTICE IS HEREBY GIVEN THAT the 24th Annual General Meeting of the Members of SURAJ LIMITED will be held on Tuesday, 20 June, 2017 at 10:30 am at the Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380009 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on March 31, 2017, including the Balance Sheet, Profit and Loss Statement as at that date together with the Report of the Board of Directors (the Board) and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Shah who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gunvant Shah who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary resolution:

"RESOLVED THAT pursuant to the provision of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time, M/s Rinkesh Shah & Co, Chartered Accountant, Ahmedabad having Firm Registration No. 129690W and membership no.: 131783, be and is hereby appointed as auditors of the company ,until the Conclusion of 25th Annual General Meeting of the Company in place of M/S Pankaj K. Shah & Associates due to completion of his term as a statutory auditor of the company, and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, at such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

5. **To approve the remuneration of the Cost Auditor for the financial year 2017-18 and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provision of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year 2017-18 be paid the remuneration as set out in the statement annexed to the notice convening this meeting;

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To approve managerial remuneration as prescribed under schedule V of the act in this regard To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 197, 198 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and the Articles of Association of the Company, Subject to such approvals as may be necessary, the consent of the Member of the Company in general meeting, be and is hereby accorded to Increase Remunerations Limit in the Situation of no Profit or its Profit are Inadequate to the Managing Director/Whole time Director/Executive Director of the Company under the Section- II of The Schedule-V of Companies Act 2013, up to Rs. 84,00,000 P.a (Rupees Eighty Four Lacs Only) w.e.f 1st April 2017."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of remuneration of Managing Director/Whole time Director/Executive Director subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013."

Registered Office:

By Order of the Board of Directors

CIN NO: L27100GJ1994PLC021088

**'Suraj House', Opp. Usmanpura Garden,
Ashram Road, Ahmedabad-380014**

Place: Ahmedabad

Vatan Brahmhatt

Date: 26.04. 2017

Company Secretary

NOTES

1. Pursuant to Clause 49 (Now, Regulation 27) of the Listing Agreement, the particulars of Directors seeking re-appointment for item no. 2 & 3, under Code of Corporate Governance and the relevant explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business for item no.5 & 6 to be transacted at the meeting, are annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 27 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
5. The Company has notified of closure of register of members and share transfer books from 13th June 2017 to 20th June 2017 (Both days inclusive) for the purpose of annual general meeting.
6. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
7. Members, who hold shares in de-materialization form, are requested to bring their depository account number for identification.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, between 11:00 a.m. and 1:00 p.m. up to the date of Meeting.
10. If members want to change/correct bank account details, they should communicate the same immediately to the concerned Depository Participant. Members are also requested to furnish their MICR code of their bank to their Depository Participant. The Company or its Registrar will not entertain any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrar and Share Transfer Agents, M/s MCS share transfer agent Limited.

11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form -SH 13 prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Department of Company Affairs.
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MCS share transfer agent Limited, for consolidation into a single folio.
13. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
14. Non-Resident Indian Members are requested to inform MCS Share Transfer Agent Limited, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. Members are requested to note that the dividend for the year 2009-2010 which is not encashed for a period of 7 years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investors Education and Protection Fund after 30th June 2017. The last date for claiming the dividend is 29th June 2017. Members who have not encashed their above Dividend Warrants may approach to the Company/RTA immediately for re validation as otherwise no claim thereafter shall lie against the Fund or the Company in respect of such unclaimed Dividend Amount.
16. 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 in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / MCS Share Transfer Agent Limited.
17. To support the "Green Initiative in Corporate Governance" taken by The Ministry of Corporate Affairs by allowing paperless compliance and stating that service of notices / documents including Annual Report can be effected by sending the same through electronic mode to the registered e-mail addresses of the shareholders, notices/documents including the Annual Report are now being sent by electronic mode to the shareholders whose e-mail address have been registered with the Company. Members who would like to receive such notices / documents in electronic mode in lieu of physical copy and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses:
 - In respect of electronic shareholding - through their respective Depository Participants;
 - In respect of physical shareholding - by sending a request to the Company's Share Transfer Agent, mentioning therein their folio number and e-mail address.
18. Voting for transaction of Business:

The business as set out in the Notice may be transacted and that:

- (A) The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Regulation 31 of the Listing Agreement.
- (B) The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.
- (C) The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 17th June 2017 at 9.00 AM and ends on 19th June 2017 at 5.00PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13th June, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The company EVSN number is 170522001 which is generated in the CDSL e-voting system.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated 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. <ul style="list-style-type: none"> 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). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN (Mentioned instructions point no. i) for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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 copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.

Members 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, Circulars, etc. from the Company electronically.

EXPLANATORY STATEMENT**PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")****Item No. 5:**

The audit committee has recommended to appoint M/s. Kiran J Mehta & Associates., Cost Accountant, Ahmedabad (Firm Registration Number 00025) at a remuneration of Rs. 1,00,000/- (Rupees One Lakh only) plus service tax for the year 2017-18 the Board has also approved the same.

As per section 148 of the Companies Act, 2013 and the companies (Audit and Auditors) rules 2014 the remuneration payable to the Cost Auditor has to be approved by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification/approval of the remuneration payable to the Cost Auditors for the financial year 2017-18. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item No. 6.

The Member may note that the board of director of the Company at their meeting, approve the maximum Remuneration of all Managerial Persons of the Company under the limit as prescribed in schedule V of Companies Act, 2013 up to Rs.84,00,00 (Rupees Eighty Four Lakh Only) during the financial year 2017-18 subject to approval of shareholders at this annual general meeting.

Where in any financial year during the currency of tenure of Managerial person, a company has no profit or its profits are inadequate, it may pay remuneration to the managerial person not exceeding the higher of the Limit as Prescribed in Schedule-V of Companies Act, 2013. Further if the resolution passed by the shareholder is a special resolution, this limit shall be up to Rs.84, 00, 00 (Rupees Eighty Four Laks Only).

Since company is with less operating Profit during the year, shareholders approval required for the above proposal, hence this proposal is placed before the shareholders for approval through special resolution. None of directors, Except (1) Mr. Ashok Shah (2) Mr. Gunavnt Shah (3) Mr. Kunal Shah (4) Ms. Shilpa patel, is in any way concerned or interested in the aforesaid resolution and recommend your acceptance thereof in the interest of the company.

Registered Office:**CIN NO: L27100GJ1994PLC021088****'Suraj House', Opp. Usmanpura Garden,****Ashram Road, Ahmedabad-380014****By Order of the Board of Directors****Place: Ahmedabad****Date: 26.04. 2017****Vatan Brahmhatt****Company Secretary**

DIRECTORS REPORT

To the Members,

The Directors have pleasure in presenting before you the Twenty fourth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS:

The performance during the period ended 31st March, 2017 has been as under:

(₹. In Lakh)

| Particulars | 2016-2017 | 2015-2016 |
|---|-----------|-----------|
| 1 Gross Income | 19626.37 | 15349.55 |
| 2 Profit Before Interest and Depreciation | 1631.52 | 1708.32 |
| 3 Finance Charges | 933.71 | 951.89 |
| 4 Gross Profit | 697.81 | 756.43 |
| 5 Provision for Depreciation | 628.26 | 705.13 |
| 6 Net Profit Before Tax | 69.55 | 51.30 |
| 7 Provision for Tax | 26.64 | 12.18 |
| 8 Net Profit After Tax | 42.91 | 39.12 |
| 9 Balance of Profit brought forward | 6638.64 | 6599.52 |
| 10 Balance available for appropriation | 42.91 | 39.12 |
| 11 Proposed Dividend on Equity Shares | NIL | NIL |
| 12 Tax on proposed Dividend | NIL | NIL |
| 13 Transfer from General Reserve | NIL | NIL |
| 14 Surplus carried to Balance Sheet | 6681.55 | 6638.64 |

OPERATIONS:

The Company achieved a turnover of 19626.37 Lacs during the current year as against 15349.55 Lacs during the previous year. The other income of the company for the said period stood at Rs. 33.09 Lacs as compared to Rs. 56.00 Lacs of previous financial year. The PAT levels were stood at Rs. 42.91 Lacs as compared to Rs. 39.12 Lacs previous financial year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of the Listing Agreements with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 27 of the Listing Agreement. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the secretarial Auditor of the company M/s. RTBR & Associates, Company Secretaries confirming the compliance with the conditions of Corporate Governance as stipulated under Regulation 27 of the Listing Agreement is included as a part of this report.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2017-18 to BSE where the Company's Shares are listed.

DEMATERIALISATION OF SHARES:

99.35% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2017 and balance 0.65% is in physical form. The Company's Registrars are M/s MCS share transfer

agent Ltd., having their office at, 101, Shatdal Complex, 1st floor, Opp. Bata Show room, Ashram Road, Ahmedabad, Gujarat - 380009.

Number of Board Meetings held:

The Board of Directors duly met 4 times during the financial year from 1st April, 2016 to 31st March, 2017. The dates on which the meetings were held are as follows:

26th May, 2016, 3rd August, 2016, 10th October, 2016, 23rd January, 2017

DIRECTORS:**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are Reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) 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;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

AUDIT OBSERVATIONS:

Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory.

AUDITORS:**i) Statutory Auditors:**

The Auditors, M/s. Pankaj K. Shah Associates, Chartered Accountants, Ahmedabad retire at this Annual General Meeting & Appoint M/s. Rinkesh Shah & Associates.

ii) Cost Auditors :

M/s. Kiran J. Mehta & Associates, Cost Accountants were appointed as Cost Auditors for auditing the cost accounts of your Company for the year ended 31st March, 2017 by the Board of Directors.

iii) Secretarial Audit:

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report Annexure-A

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

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure-B to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The Committee comprises with two Independent Directors one whole time director and one is executive director (Chairman & Cfo).

In pursuant to provision of section 135 and Schedule VII of the Companies Act, 2013, and CSR policy of company it is required to spend two percent of average net profit of the company for the three immediately preceding financial year. However the company has inadequate profit during the financial year 2016-17 and company is facing uphill task in meeting its financial obligations. Hence the company is unable to spend any funds on CSR activities for the time being. The company will incur the sum on CSR activities as soon as financial position of company will improve.

VIGIL MECHANISM:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

RELATED PARTY TRANSACTIONS:

During the period under review, the company had not entered into any material transaction with any of its related party. None of the transactions with any of the related party were in conflict of companies' interest. Attention of members is drawn to the disclosure of transactions with related parties set out in note number 11 of financial statements forming part of this report.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-C**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

| Sr. No. | Name | Designation | Remuneration paid FY 2016-17. Rs.in Lakh | Remuneration paid FY 2015-16. Rs.in Lakh | Increase in remuneration from previous year Rs.in Lakh |
|---------|------------------|--|--|--|--|
| 1 | Mr. Ashok Shah | Chairman & CFO (ED) | NIL | 4.30 | -4.30 |
| 2 | Mr. Guntant Shah | Vice Chairman & Whole time Director (ED) | NIL | 3.10 | -3.10 |
| 3 | Mr. Kunal Shah | Managing Director & CEO | NIL | 3.65 | -3.65 |
| 4 | Ms. Shilpa Patel | Whole time Director | 10.17 | 9.86 | 0.31 |

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided below:

| | | |
|--|---|--|
| Foreign Exchange Risk | Company exports all the products to various countries. Any volatility in the currency market can impact the overall profitability | The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways. |
| Human Resource Risk | Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Non-availability of the required talent resource can affect the overall performance of the Company. | By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. By putting in place production incentives on time bound basis and evaluating the performance at each stage of work helps to mitigate this risk. |
| Competition Risk | Company is always exposed to competition Risk from various Countries. The increase in competition can create pressure on margins, market share etc. | By continuous efforts to enhance the brand image of the Company by focusing on quality, Cost, timely delivery and customer service to mitigate the risks so involved. |
| Compliance Risk - Increasing regulatory requirements | Any default can attract penal provisions. | By regularly monitoring and review of changes in regulatory framework and by monitoring of compliance through legal compliance Management tools and regular internal audit. |
| Industrial Safety | The industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc. | By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee helps to mitigate the risk so involved. |

Disclosure as per sexual harassment of women at work place (prevention, prohibition and redressal) act, 2013:

The company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment of women at work place in line with provisions of the per sexual harassment of women at work place (prevention, prohibition and redressal) act, 2013 and rules there under.

ACKNOWLEDGEMENT:

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Material Suppliers, Customers and Shareholders for their continued support and guidance. The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

For and on behalf of the Board

Place : Ahmedabad

Date : 26.04.2017

**Ashok Shah
Chairman & CFO
DIN : 00254255**

ANNEXURE - A

Form No. MR-3**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2016

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

To,
The Members,
Suraj Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SURAJ LIMITED** (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 **SURAJ LIMITED** (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 31.03.2017, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SURAJ LIMITED** ("the Company") for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under except the following:
 - a) During the financial year under Review the Company has not spent required amount on CSR as per the Companies Act, 2013. The management has provided explanation that due to recession in the industry and inadequate profit during the year, company was not in position to spend required amount for CSR.
 - b) As regard to Increase/decrease in Managerial Remuneration paid by the company to the Managing Director, Whole-Time Directors, the company has not complied with disclosure requirements as specified under sections 196, 197, 198 and Schedule V and other applicable provisions of the Companies Act, 2013.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
- (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, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company.

- (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, 1992 (up to 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015).
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (Not applicable to the company during Audit Period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. (Not applicable to the company during Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not applicable to the company during 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.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not applicable to the company during Audit Period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not applicable to the company during Audit Period)
- (vi) Looking to the nature of business of the company and also informed to us by the management, we hereby report that following laws specifically applicable to the company:
- a) The Indian Boiler Act, 1923
 - b) The Hazardous Wastes (Management and Handling) Rules, 1989

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited except following:
 - (a) During the year the company has delayed in filling report under clause 35 of listing agreement for the quarter ended June, 2015, and for that the company has received a notice from BSE for non-compliance of the said clause, the company has provided necessary replies and complied with the notice.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observation noted against each legislation.

In respect of laws specifically applicable to the Company, We have relied on information produced by the management of the Company during the course of our audit and the reporting is limited to that extent.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in composition of Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

We further report that there is scope to improve the systems and processes in the company 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 there were no instance of:

- a) Buy-back of Securities.

- b) Merger/Amalgamation etc.
- c) Foreign Technical Collobaration.
- d) Public/Preferential issue of shares/debentures.

Place: Ahmedabad

Date: 26.04.2017

**RTBR & Associates
Company Secretaries**

**Bhavin B. Ratnaghayra
FCS: 8491
CP: 9399**

ANNEXURE - A

To,

The Members,

Suraj Limited

Our report of even date is to be read along with this letter.

1. The Management of the company is responsible for maintenance of secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records and procedures followed by the company with respect to Secretarial Compliances.
3. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad

Date: 26.04.2017

**RTBR & Associates
Company Secretaries**

**Bhavin B. Ratnaghayra
FCS: 8491
CP: 9399**

ANNEXURE - B

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

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

| | |
|---|--|
| <p>(A) Conservation of Energy:</p> <p>(i) the steps taken or impact on conservation of energy:</p> <p>(ii) the steps taken by the company for utilising alternate sources of energy</p> <p>(iii) the capital investment on energy conservation equipments</p> | <p>Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimise use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.</p> |
|---|--|

iv) Total energy consumption and energy consumption per unit of production as per Form - A of the Annexure to the rules in respect of industries specified in the schedule thereto:

| Particulars | Year Ended 31.03.2017 | Year Ended 31.03.2016 |
|--|-----------------------|-----------------------|
| A. Power and Fuel Consumption Electricity | | |
| Purchase in Unit KWH | 2867305 | 2012345 |
| Total Amt. Rs. | 21858164 | 16761955 |
| Rate KWH Rs. | 7.62 | 8.33 |
| B. Consumption per unit of production | | |
| Production (M.T) | 8328.72 | 6161.393 |
| Total Nos. of Unit (KWH) | 2867305 | 2012345 |
| Unit Per M.T.(KWH) | 344.27 | 326.61 |
| Cost per M.T. Rs. | 2624.43 | 2720.52 |

(B) Technology absorption:

| | |
|---|--|
| <p>(i) The efforts made towards technology</p> | <p>Updation of Technology is a Continuous process, absorption implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Engineering Industry & in the Oil and Gas Industry.</p> |
| <p>(ii) the benefits derived like product improvement, cost reduction, product development or import substitution</p> | <p>The Company has been able to successfully indigenize the tooling to a large extent and successfully developed new products by virtue of technology absorption, adaptation and innovation.</p> |
| <p>(iv) The expenditure incurred on Research and Development.</p> | <p>The Major achievement by the Company due to their continuous Research and Development activities is indigenization of Tooling, improvements in the manufacturing processes and operation procedures and development of new products.</p> |

Expenditure on R& D**1. Specific area in which R & D carried out by the company**

R & D activities have been carried out for new product development and process improvement in different types of bearing cages.

2. Benefits derived as a result of the above R & D

The efforts made for R & D activities has helped the Company to introduce new product ranges, process improvement and remain cost effective in existing products thereby helping to improve the financial performance of the company.

3. Future plan of action

R & D activities by technological up gradation is one of the key objectives of the Company which is essential to maintain technological leadership.

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange outgo and foreign exchange earned by the Company during the year are detailed in Note No. 14 and Note No. 16 of other Notes to the Financial Statements.

ANNEXURE - C**EXTRACT OF ANNUAL RETURN****FORM MGT 9**

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

Financial Year ended on 31.03.2017

| I.REGISTRATION & OTHER DETAILS : | |
|----------------------------------|--|
| i | CIN : L27100GJ1994PLC021088 |
| ii | Registration Date : 20/01/1994 |
| iii | Name of the Company : SURAJ LIMITED |
| iv | Category/Sub-category of the Company : Company having Share Capital |
| v | Address of the Registered office & contact details : SURAJ HOUSE, OPP. USMANPURA GARDEN, USMANPURA , AHMEDABAD , Gujarat - 380014 Ph: 0091-79-27540720. Fax: 0091-79-27540722 |
| vi | Whether listed company : Yes (Listed in BSE) |
| vii | Name , Address & contact details Of the Registrar & Transfer Agent, if any. : MCS Share Transfer agent Ltd, 101, Shatdal Complex, 1st Floor, Opp. BATA Showroom, Ashram Road, Ahmedabad - 380009 Phone: 079 - 26582878 Email: mcsahmd@gmail.com |

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

| Si. No. | Name & Description of main products/services | NIC / HSN Code of the Product /service | % to total turnover of the company |
|---------|--|--|------------------------------------|
| 1 | Manufacturing of Stainless Steel, Pipes Tubes, 'U' Tubes, Flanges & Fittings | 7304 910 | 95% |

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

| SI No. | Name & Address of the Company | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|--------|-------------------------------|---------|--------------------------------|------------------|--------------------|
| NIL | | | | | |

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IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % change during the year | |
|--------------------------------|---|----------|-------------|-------------------|---|----------|-------------|-------------------|--------------------------|--------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | | |
| A. Promoters | | | | | | | | | | |
| (1) Indian | | | | | | | | | | |
| a) Individual/HUF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Central Govt.or State Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corporates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bank/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any other | 1,43,90,400 | 0 | 1,43,90,400 | 74.7007 | 1,43,90,173 | 0 | 1,43,90,173 | 74.6994 | 0 | 0.0015 |
| SUB TOTAL:(A) (1) | 1,43,90,400 | 0 | 1,43,90,400 | 74.7007 | 1,43,90,173 | 0 | 1,43,90,173 | 74.6994 | 0 | 0.0015 |
| (2) Foreign | | | | | | | | | | |
| a) NRI- Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any other... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| SUB TOTAL (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Shareholding of Promoter | 1,43,90,400 | 0 | 1,43,90,400 | 74.7007 | 14390173 | 0 | 1,43,90,173 | 74.6994 | 0 | 0.0015 |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % change during the year | |
|--|---|---------------|-----------------|-------------------|---|---------------|-----------------|-------------------|--------------------------|---------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | | |
| B. PUBLIC SHAREHOLDING | | | | | | | | | | |
| (1) Institutions | | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIIS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | | | | | | | | | | |
| (2) Non Institutions | | | | | | | | | | |
| a) Bodies corporates | 1127207 | 0 | 1127207 | 5.8513 | 692676 | 0 | 692676 | 3.5957 | 434531 | 2.2556 |
| b) Individuals | | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto ₹2 Lakh | 1045003 | 129033 | 1045003 | 5.4246 | 1107702 | 125933 | 1107702 | 5.7501 | 62699 | 0.3255 |
| ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 Lakh | 2494724 | 0 | 2494724 | 12.9501 | 3063056 | 0 | 3063056 | 15.9003 | 568332 | 2.9502 |
| c) Any Other (specify) NRIs | | | | | | | | | | |
| HUF | 194813 | 0 | 194813 | 1.0113 | 0 | 0 | 0 | 0 | 194813 | 1.0113 |
| NRI | 11953 | 0 | 11953 | 0.0620 | 10493 | 0 | 10493 | 0.0545 | 1460 | 0.0075 |
| d) Foreign Bodies Corporate | | | | | | | | | | |
| SUB TOTAL (B)(2): | 4744667 | 129033 | 4873700 | 25.2993 | 4747994 | 125933 | 4873927 | 25.3006 | 227 | 0.0013 |
| Total Public Shareholding | | | | | | | | | | |
| C. Shares held by Custodian | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 4744667 | 129033 | 19264100 | 100 | 19138167 | 125933 | 19264100 | 100 | 0 | 0 |

(ii) SHARE HOLDING OF PROMOTERS:

| Sr. No. Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % Change in Share holding 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 Anilaben Ashokkumar Shah | 3808710 | 19.7710 | 0 | 3808710 | 19.7710 | 0 | 0 |
| 2 Chandrika Kunal Shah | 3103870 | 16.1122 | 0 | 3103870 | 16.1122 | 0 | 0 |
| 3 Rekhaben Gunvantkumar Shah | 2517920 | 13.0705 | 0 | 2517920 | 13.0705 | 0 | 0 |
| 4 Ashokkumar Tarachand Shah | 1077700 | 5.5943 | 0 | 1077700 | 5.5943 | 0 | 0 |
| 5 Kunal Tarachand Shah | 1030600 | 5.3498 | 0 | 1030600 | 5.3498 | 0 | 0 |
| 6 Gunvantkumar Tarachand Shah | 991600 | 5.1474 | 0 | 991373 | 5.1462 | 0 | 0 |
| 7 Dishant Kunalbhai Shah | 555000 | 2.8810 | 0 | 555000 | 2.8810 | 0 | 0 |
| 8 Dixit Ashokkumar Shah | 292500 | 1.5184 | 0 | 292500 | 1.5184 | 0 | 0 |
| 9 Chirag Ashokbhai Shah | 292500 | 1.5184 | 0 | 292500 | 1.5184 | 0 | 0 |
| 10 Minor Kapil Gunvant kumar Shah | 270000 | 1.4016 | 0 | 270000 | 1.4016 | 0 | 0 |
| 11 Minor Abhay Gunvantkumar Shah | 270000 | 1.4016 | 0 | 270000 | 1.4016 | 0 | 0 |
| 12 Nisha Maheshkumar Jain | 180000 | 0.9344 | 0 | 180000 | 0.9344 | 0 | 0 |
| Total | 14390400 | 74.7007 | 0 | 14390173 | 74.6994 | 0 | 0 |

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE) :

| Sl. No | | 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 | At the beginning of the year | 14390400 | 74.7007 | 14390400 | 74.7007 |
| 2 | Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ | On 06.03.2017 one promoter's 227 shares sold through stock Broker by mistake. | | | |
| 3 | At the end of the year | 14390173 | 74.6994 | 14390173 | 74.6994 |

(iv) Shareholding Pattern of top ten Shareholders**(Other than Directors, Promoters & Holders of GDRs & ADRs):**

| Sl. No | For Each of the Top 10 Shareholders | Shareholding at the end of the year | |
|--------|-------------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total shares of the company |
| 1 | DINESH STAINLESS PRIVATE LTD | 581650 | 3.0193 |
| 2 | PAWANDEV P. JAIN | 403000 | 2.0920 |
| 3 | PADMAVATI RAMESH JAIN | 248379 | 1.2893 |
| 4 | MUKESH RAGHUNATHMAL CHANDAN | 220409 | 1.1441 |
| 5 | PARASMAL JAIN | 206324 | 1.0710 |
| 6 | HITESH BHANWARLAL SANGHVI | 185618 | 0.9635 |
| 7 | RAMESH KUMAR JAIN | 150000 | 0.7787 |
| 8 | MUKESHKUMAR AMRATLAL SHAH | 135575 | 0.7038 |
| 9 | SAVITA NARESH MUNOT | 134709 | 0.6993 |
| 10 | LALITA BHANSALI | 124237 | 0.6449 |

(v) Shareholding of Directors and Key Managerial Personnel :

| Sl. No | For Each of the Directors & KMP | Shareholding at the end of the year | |
|--------|--|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total shares of the company |
| | Shareholding of Key Managerial Personnel : | | |
| 1 | Ashok Shah | 1077700 | 5.5943 |
| 2 | Gunvant Shah | 991373 | 5.1462 |
| 3 | Kunal Shah | 1030600 | 5.3498 |
| 4 | Shilpa Patel | 940 | 0.0049 |
| 5 | Vatan Brahmhatt | NIL | NIL |

| Shareholding of Directors: | | | |
|----------------------------|-----------------|------|--------|
| 6 | Dipak Shah | 1200 | 0.0062 |
| 7 | Ketan Shah | NIL | NIL |
| 8 | Haren Desai | NIL | NIL |
| 9 | Bhupendra Patel | NIL | NIL |

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|-----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 10751.72 | 1400 | NIL | 12151.72 |
| ii) Interest due but not paid | NIL | NA | NA | NIL |
| iii) Interest accrued but not due | 17.83 | NA | NA | 17.83 |
| Total (i+ii+iii) | 10769.55 | 1400 | -- | 12169.55 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 44997.52 | 1402.64 | NIL | 46400.16 |
| • Reduction | 45395.17 | 1502.64 | NA | 46897.81 |
| Net Change | -397.65 | -100 | -- | -497.65 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 10356.05 | 1300 | NIL | 11656.05 |
| ii) Interest due but not paid | NIL | NA | NA | NIL |
| iii) Interest accrued but not due | 15.85 | NA | NA | 15.85 |
| Total (i+ii+iii) | 10371.9 | 1300 | -- | 11671.9 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A) Remuneration to Managing Director, Whole-time Directors and/or Manager :

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|---|-------------------------|------------------|----------------|------------------|--------------|
| | | Mr. Ashok Shah | Mr. Guntant Shah | Mr. Kunal Shah | Ms. Shilpa Patel | |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | NIL | NIL | NIL | 10.17 | 10.17 |
| 2. | Stock Option | - | - | - | | - |

| | | | | | | |
|----|---|------------|------------|------------|--------------|--------------|
| 3. | Sweat Equity | - | - | - | - | - |
| 4. | Commission - as % of profit - others, specify(PF) | - | - | - | - | - |
| 5. | Others, please specify(Bonus) | - | - | - | - | - |
| | Total (A) | NIL | NIL | NIL | 10.17 | 10.17 |

B) Remuneration to other directors :

| Sl. No. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|---------|---|-------------------|----------------|-----------------|--------------------|----------------|
| | | Mr. Dipak Shah | Mr. Ketan Shah | Mr. Haren Desai | Mr. Bhpendra Patel | |
| 1. | Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify | 15000/- | 20000/- | 20000/- | 20000/- | 75000/- |
| | Total (1) | 15000/- | 20000/- | 20000/- | 20000/- | 75000/- |
| 2. | Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify | - | - | - | - | - |
| | Total (2) | - | - | - | - | - |
| | Total = (1 + 2) | 15000/- | 20000/- | 20000/- | 20000/- | 75000/- |

(C) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

| Si. No. | Particulars of Remuneration | Key Managerial Personnel Company Secretary | |
|---------|--|---|-------------|
| | | | Total |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 4.68 | 4.68 |
| 2. | Stock Option | - | - |
| 3. | Sweat Equity | - | - |
| 4. | Commission - as % of profit - others, specify | - | - |
| 5. | Others, please specify | - | - |
| | Total | 4.68 | 4.68 |

*Shri Ashok Shah is the CFO of the company and his Remuneration is disclosed as above.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority (RD/ NCLT/Court) | Appeal made if any (give details) |
|--------------------------------------|------------------------------|-------------------|--|----------------------------|-----------------------------------|
| A. COMPANY | | | | | |
| Penalty Punishment Compounding | None | | | | |
| B. DIRECTORS | | | | | |
| Penalty Punishment Compounding | None | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty Punishment Compounding | None | | | | |

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**Industry Structure and Development:**

Your company is a leading producer of SS seamless Welding Pipes, Tubes and "U" Tubes in Gujarat having a plant at S.no. 779/A, Thol, Tal:-Kadi, Dist: - Mehsana. Our products find application in important industry segments like pharmaceuticals, dyes & pigments, Oil, Gas, Refinery, etc. The day to day management of the Company is looked by the Executive Director assisted by a team of competent technical & commercial professionals.

Financial Performance:

The company's overall operational performance has been Average during the financial year 2016-17; it achieved sale and other income of Rs. 19626.37 Lacs As against last year's Rs. 15349.55 Lacs registering the increase of about 21.79%. Profit before tax increase from Rs. 51.30 Lacs to Rs.69.55 Lacs. Net Profit increase from Rs 39.12 Lacs to Rs. 42.91 Lacs, Reserve and Surplus stood at Rs. 6681.55 Lacs.

Opportunities, Threats, Risks and Concerns:

As is normal and prevalent for any business, the Company is likely to face competition from large scale imports. There can be risks inherent in meeting unforeseen situation, not uncommon in the industry. Company is fully aware of these challenges and is geared to meet them. Company also recognizes the risks associated with business and would take adequate measures to address the associated risks and concerns. Some of these factors include competition from multinational Companies, duty free imports by customers against export obligations, our pricing strategy being mainly dependent on import affairs and dependence on imported raw material.

Internal Control Systems and their Adequacy:

Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.

- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

- (i) Existence of Authority Manuals and periodical updating of the same for all Functions.
- (ii) Existence of clearly defined organizational structure and authority.
- (iii) Existence of corporate policies for Financial Reporting and Accounting.
- (iv) Existence of Management information system updated from time to time as may be required.
- (v) Existence of Annual Budgets and Long Term Business Plans.
- (vi) Existence of Internal Audit System.
- (vii) Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

The Company has appointed an Independent Auditor to ensure compliance and effectiveness of the Internal Control Systems in place.

The Audit Committee is regularly reviewing the Internal Audit Reports for the auditing carried out in all the key areas of the operations. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Human Resource/Industrial Relations:

Human Resources Development, in all its aspects like training in safety and social values is under constant focus of the management. Relations between the management & the employees at all levels remained healthy & cordial throughout the year. The Management and the employees are dedicated to achieve the corporate objectives and the targets set before the company.

Business outlook:

Steel Industry in India seems to be positive despite continuing global economic slowdown. This optimism stems from many factors. The Indian steel industry is in some ways insulated from the events affecting steel industry on a global scale as it does not rely on export to the developed markets. Despite high interest rates and marginal slowdown in economic activity the basic economic fundamentals will ensure stable performance of the economy in coming year. The year 2014-15 offers a positive picture in terms of the growth in all segments in comparison with previous. Consequently the demand for our product will increase. The steel industry is in a mature phase of its life cycle. Industry value added (IVA), or the industry's contribution to the overall economy, is expected to grow at an annualized rate 0.2% during the 10 year to 2018. During that same period, GDP is expected to grow at an annualized rate of 2.1% the industry's growth in relation to that of the overall economy indicates that it is mature.

Cautionary Statement:

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

APPENDIX - I

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement)

In accordance with Clause 49 (Now REG 27) of the Listing Agreement with the Stock Exchanges in India (Clause 49) and some of the best practices followed internationally on Corporate Governance, the report containing the details of governance system and process at Suraj Limited is as under:

1. Company's Philosophy on Corporate Governance:

As a policy SURAJ Limited (SURAJ) gives utmost importance of achieving high standards of Corporate Governance and is committed to achieve the highest level of Corporate Governance in order to enhance long-term shareholder value by integration of systems and actions for enhancement of corporate performance. The Company places due emphasis on regulatory compliance. The Company gives equal importance for maintaining as well as improving the quality of its products and to achieve this, the Company carries out continuous product developments and quality controls. The Company gives utmost importance for developing a team of competitive professional managers. Overall, policy is set by the Board of Directors and implemented by a team of professional managers in their respective field. The Company gives fair amount of freedom to the employees to get their best contribution to the Company and rewards and incentives are given in recognition thereof.

2. Board of Directors:

Composition & size of the Board. The present strength of the Board is eight Directors, The Board of Directors of the Company comprises of optimum mix of both Executive and Non-executive Directors with independent Directors. The Board members consist of persons with professional expertise and experience in various fields of Finance, Accounts, Management, Law, Labor Welfare etc. Number of Board Meeting held during the year along with the dates of Meeting. Four Board Meetings were held during the year 2016-17 the dates on which the said meetings were held are as follows:

- | | |
|----------------------|----------------------|
| 1) 26th May 2016 | 2) 3rd August 2016 |
| 3) 25th October 2016 | 4) 23rd January 2017 |

All major decisions regarding resource mobilization, capital expenditure, etc. are considered by the Board, in addition to day-to-day matters, which are statutorily required to be placed before the Board of Directors for its approval. Following information is regularly put up before the Board for its consideration and approval:

- Review of operational results
- Quarterly financial results
- Minutes of the meeting of Audit Committee and Shareholder's/Investors' Grievance Committee of the Board.
- Compliance with various statutory requirements.

The Board is informed of all material, financial and commercial decision from time to time.

Attendance of each Director at Board Meeting and the last Annual General Meeting (AGM) and the number of Companies and Committees where he/she is Director/Member are as under.

| Name Of Director | PD/NPD | Ed/NED/ID/WTD | No. Of Board Meeting attended | Attendance at the last AGM | NO. Of Directorship in other co. (Excluding private company.) | NO. of Committees (Other than Suraj Ltd) | |
|---------------------|--------|---------------|-------------------------------|----------------------------|---|--|--------|
| | | | | | | Chairman | Member |
| Mr. Ashok Shah | PD | ED | 4 | YES | - | - | - |
| Mr. Kunal Shah | PD | ED | 4 | YES | - | - | - |
| Mr. Gunvant Shah | PD | ED | 4 | YES | - | - | - |
| Mr. Dipak Shah | NPD | NED/ID | 3 | YES | - | - | - |
| Mr. Ketan Shah | NPD | NED/ID | 4 | YES | - | - | - |
| Mr. Haren Desai | NPD | NED/ID | 4 | YES | - | - | - |
| Mr. Bhupendra Patel | NPD | NED/ID | 4 | YES | - | - | - |
| Ms. Shilpa Patel | NPD | WTD | 4 | YES | - | - | - |

* PD - Promoter Director NPD - Non Promoter Director, ID - Independent Director, N.E.D - Non-Executive Director, E.D.-Executive Director., WTD - Whole Time Director

- The committees mentioned above include Audit Committee and Share holders Investors' Grievance Committee and Remuneration Committee
- None of the Directors of the Company was a member of more than ten Committees of Boards as stipulated under Regulation 27 of the Listing Agreement nor was a Chairman of more than five such committees across all companies in which he was a director.

The Chairman of the Board is an Executive Director. In the judgment of the Board of Directors of the Company, following Directors are independent Non-executive Directors:

- Mr. Dipak Shah
- Mr. Ketan Shah
- Mr. Haren Desai
- Mr. Bhupendrasinh Patel

Information about Directors seeking appointment and re-appointment:

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company; (pursuant to Clause 49 (Now Regulation 27) of the Listing Agreement with the Stock Exchange)

| Name Of | Mr. Ashok Shah | Mr. Kunal Shah | Mr. Gunvant Shah | Ms. Shilpa Patel |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
| Date of Birth | 29/05/1966 | 24/08/1973 | 25/03/1971 | 08/04/1972 |
| Date of Appointment | 20/01/1994 | 20/01/1994 | 20/01/1994 | 13/11/2014 |
| Qualifications | Graduate | Graduate | Graduate | M.A., B.P.ed. |
| Expertise in specific functional areas | Finance | Marketing | Marketing | Commercial |
| List of Companies in which outside Directorship held as on 31.03.2017 (Excluding private & Foreign companies) | Nil | Nil | Nil | Nil |
| Chairman/Member of the *Committees of other Companies on which he/she is a Member as on 31.03.2017 | Nil | Nil | Nil | Nil |
| Number of equity shares held in the Company | 10,77,700 | 10,30,600 | 9,91,600 | 940 |

Information of various committee**3. Audit Committee:**

The Audit Committee of the Company comprises of following three Non-Executive Directors and all them are Independent Director.

| Name Of the Member | Designation | No. of meeting Held | No. of meeting attended |
|---------------------------|--------------------|----------------------------|--------------------------------|
| Mr. Dipak Shah | Chairman | 4 | 4 |
| Mr. Ketan Shah | Member | 4 | 4 |
| Mr. Haren Desai | Member | 4 | 4 |

The audit committee meetings were held on 26th May 2016, 3rd August 2016, 25th October 2016 and 23rd January 2017. The power and role of the Audit Committee are as per Guidelines set out in Clause 49 (Reg 27) of the Listing Agreement with the Stock Exchange.

The Terms of the reference of the Audit Committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines. The Audit Committee met prior to the finalization of Accounts for the year ended 31st March 2017.

The Chairman of the Audit Committee was present at 23rd Annual General Meeting of the Company held on 23rd August 2016.

4. Remuneration Committee:

The Remuneration Committee of the Company comprises of following Non-Executive Directors and whole time Director.

| Name | Designation |
|---------------------|--------------------|
| Mr. Bhupendra Patel | Chairman |
| Ms. Shilpa Patel | Member |
| Mr. Haren Desai | Member |

- i) The broad terms of reference of the remuneration Committee are as under;
- To approve annual remuneration plan of the Company.
 - Such other matters as the Board may from time to time request the Remuneration committee to examine and recommend/ approve.
- ii) The Chairman of the Remuneration Committee was present at the Last 23rd Annual General Meeting of the Company held on 23rd August 2016.
- iii) The Company does not have any ESOP Scheme.
- iv) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation program, the company endeavors to attract, retain, develop and motivate a high performance workforce. The company pays remuneration by way of salary, benefits, perquisites and allowances to its Chairman & CFO, Managing Director and other executive directors. Annual increments are decided by the Remuneration Committee within the salary scale permitted within the limits prescribed in the Act read with rules and schedules and as approved by the shareholders of the company.

The Company pays Sitting Fees of Rs. 5000/-with effect from 01/06/2013 per meeting to its Non-Executive Directors (NEDs) for attending only the meeting of the Board of directors of the Company. However, the Company does not pay any sitting fees to the members for attending any other committee meetings except as mentioned above.

The details of the remuneration paid to the directors for the year 2016-17 are as follows:

| Name Of Director | Mr. Ashok Shah | Mr. Kunal Shah | Mr. Gunvant Shah | Ms. Shilpa Patel |
|--|----------------|-------------------|------------------|---------------------|
| Designation | Chairman (CFO) | Managing Director | Vice Chairman | Whole time director |
| Salary | NIL | NIL | NIL | 10.17 |
| Perquisites | - | - | - | - |
| Special Allowance | - | - | - | - |
| Variable component | - | - | - | - |
| Contribution to PF And super annotation fund | - | - | - | - |
| Total | NIL | NIL | NIL | 10.17 |

Company has not issued any convertible instrument. However, the details of the Shares held by Non-Executive Directors as at 31st March 2017 and sitting fees paid for various meetings attended during the F.Y. 2016-17 are as follows:

| Sr. No. | Name OF non-executive director | No. of shares held | Sitting fees paid during the year |
|---------|--------------------------------|--------------------|-----------------------------------|
| 1 | Mr. Dipak Shah | 1200 | Rs. 15000/- |
| 2 | Mr. Ketan Shah | - | Rs. 20000/- |
| 3 | Mr.Haren Desai | - | Rs. 20000/- |
| 4 | Mr. Bhupendra Patel | - | Rs. 20000/- |

4. Corporate Social Responsibility Committee (CSR) :

- i) Terms of reference:

The Committee formulates and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities. Committee framed a transparent monitoring

mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitors CSR policy from time to time.

ii) Composition:

The CSR Committee of the Company consists of 2 Non-Executive and Independent Directors. One Promoter Director And one Whole time director

| Name of Member | Designation |
|------------------|-------------|
| Mr. Ashok Shah | Chairman |
| Ms. Shilpa Patel | Member |
| Mr. Dipak Shah | Member |
| Mr. Ketan Shah | Member |

5. Shareholders/Investors' Grievance Committee:

The Company has constituted a Shareholders/Investors' Grievance Committee and stock holders relationship committee to ensure timely services to the Member/Investors and to supervise the performance of the Registrar and Share Transfer Agent and to provide the best services to the Investors. It is also empowered to approve transfer, transmission and transposition of shares, issue duplicate share certificates, etc. from time to time.

The Committee consists of following three Non-Executive Directors, as under;

| | | |
|----|-----------------|-------------------|
| 1. | Mr. Ketan Shah | Chairman/NED & ID |
| 2. | Mr. Dipak Shah | Member/NED & ID |
| 3. | Mr. Haren Desai | Member/NED & ID |

Mr. Ketan Shah, who is a non-executive director and independent, is a Chairman of the Committee.

The number of shareholder's complaints received through Stock Exchange or SEBI during the year 2016-17 and status of the same are as follows:

| Complaints Received from | No. of Complaints Received | No. of Complaints Disposed off Satisfactorily | No. of Complaints Outstanding As on 31.03.2017 |
|--------------------------|----------------------------|---|--|
| SEBI | None | None | None |
| Shareholders | None | None | None |

All the complaints/queries are promptly attended and resolved to the satisfaction of shareholders. All shares received for transfer were registered and dispatched within the stipulated time, wherever documents were correct and valid in all respects.

1. General Body Meetings:

(A) Annual General Meeting:

Date and time of the Annual General Meeting held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

| Year | Location | Date & Time | Special Resolution Passed |
|---------|---|------------------------|---|
| 2015-16 | Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009. | 23/08/2016 10.30 AM | Appointment of Mr. Ashok Shah as Managing Director. Appointment of Mr. Gunvant Shah as whole time director. Appointment of cost auditor. Approve managerial remuneration. |
| 2014-15 | Conference Hall of "The Ahmedabad Textile Mills Association", | 21/07/2015 10.30 AM | Appointment of Ms. Shilpa Patel as Whole Time Director. Remuneration of Cost Auditor. |

| | | | |
|---------|---|------------------------|---|
| 2013-14 | Near "Gurjari", Ashram Road, Ahmedabad - 380 009. Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009. | 21/08/2014 10.30 AM | Amend the Article of Association. Re-Appointment of Mr. Kunal Shah as a Managing Director of the company. Increase in borrowing limits Power to create charges |
|---------|---|------------------------|---|

(B) Extra Ordinary General Meeting:

Date and time of the Extra Ordinary General Meeting held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

| Year | Location | Date & Time | Special Resolution Passed |
|---------|----------|-------------|---------------------------|
| 2015-16 | NONE | NONE | NONE |
| 2014-15 | NONE | NONE | NONE |
| 2013-14 | NONE | NONE | NONE |

The shareholders passed the resolutions set out in the respective notices. At the forthcoming AGM, there is no item on the agenda that needs approval by postal ballot.

7. Disclosure:

1. There are no materially significant related party transactions made by the Company with its promoters, Directors or Management, etc., that may have potential conflict with the interest of the Company at large. Transactions with related parties as per requirements of Accounting Standard (AS-18) - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Notes to the Accounts for the year 2016-2017
2. In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Companies (Accounting Standard) Rules, 2006 as well as the Accounting Standard issued by the ICAI.
3. The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of Securities & Exchange Board of India, Consequently, there were no strictures or penalties imposed either by Securities & Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during last three years.

8. SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressed of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

9. Code of Conduct:

The Company has laid down a Code of Conduct for all the Board members and key managerial personnel. The declaration by Chairman & CFO is forming part of this report.

10. Means of Communication with shareholders:

- i) Quarterly Results: Quarterly results were taken on record by the Board of Directors and submitted to stock exchanges in terms of the requirements of clause 41 (Now, Regulation 33) of the listing agreement. Quarterly results are normally published in English and Gujarati newspapers.
- ii) Website : www.surajgroup.com
- iii) Whether it also : Press release, if any made by the company are also displayed.
Displays official
News releases
- iv) The presentation : No such preparation has been made during the year.

Made to the institutional
Investors or to the analysts

- v) Whether MD&A is : Yes
Part of Annual
Report

11. General Shareholders information

- i) Annual General Meeting : Date: 20th June, 2017
Time : 10.30am
Venue : Conference Hall of "The Ahmedabad Textile Mills
Association", Near "Gurjari", Ashram Road, Ahmedabad
- 380 009

ii) Financial Calendar (Tentative)

| Period | Tentative Schedule |
|---|--------------------------------------|
| 1st Quarter results ending 30th June | Within 45 days of end of the quarter |
| 1st Quarter results ending 30th September | Within 45 days of end of the quarter |
| 1st Quarter results ending 31st December | Within 45 days of end of the quarter |
| 1st Quarter results ending 31st March | Within 60 days of end of the quarter |

iii) Listing on Stock Exchanges : Company's shares are listed with the Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. The listing fee for the financial year 2016-17 has been paid.

vi) Stock Code: BSE - 531638

Vii) Market Price Data : As below

Month wise high/low prices during last year at BSE are as under:

| Period | BSE High (Rs.) | BSE Low (Rs.) |
|--------------|----------------|---------------|
| April 16 | 54.00 | 45.15 |
| May 16 | 49.85 | 42.25 |
| June 16 | 46.40 | 41.10 |
| July 16 | 49.00 | 42.20 |
| August 16 | 49.35 | 39.45 |
| September 16 | 44.85 | 37.55 |
| October 16 | 47.45 | 33.50 |
| November 16 | 43.95 | 38.00 |
| December 16 | 42.90 | 38.00 |
| January 17 | 51.95 | 36.30 |
| February 17 | 47.00 | 39.55 |
| March 17 | 50.15 | 42.15 |

- (viii) Registrar & Transfer : MCS Share Transfer Agents Limited
Agents Address : 101, Shatdal Complex, 1st Floor, Opp. Bata
Showroom, Ashram Road, Ahmedabad- 380 009.
(+91)(79) 2658 2878/ 2658 4027

- (ix) Share Transfer System :

1. The share transfer activities under physical mode are carried out by RTA. Shares in physical mode which are lodged for transfer are processed and returned within the stipulated time.

2. Physical shares received in dematerialization are processed and completed within a period of 15 days from the date of receipt. Bad deliveries are promptly returned to Depository Participants (DPs) under the advice to the shareholders.
3. As required under clause 47-C (Now 40-9) of the Listing Agreement, a certificate on half yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to Stock Exchange within stipulated time.

(x) Distribution of Shareholding:

a. Distribution of Shareholding as on 31st March 2016

| No of Equity holding Shares Held | No. of Share | % of Share holders Holders | No. of Shares held | % of shares |
|----------------------------------|--------------|----------------------------|--------------------|-------------|
| From To | | | | |
| 1 - 500 | 1374 | 75.3703 | 182696 | 0.9484 |
| 501 - 1000 | 149 | 8.1733 | 116385 | 0.6042 |
| 1001 - 2000 | 141 | 7.7345 | 193468 | 1.0043 |
| 2001 - 3000 | 43 | 2.3587 | 105126 | 0.5457 |
| 3001 - 4000 | 9 | 0.4937 | 32212 | 0.1672 |
| 4001 - 5000 | 12 | 0.6583 | 55315 | 0.2871 |
| 5001 - 10000 | 30 | 1.6456 | 228440 | 1.1858 |
| 10001- 50000 | 31 | 1.7005 | 649049 | 3.3692 |
| 50001- 100000 | 10 | 0.5485 | 708195 | 3.6762 |
| 100001- Above | 24 | 1.3165 | 16993214 | 88.2118 |
| Total | 1823 | 100 | 19264100 | 100 |

b. Shareholding pattern as on 31st March 2017

| Sr. No. | Category | No. of Shares Held | % of total Shares |
|---------|-----------------------------|--------------------|-------------------|
| 1 | Promoters | 1,43,90,173 | 74.6994% |
| 2 | Mutual Funds/UTI | NIL | NIL |
| 3 | Private Corporate Bodies | 692676 | 3.5957% |
| 4 | Public including HUF | 4170758 | 21.6504% |
| 5 | NRIs/Foreign Companies/OCBs | 10,493 | 0.0545% |
| | TOTAL | 1,92,64,100 | 100.00% |

(xi) Dematerialization of Shares and Liquidity:

Number of shares held in dematerialized and physical mode as on 31st March 2017

| Particulars | No. of Equity Shares | % to Share Capital |
|-------------|----------------------|--------------------|
| NSDL | 2595550 | 13.4764% |
| CDSL | 16542617 | 85.8755% |
| Physical | 125933 | 0.6532% |
| TOTAL | 1,92,64,100 | 100.00% |

As per SEBI's Directive, effective from 27th November 2000 trading in equity shares of the Company has been made compulsory in dematerialized form for all the categories of investors. The Company has already established connectivity with National Securities Depository Ltd. and Central Securities Depository Ltd. through MCS Share Transfer Agent Limited, Registrar & Share Transfer Agent, so as to facilitate the dematerialization of its shares.

| | |
|---|--|
| (xii) Outstanding GDRs/ADRs /warrants or any convertible instruments, conversion date and likely impact on Equity | : The Company has not issued any of these instruments. |
| (xiii) Plant Locations | : Survey No. 779/A, Thol, Kadi - Sanand Highway, Tal. - Kadi, Dist. Mehsana, Gujarat, Pin Code: 382 729 |
| (xiv) Address for Correspondence | 1. Share Transfer in Physical Form and other communication in that regard including share certificates, dividend and change of address etc., may be addressed to our Registrar & Share Transfer Agents at the address mentioned above. Sr.No. (VIII) |

2. Shareholders may also contact the Compliance Officer, Suraj Limited, Suraj House, Opp. Usmanpura Garden, Ashram Road, Ahmedabad-380014 for any assistance.
3. Shareholders holding shares in electric mode should address all their correspondence to their respective depository participants.

DECLARATION

As provided under Clause 49 (Now, Regulation 27) of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with Suraj Limited code of Business conduct and Ethics for the year ended March 31, 2017

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 26.04.2017

Ashok Shah
Chairman & CFO
DIN : 00254255

CEO AND CFO CERTIFICATION

We, Ashok Shah Chairman and Chief Financial Officer and Kunal Shah, Managing Director of the company shall certify that, to the best of our knowledge and belief that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and 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 together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our Knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2017 are fraudulent, illegal or violate the Company's code of conduct.

- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies if any.
- d) We have indicated to auditors and audit committee
- i) There has not been any significant change in internal control over financial reporting during the year under reference.
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.
Company's internal control system over financial reporting.

Ashok Shah
Chairman & C.F.O

Kunal Shah
Managing Director & CEO

Place : Ahmedabad
Date: 26.04.2017

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
Suraj Limited

We have examined the compliance of conditions of Corporate Governance by Suraj Limited (The Company), for the year ended 31st March, 2017 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s) for the period 1st April, 2016 to 30th November 2016 and as per relevant provisions of Securities Exchange Board of India (listing obligations and disclosure requirements) regulation 2015(listing regulations) as referred to in regulation 15(2) of the listing regulations for the period 1st December 2016 to 31st march 2017.

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

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

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

Place: Ahmedabad
Date: 26.04.2017

For, RTBR & ASSOCIATES
Company Secretaries
Bhavin Ratnaghayra
Membership No.: FCS 8491
CP No. : 9399

INDEPENDENT AUDITORS' REPORT

The Members,
SURAJ LIMITED
Ahmedabad.

Report on the Financial Statements :

We have audited the accompanying Standalone financial statements of **M/s. SURAJ LIMITED**, ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, 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 and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 Standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards 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 the 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 controls system over financial reporting and the operating effectiveness of such controls of the entity's internal control. An audit also includes evaluating the appropriateness of the 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 audit opinion on the Standalone financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis for qualified opinion paragraph, the accompanying standalone 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, of the

state of affairs of the company as at 31st March 2017, its Profit and its cash flows for the year ended on that date.

Emphasis of Matter:

We draw attention to;

Note -23(II)(1)(a) to the financial statements, relating to Contingent Liabilities not provided by Company.

Our opinion is not qualified in respect of this matter.

Report on other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give 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 sought and 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 it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, 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 controls 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 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 information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 23(II) (1) & (4) to the financial statements;
 - b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d) The company had provided disclosures as to holding as well as dealings in Specified Bank Notes during the period 08.11.2016 to 30.12.2016 in its financial statements at Note No 23 (II)(17) in Notes on accounts and these are in accordance with the books of accounts maintained by the company.

FOR, PANKAJ K. SHAH ASSOCIATES
Firm Registration No. 107352W
CHARTERED ACCOUNTANTS

Place : Ahmedabad

Date : 26.04.2017

(PANKAJ K. SHAH)
PROPRIETOR
M. No. 34603

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Standalone financial statements of the Company for the year ended March 31, 2017: we report that

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) According to the information and explanations given to us and on the basis of our examination of the record of the company, the title deeds of immovable properties are held in the name of the company.
- 2) The Inventory of finished good, raw materials, components, stores and spare parts has been physically verified at reasonable intervals by the management. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on physical verification on inventories as compared to books records.
- 3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.
- 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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) We have broadly reviewed the books of account maintained by the Company pursuant to Rules made by the Central Government of India, maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Companies Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 7) (a) According to the records of the company and the information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us and record of the **Company disputed amount payable** in respect of Income tax, sales tax & Custom and Excise Duty and that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below:

| Name of Statute | Nature of Dues | Disputed Amount Rs. | Period to which the amount Relates | Forum where dispute is pending |
|--|--------------------------------|------------------------------|------------------------------------|---|
| Sales Tax Act | Sales Tax | 2,24,379/- | 2003-04 | Sales Tax Appellate Commissioner Ahmedabad. |
| Sales Tax Act | Sales Tax | 1,40,975/- | 2004-05 | Jt. Commissioner of Commercial Taxes Ahmedabad. |
| Sales Tax Act Central Sales Tax Act | Sales Tax Central Sales Tax | 1,02,99,133/- 1,92,848/- | 2008-09 | VAT Tribunal |
| Sales Tax Act Central Sales Tax Act | Sales Tax Central Sales Tax | 1,60,08,820/- 12,27,163/- | 2009-10 | VAT Tribunal |
| Sales Tax Act Central Sales Tax Act | Sales Tax Central Sales Tax | 1,42,55,516/- 8,96,066 | 2010-11 | VAT Tribunal |
| Finance Act | Service Tax Penalty on ST | 65,52,877/- 65,62,877/- | 2010-11 to 2013-14 | CESTAT, Ahmedabad |
| Income Tax Act | Income Tax | 38,057/- | A.Y. 2006-07 | Before A.O. u/s. 154 |
| Income Tax Act, | Income Tax | 19,99,068/- | A.Y. 2007-08 | CIT (Appeal), Ahmedabad |
| Income Tax Act, | Income Tax | 7,36,82,162/- | A.Y. 2008-09 | CIT (Appeal), Ahmedabad |
| Income Tax Act | Income Tax | 3,90,030/- | A.Y. 2008-09 | Before A.O. u/s. 154 |
| Income Tax Act | Income Tax | 1,85,83,455/- | A.Y. 2009-10 | CIT (Appeal), Ahmedabad |
| Income Tax Act | Income Tax | 2,21,477/- | A.Y. 2010-11 | Before A.O. u/s. 154 |
| Income Tax Act Ahmedabad | Income Tax | 8,76,01,472/- | A.Y. 2011-12 | CIT (Appeal), |
| Income Tax Act Ahmedabad | Income Tax | 14,21,96,316/- | A.Y. 2012-13 | CIT (Appeal), |
| Income Tax Act Ahmedabad | Income Tax | 6,42,55,881/- | A.Y. 2013-14 | CIT (Appeal), |
| Income Tax Act Ahmedabad | Income Tax | 5,58,11,441/- | A.Y. 2014-15 | CIT (Appeal), |
| Custom Tariff Act | Safeguard Duty | 86,20,447/- | F.Y. 2012-13 | To be filed before CESTAT, Mumbai |

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to any financial institutions and banks.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or

- employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid in accordance with the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) According to the information and explanations given to us and on the basis of our examination of the record of the company, in our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and on the basis of our examination of the record 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 under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) According to the information and explanations given to us and on the basis of our examination of the record of the company, the company has not entered into any non-cash transactions with directors or persons connected with the company. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR, PANKAJ K. SHAH ASSOCIATES
Firm Registration No. 107352W
CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : 26.04.2017

(PANKAJ K. SHAH)
PROPRIETOR
M. No. 34603

ANNEXURE B” TO THE INDEPENDENT AUDITORS’ 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 M/S. Suraj Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone 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. 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.

Auditors' 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the 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 procedures 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 exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a 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 control 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 control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements 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 controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017.

**FOR, PANKAJ K. SHAH ASSOCIATES
Firm Registration No. 107352W
CHARTERED ACCOUNTANTS**

**Place : Ahmedabad
Date : 26.04.2017**

**(PANKAJ K. SHAH)
PROPRIETOR
M. No. 34603**

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹)

| <u>Particulars</u> | <u>Note No.</u> | <u>As at</u> <u>31/03/2017</u> | <u>As at</u> <u>31/03/2016</u> |
|---|-----------------|-----------------------------------|-----------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' Funds | | | |
| (a) Share Capital | 1 | 19,26,41,000.00 | 19,26,41,000.00 |
| (b) Reserves and Surplus | 2 | 66,81,55,236.95 | 66,38,63,826.19 |
| 2 Non-current Liabilities | | | |
| (a) Long-term Borrowings | | -- | -- |
| (b) Long-term Provisions | 3 | 57,91,055.00 | 55,68,499.00 |
| (c) Deferred Tax Liabilities | 4 | 1,81,93,918.00 | 2,19,80,023.00 |
| (d) Trade Payable | | -- | -- |
| 3 Current Liabilities | | | |
| (a) Short-term Borrowings | 5 | 1,16,36,95,352.92 | 1,21,88,64,812.62 |
| (b) Trade Payables | 6 | 17,35,00,834.92 | 1,80,53,793.63 |
| (c) Other Current Liabilities | 7 | 5,64,10,335.51 | 2,51,35,490.50 |
| (d) Short-term Provisions | 8 | 1,29,69,584.95 | 1,15,98,026.00 |
| TOTAL ₹ | | 2,29,13,57,318.25 | 2,15,77,05,470.94 |
| II. ASSETS | | | |
| 1 Non-current Assets | | | |
| (a) Fixed Assets | 9 | | |
| i) Tangible Assets | | 65,43,16,090.00 | 68,72,96,479.00 |
| ii) Intangible Assets | | 2,46,349.00 | 3,38,377.00 |
| (b) Long-term Loans and Advances | 10 | 66,25,028.13 | 48,08,843.13 |
| (c) Other non-current assets | | -- | -- |
| 2 Current Assets | | | |
| (a) Inventories | 11 | 1,01,99,63,465.00 | 1,00,84,75,163.00 |
| (b) Trade Receivables | 12 | 42,41,26,141.89 | 32,81,70,743.45 |
| (c) Cash and Bank Balances | 13 | 5,43,94,625.66 | 5,33,18,699.53 |
| (d) Short-term Loans and Advances | 14 | 9,06,12,712.14 | 7,31,52,519.83 |
| (e) Other Current Assets | 15 | 4,10,72,906.43 | 21,44,646.00 |
| TOTAL ₹ | | 2,29,13,57,318.25 | 2,15,77,05,470.94 |
| The notes form an integral part of these financial statements | 23 | | - |

As per our report of even date attached
For PANKAJ K. SHAH ASSOCIATES
Firm Registration No. 107352W
CHARTERED ACCOUNTANTS

(CA. PANKAJ K. SHAH)
PROPRIETOR
M. No. 34603
PLACE: AHMEDABAD
DATE : 26.04.2017

For & ON BEHALF OF BOARD OF DIRECTORS

Ashok T. Shah Chairman & C.F.O.
DIN : 00254255
Gurvant T. Shah Vice Chairman & Whole Time Director
DIN : 00254292
Kunal T. Shah Managing Director & C.E.O.
DIN : 00254205
Vatan Brahmhatt Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

| <u>Particulars</u> | <u>Note No.</u> | <u>As at</u> <u>31/03/2017</u> | <u>Year ended</u> <u>31/03/2016</u> |
|--|-----------------|-----------------------------------|--|
| I. INCOME | | | |
| Revenue from operations (gross) | | 2,05,99,05,545.57 | 1,59,03,11,648.12 |
| Less: Excise duty | | 9,72,68,568.00 | 5,53,56,496.00 |
| Revenue from operations (Net) | 16 | 1,96,26,36,977.57 | 1,53,49,55,152.12 |
| II Other Income | 17 | 33,09,910.32 | 56,00,284.00 |
| III Total Revenue (I + II) | | 1,96,59,46,887.89 | 1,54,05,55,436.12 |
| IV Expenses | | | |
| - Cost of materials consumed | 18 | 1,70,25,06,642.00 | 1,14,11,69,699.00 |
| - Purchase of Stock in Trade | | -- | -- |
| - Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade | 19 | (21,03,08,367.00) | (6,76,47,972.88) |
| - Employee benefits expenses | 20 | 11,35,07,598.35 | 9,07,48,964.00 |
| - Finance Costs | 21 | 9,33,71,215.23 | 9,51,89,715.42 |
| - Depreciation and amortization expense | | 6,28,26,425.00 | 7,05,12,814.00 |
| - Other Expenses | 22 | 19,70,88,225.24 | 20,54,51,960.39 |
| Total Expenses | | 1,95,89,91,738.82 | 1,53,54,25,179.93 |
| V Profit before exceptional items and tax (III - IV) | | 69,55,149.07 | 51,30,256.19 |
| VI Exceptional items | | -- | -- |
| VII Profit/(Loss) before tax (V - VI) | | 69,55,149.07 | 51,30,256.19 |
| VIII Tax Expense : | | | |
| (1) Current Tax | | 62,44,841.60 | 61,35,695.00 |
| (2) Deferred Tax Assets/Liabilities | | (37,86,105.00) | (39,44,731.00) |
| (3) (Excess)/Short provision of earlier years | | 2,05,005.00 | (9,72,879.00) |
| | | 26,63,741.60 | 12,18,085.00 |
| IX Profit / (Loss) for the year (VII - VIII) | | 42,91,407.47 | 39,12,171.19 |
| X Earnings per Equity Share of Rs. 10 each | | | |
| -- Basic & Diluted | | 0.22 | 0.20 |
| The notes form an integral part of these financial statements | 23 | | |

As per our report of even date attached
For PANKAJ K. SHAH ASSOCIATES
Firm Registration No. 107352W
CHARTERED ACCOUNTANTS

(CA. PANKAJ K. SHAH)
PROPRIETOR
M. No. 34603
PLACE: AHMEDABAD
DATE : 26.04.2017

For & ON BEHALF OF BOARD OF DIRECTORS

Ashok T. Shah Chairman & C.F.O.
DIN : 00254255
Gunvant T. Shah Vice Chairman & Whole Time Director
DIN : 00254292
Kunal T. Shah Managing Director & C.E.O.
DIN : 00254205
Vatan Brahmhatt Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

| | Year Ended 31/03/2017 (Amount in ₹) | Year Ended 31/03/2016 (Amount in ₹) |
|--|---|---|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX | 69,55,149.07 | 51,30,256.19 |
| NON CASH ADJUSTMENT FOR- | | |
| DEPRECIATION AND AMORTIZATION EXPENSES | 6,28,26,425.00 | 7,05,12,814.00 |
| (PROFIT)/LOSS ON SALE OF FIXED ASSETS | 85,883.00 | (1,11,291.00) |
| ACCOUNT /EXPENSES WRITTEN OFF | (9,20,476.20) | 93,89,547.00 |
| INTEREST ON INCOME TAX | 0.00 | 450.00 |
| INTEREST INCOME | (28,49,862.80) | (50,18,460.00) |
| INTEREST EXPENSES | 7,82,08,789.06 | 79,512,452.42 |
| PRELIMINARY EXPENSES WRITTEN OFF | 0.00 | -- |
| DIVIDEND INCOME | 0.00 | -- |
| Operating Profit/(Loss) before working capital changes | 14,43,05,907.13 | 15,94,15,768.61 |
| Adjustments for (Increase) / Decrease in operating Assests | | |
| INVENTORIES | (1,14,88,302.00) | 11,28,37,302.00 |
| TRADE RECEIVABLES | (9,59,55,398.44) | (6,61,93,053.45) |
| SHORT TERM LOANS AND ADVANCES | (1,74,60,192.31) | 2,73,89,603.17 |
| OTHER CURRENT ASSESTS | (3,89,28,260.43) | (12,96,067.00) |
| LONG TERM LOANS AND ADVANCES | (18,16,185.00) | (3,08,958.13) |
| Adjustments for Increase / (Decrease) in operating Liabilities | | |
| LONG TERM PROVISIONS | 2,22,556.00 | 50,59,109.00 |
| TRADE PAYABLE | 15,54,47,041.29 | (6,08,60,261.37) |
| OTHER CURRENT LIBILITIES | 3,12,74,845.01 | (4,87,61,220.00) |
| SHORT TERM PROVISIONS | 13,71,558.95 | (25,84,072.00) |
| Cash generated from operations | 16,69,73,570.20 | 12,46,98,150.83 |
| DIRECT TAX PAID (NET OF REFUND) | (31,96,428.91) | (2,85,46,112.00) |
| [A] Net cash flow from operating activities | 16,37,77,141.29 | 9,61,52,038.83 |
| Cash Flow from Investing activity | | |
| PURCHASE OF FIXED ASSETS | (3,24,36,829.00) | (1,64,48,330.00) |
| PROCEEDS FROM SALE OF FIXED ASSETS | 2,64,000.00 | 8,53,161.00 |
| DIVIDEND INCOME | -- | -- |
| DEPOSITE MADE DURING THE PERIOD | 53,01,036.40 | 5,72,93,755.31 |
| INTEREST INCOME | 28,49,862.60 | 50,18,460.00 |
| [B] Net Cash from Investing activity | (2,40,21,930.00) | 4,67,17,046.31 |
| Cash Flow from Finance activity | | |
| AVIALMENT/REPAYMENT OF LONG TERM BORROWING | -- | -- |
| AVIALMENT/REPAYMENT OF SHORT TERM BORROWING | (5,51,69,459.70) | (2,45,73,514.38) |
| INTEREST EXPENSES | (7,82,08,789.06) | (7,95,12,452.42) |
| DIVIDEND PAID | 0.00 | (2,92,62,489.00) |
| DIVIDEND TAX PAID | 0.00 | (59,16,391.00) |
| [C] Net Cash used in Financing activity | (13,33,78,248.76) | (13,92,64,846.80) |
| NET INCREASE(DECREASE) IN CASH & CASH EQUIVALENTS | 63,76,962.53 | 36,04,238.34 |
| OPENING CASH AND BANK BALANCE | 59,66,708.84 | 23,62,471.00 |
| CLOSING CASH AND BANK BALANCE (*) | 1,23,43,671.37 | 59,66,708.84 |
| (*) CLOSING CASH AND BANK BALANCE | 5,43,94,625.66 | 5,33,18,699.53 |
| Less :Fixed deposits with maturity greater than three months | 4,20,50,954.29 | 4,73,51,990.69 |
| CLOSING CASH AND BANK BALANCE | 1,23,43,671.37 | 59,66,708.84 |

As per our report of even date attached

For PANKAJ K. SHAH ASSOCIATES

Firm Registration No. 107352W

CHARTERED ACCOUNTANTS

(CA.PANKAJ K. SHAH)

PROPRIETOR

M. No. 34603

PLACE: AHMEDABAD

DATE : 26.04.2017

For & ON BEHALF OF BOARD OF DIRECTORS

Ashok T. Shah

DIN : 00254255

Gurvant T. Shah

DIN : 00254292

Kunal T. Shah

DIN : 00254205

Vatan Brahmhatt

Chairman & C.F.O.

Vice Chairman & Whole Time Director

Managing Director & C.E.O.

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS
Note - 1 : SHARE CAPITAL

(Amount in ₹)

| <u>Particulars</u> | As at | As at |
|--|------------------------|------------------------|
| | 31st March, 2017 | 31st March, 2016 |
| 1. AUTHORISED CAPITAL | | |
| 2,32,50,000 Equity Shares of Rs. 10/- each. | 23,25,00,000.00 | 23,25,00,000.00 |
| 2. ISSUED, SUBSCRIBED & PAID UP | | |
| 1,92,64,100 Equity Shares of Rs.10/- each, fully paid. | 19,26,41,000.00 | 19,26,41,000.00 |
| | 19,26,41,000.00 | 19,26,41,000.00 |

3. Reconciliation of number of shares outstanding at the beginning & at the end of the reporting year

| <u>Particulars</u> | As at 31/03/2017 | | As at 31/03/2016 | |
|---------------------------------------|------------------|-----------------|------------------|-----------------|
| | No. of Shares | Value ₹ | No. of Shares | Value ₹ |
| -- At the beginning of the year | 1,92,64,100.00 | 19,26,41,000.00 | 1,92,64,100.00 | 19,26,41,000.00 |
| -- Movement during the period | -- | -- | -- | -- |
| -- Outstanding at the end of the year | 1,92,64,100.00 | 19,26,41,000.00 | 1,92,64,100.00 | 1,926,41,000.00 |

4. The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.
5. Company has not bought back any equity shares during the period of five years immediately preceding the Balance sheet date. However the Company has allotted 1,13,39,400 equity shares as bonus shares during F.Y. 2007-2008 and also allotted 22,55,000 equity shares for consideration other than cash pursuant to the scheme of amalgamation during F.Y. 2009-2010
6. **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

| <u>Particulars</u> | As at 31/03/2017 | | As at 31/03/2016 | |
|----------------------------|------------------|---------|------------------|---------|
| | No. of Shares | Value ₹ | No. of Shares | Value ₹ |
| Anilaben Ashokkumar Shah | 38,08,710.00 | 19.7710 | 38,08,710.00 | 19.7710 |
| Chandrika Kunal Shah | 31,03,870.00 | 16.1122 | 31,03,870.00 | 16.1122 |
| Rekhaben Gunwantkumar Shah | 25,17,920.00 | 13.0705 | 25,17,920.00 | 13.0705 |
| Ashokkumar Tarachand Shah | 10,77,700.00 | 5.5943 | 10,77,700.00 | 5.5943 |
| Kunal Tarachand Shah | 10,30,600.00 | 5.3498 | 10,30,600.00 | 5.3498 |
| Gunwant Tarachand Shah | 9,91,600.00 | 5.1474 | 9,91,600.00 | 5.1474 |

Note - 2 : RESERVES & SURPLUS

(Amount in ₹)

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|--|-----------------------------------|-----------------------------------|
| 1 Securities Premium Account | | |
| Balance as per last Balance Sheet | 21,89,56,000.00 | 21,89,56,000.00 |
| 2 General Reserve | | |
| Balance as per last Balance Sheet | 2,44,74,155.00 | 2,44,74,155.00 |
| Less : Transitional provision for Depreciation | | - |
| | 2,44,74,155.00 | 2,44,74,155.00 |
| 3 Statutory Reserve | | |
| Opening Balance | 3,28,83,460.00 | 3,28,83,460.00 |
| Add: Transferred from Profit & Loss Account | | - |
| | 3,28,83,460.00 | 3,28,83,460.00 |
| 4 Corporate Social Responsibilities | - | - |
| 5 Surplus in Statement of Profit & Loss | | |
| Opening Balance | 38,75,50,214.48 | 38,36,38,040.00 |
| Add: Profit for the year | 42,91,407.47 | 39,12,171.19 |
| Less: Transfer to statutory reserve | - | - |
| Proposed Dividend | - | - |
| Tax on dividend | - | - |
| Closing Balance | 39,18,41,622.0 | 38,75,50,211.19 |
| | 66,81,55,236.95 | 66,38,63,826.19 |

Note - 3 : LONG TERM PROVISIONS

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|-------------------------------------|-----------------------------------|-----------------------------------|
| (1) Provision for Employee benefits | 57,91,055.00 | 55,68,499.00 |
| | 57,91,055.00 | 55,68,499.00 |

Note - 4 : DEFFERED TAX LIBILITIES (NET)

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|--|-----------------------------------|-----------------------------------|
| Balance as per last Financial Statement | 2,19,80,023.00 | 2,59,24,754.00 |
| Less: Deferred tax asset on account of timing difference of depreciation | 37,86,105.00 | 39,44,731.00 |
| | 1,81,93,918.00 | 2,19,80,023.00 |

Note - 5 : SHORT TERM BORROWINGS

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|--------------------------------|-----------------------------------|-----------------------------------|
| 1. SECURED | | |
| (a) Working Capital loans | | |
| - From Bank | 70,21,51,086.43 | 68,51,53,852.62 |
| (b) Buyers credit arrangements | 33,15,44,266.49 | 39,37,10,960.00 |

(The Working Capital limit from Punjab National Bank Rs. 69.48 Crores , Standard Chartered Bank Rs. 24.96 Crores and from IDBI Bank Rs. 47.56 Crore is Secured by the first charge on pari passu basis over the current assests of the company and second charge over the Fixed Assets of the company and guarnted by the director of the company (1) Shri Ashok Kumar T. Shah (2) Shri Kunal T. Shah (3) Shri Guntant Kumar T. Shah.further Working Capital loan from PNB,,SCB and IDBI Bank is Guranted by Corporate guarntee of Suraj Impex Pvt. Ltd.)

| | | |
|-----------------------------|--------------------------|--------------------------|
| 2. UNSECURED | | |
| (a) Loan from related party | 13,00,00,000.00 | 14,00,00,000.00 |
| | 1,16,36,95,352.92 | 1,21,88,64,812.62 |

Note - 6 : TRADE PAYABLES

| <u>Particulars</u> | As at | As at |
|--------------------|------------------------|-----------------------|
| | 31st March, 2017 | 31st March, 2016 |
| Trade Payables | 17,35,00,834.92 | 1,80,53,793.63 |
| | 17,35,00,834.92 | 1,80,53,793.63 |

Note - 7 : OTHER CURRENT LIABILITIES

| <u>Particulars</u> | As at | As at |
|--|-----------------------|-----------------------|
| | 31st March, 2017 | 31st March, 2016 |
| 1 Interest accrued but not due on borrowings | 11,23,536.89 | 17,82,582.89 |
| 2 Corporate Social Resposibilities | 16,95,583.00 | 16,95,583.00 |
| 3 Statutory Dues | 10,82,169.13 | 7,64,629.00 |
| 4 Advance from Customers | 4,90,61,853.49 | 1,81,67,606.11 |
| 5 Unpaid dividend | 11,93,236.00 | 11,93,910.50 |
| 6 Other Payables | 22,53,957.00 | 15,31,179.00 |
| | 5,64,10,335.51 | 2,51,35,490.50 |

Note - 8 : SHORT TERM PROVISIONS

| <u>Particulars</u> | As at | As at |
|-------------------------------------|-----------------------|-----------------------|
| | 31st March, 2017 | 31st March, 2016 |
| (1) Provision for Employee benefits | 67,24,743.35 | 54,62,331.00 |
| (2) Provision for income tax | 62,44,841.60 | 61,35,695.00 |
| | 1,29,69,584.95 | 1,15,98,026.00 |

Note - 10 : Fixed Assets

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | | Net Block | |
|--|-------------------|-----------------|----------------|-------------------|--------------------------|-----------------|----------------------|----------------------------------|------------------|-------------------|-------------------|
| | As At 01-04-16 | Additions | Deductions | As at 31-03-17 | As at 01-04-16 | For the Year | Retained Earnings | Deductions During the year | Upto 31-03-17 | As at 31-03-17 | As at 31-03-16 |
| A. Tangible Assets | | | | | | | | | | | |
| Land & Site Development | 197834004 | 0 | 0 | 197834004 | 0 | 0 | 0 | 0 | 0 | 197834004 | 197834004 |
| Factory Building | 336307903 | 866756 | 0 | 337174659 | 91648334 | 0 | 0 | 10666535 | 102314869 | 234859790 | 244659569 |
| Office Premises | 20201995 | 0 | 0 | 20201995 | 3676798 | 0 | 0 | 319192 | 3995990 | 16206005 | 16525197 |
| Plant & Machinery | 843868453 | 4661169 | 618800 | 847910822 | 639338515 | 0 | 0 | 49377777 | 688716292 | 159194530 | 204529938 |
| Furniture Fixture & Office Equipments | 21458763 | 251935 | 0 | 21710698 | 16973394 | 0 | 0 | 892087 | 17865481 | 3845217 | 4485369 |
| Computer | 10075395 | 560298 | 0 | 10635693 | 10011725 | 0 | 0 | 214894 | 10226619 | 409074 | 63670 |
| Vehicle | 29724288 | 1017684 | 1370851 | 29362639 | 18259465 | 1020969 | 0 | 1253913 | 18492409 | 10878712 | 11464823 |
| Wind Mill | 59486722 | 0 | 0 | 59486722 | 56512386 | 0 | 0 | 0 | 56512386 | 2974336 | 2974336 |
| WIP-SMP | 4759573 | 25068987 | 1714138 | 28114422 | 0 | 0 | 0 | 0 | 0 | 28114422 | 4759573 |
| (A) | 1523717096 | 32426829 | 3712271 | 1552431654 | 836420617 | 1020969 | 0 | 62724398 | 898124046 | 654316090 | 687296479 |
| Intangible Assets | | | | | | | | | | | |
| Software | 643698 | 10000 | 0 | 653698 | 305321 | 0 | 0 | 102028 | 407349 | 246349 | 338377 |
| | | | | | | | 0 | | | 0 | |
| Total :- (A+B+C) | 1524360794 | 32436829 | 3712271 | 1553085352 | 836725938 | 1020969 | 0 | 62826425 | 898531394 | 654562440 | 687634856 |

Note - 10 : LONG TERM LOANS AND ADVANCES

(Amount in ₹)

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| 1) Deposits Unsecured, Considered good | 13,58,218.13 | 5,14,390.13 |
| 2) Other Loans and Advances Unsecured, Considered good | 52,66,810.00 | 42,94,453.00 |
| | 66,25,028.13 | 48,08,843.13 |

Note - 11 INVENTORIES

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|---------------------------------------|---------------------------|---------------------------|
| 1. Raw material | 54,46,62,850.00 | 7,470,07,190.00 |
| 2. Work-in-progress | 36,20,55,471.00 | 15,43,34,951.00 |
| 3. Finished goods | 4,86,75,890.00 | 4,76,37,892.00 |
| 4. Scrap | 2,53,78,740.00 | 2,03,60,954.00 |
| 5. Advance Licence | 2,87,30,033.00 | 3,21,97,970.00 |
| 6. Stores , Spares & Packing Material | 1,04,60,481.00 | 69,36,206.00 |
| 7. Share Stock | - | - |
| | 1,01,99,63,465.00 | 1,00,84,75,163.00 |

Note - 12 : TRADE RECEIVABLES

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| 1) Trade receivables outstanding for a period exceeding Six months from the date they are due for payment a. Unsecured, considered good | 3,52,914.00 | 5,57,181.64 |
| 2) Trade receivables outstanding for a period less than Six months from the date they are due for payment b. Unsecured, considered good | 42,37,73,227.89 | 32,76,13,561.81 |
| | 42,41,26,141.89 | 32,81,70,743.45 |

Note - 13 : CASH AND CASH EQUIVALENTS

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| 1. Cash and bank balance | | |
| a. Balances with Banks | | |
| - in Current account | 1,08,97,375.81 | 40,67,685.52 |
| - in earmarked account | | |
| -Unpaid dividend account | 11,93,236.35 | 11,93,911.35 |
| b. Cash on hand | 2,53,059.21 | 7,05,111.97 |
| 2 Other Bank Balances | | |
| In Fixed Deposits held as Margin Money | | |
| - Maturity Period - Less than 12 Months | 4,20,50,954.29 | 4,73,51,990.69 |
| | 5,43,94,625.66 | 5,33,18,699.53 |

Note - 14: SHORT TERM LOANS AND ADVANCES

(Amount in ₹)

| <u>Particulars</u> | As at | As at |
|--|-----------------------|-----------------------|
| | 31st March, 2017 | 31st March, 2016 |
| Other short term loans and advances | | |
| Unsecured, considered good | | |
| 1 Balance With Excise and custom authorities | 1,75,28,134.29 | 1,70,17,718.39 |
| 2 Advance Tax and TDS | 2,36,10,613.52 | 2,78,61,958.00 |
| 3 Prepaid Expenses | 16,89,819.34 | 18,47,692.00 |
| 4 Others | 4,77,84,144.99 | 2,64,25,151.44 |
| | 9,06,12,712.14 | 7,31,52,519.83 |

Note - 15: OTHER CURRENT ASSETS

| <u>Particulars</u> | As at | As at |
|--------------------------------|-----------------------|---------------------|
| | 31st March, 2017 | 31st March, 2016 |
| 1 Export Incentives receivable | 2,80,13,494.32 | 4,96,561.00 |
| 2 Advance to Suppliers | 1,30,59,411.92 | 16,48,085.00 |
| | 4,10,72,906.24 | 21,44,646.00 |

Note - 16: REVENUE FROM OPERATIONS

| <u>Particulars</u> | As at | As at |
|--|--------------------------|--------------------------|
| | 31st March, 2017 | 31st March, 2016 |
| 1) Sale of Products | | |
| a Manufactured goods - Domestic Sales | 71,81,40,608.65 | 40,31,77,368.00 |
| b Manufactured goods - Exports | 1,27,23,80,714.00 | 1,16,01,66,403.00 |
| c Trading -Share | – | 1,16,95,994.12 |
| | 1,99,05,21,322.65 | 1,57,50,39,765.12 |
| 2) Other operating revenues | | |
| a Power generation income | 9,205,075 | 89,05,625.00 |
| b Export incentives | 57,330,424 | 41,47,330.00 |
| c Scrap and Waste Sales | 2,848,724 | 22,18,928.00 |
| Revenue from Operations (gross) | 2,05,99,05,545.57 | 1,59,03,11,648.12 |
| Less :- Excise Duty | 9,72,68,568.00 | 5,53,56,496.00 |
| Revenue from Operations (Net) | 1,96,26,36,977.57 | 1,53,49,55,152.12 |

Note - 17: OTHER INCOME

| <u>Particulars</u> | As at | As at |
|--|---------------------|---------------------|
| | 31st March, 2017 | 31st March, 2016 |
| 1 Interest income | 28,49,862.80 | 50,18,460.00 |
| 2 Kasar / Vatav Expenses | (3,20,954.48) | – |
| 3 Misc. Income | 6,340.00 | 4,70,533.00 |
| 4 Profit on sale of Machinery | (85,883.00) | 1,11,291.00 |
| 5 Interest on Income Tax | 8,60,545.00 | – |
| | 33,09,910.32 | 56,00,284.00 |
| Tax deducted at source on Interest Income | 2,84,039.10 | 4,63,150.00 |

Note - 18 : COST OF MATERIALS CONSUMED

(Amount in ₹)

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|--------------------------|-----------------------------------|-----------------------------------|
| Raw Material | | |
| Opening Stock | 74,70,07,190.00 | 92,62,06,660.00 |
| Add : Purchases - Import | 82,78,94,298.00 | 68,35,56,223.00 |
| : Purchases - Domestic | 67,22,68,004.00 | 27,84,14,006.00 |
| | 2,24,71,69,492.00 | 1,88,81,76,889.00 |
| Less : Closing Stock | 54,46,62,850.00 | 74,70,07,190.00 |
| | 1,70,25,06,642.00 | 1,14,11,69,699.00 |

Note - 19 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|-------------------------|-----------------------------------|-----------------------------------|
| 1. OPENING STOCK | | |
| Finished Goods | 4,76,37,892.00 | 7,50,59,800.00 |
| Work in progress | 15,43,34,951.00 | 3,66,62,251.00 |
| Advance License | 3,21,97,970.00 | 3,60,16,317.00 |
| Scrap | 2,03,60,954.00 | 2,76,00,537.00 |
| Share | – | 1,15,44,889.12 |
| | 25,45,31,767.00 | 18,68,83,794.12 |
| 2. CLOSING STOCK | | |
| Finished Goods | 4,86,75,890.00 | 4,76,37,892.00 |
| Work in progress | 36,20,55,471.00 | 15,43,34,951.00 |
| Advance License | 2,87,30,033.00 | 3,21,97,970.00 |
| Scrap | 2,53,78,740.00 | 2,03,60,954.00 |
| | 46,48,40,134.00 | 25,45,31,767.00 |
| | (21,03,08,367.00) | (6,76,47,972.88) |

Note - 20 : EMPLOYEE BENEFITS EXPENSE

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|---|-----------------------------------|-----------------------------------|
| 1 Salaries, Wages, Bonus etc | 10,30,83,267.35 | 8,19,77,099.00 |
| 2 Contribution to Provident and Other funds | 24,73,975.00 | 19,93,971.00 |
| 3 Staff Welfare expenses | 79,50,356.00 | 67,77,894.00 |
| | 11,35,07,598.35 | 9,07,48,964.00 |

Note - 21 : FINANCE COSTS

| <u>Particulars</u> | As at 31st March, 2017 | As at 31st March, 2016 |
|----------------------|-----------------------------------|-----------------------------------|
| 1 Bank Interest | 7,68,89,522.06 | 7,95,12,452.42 |
| 2 Other Interest | 13,19,267.00 | – |
| 3 Other Bank Charges | 1,51,62,426.17 | 1,56,77,263.00 |
| | 93,371,215.23 | 9,51,89,715.42 |

Note - 22 : OTHER EXPENSES

(Amount in ₹)

| Particulars | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| A) Manufacturing Expenses | | |
| 1 Power and fuel | 4,52,20,642.00 | 3,16,64,970.00 |
| 2 Consumption of stores and spares | 2,72,53,194.89 | 2,98,26,671.34 |
| 3 Packing material | 1,06,71,869.00 | 95,69,190.00 |
| 4 Job work charges | 1,27,13,595.00 | 3,95,720.00 |
| 5 Transportation and freight | 1,50,34,089.00 | 1,03,37,734.00 |
| 6 Clearing & Forwarding Exp. | 3,84,64,246.40 | 3,99,07,240.00 |
| 7 Repairs and maintenance: | | |
| - Plant and machinery | 1,37,56,588.00 | 1,01,26,387.00 |
| - Building | 2,09,799.00 | 2,679,089.00 |
| | 16,33,24,023.29 | 134,507,001.34 |
| B) Administrative Expenses | | |
| 1 Audit Fees | 5,00,000.00 | 5,00,000.00 |
| 2 Sales Discount | 4,74,760.09 | 83,25,837.00 |
| 3 Account Written off | - | 10,63,710.00 |
| 4 Krishi Kalyan Cess Exp | 4,80,300.22 | - |
| 5 Swachh Bharat Cess Exp | 5,79,189.80 | 2,22,573.70 |
| 6 Communication Exp. | 21,08,894.00 | 17,16,379.00 |
| 7 Commission | 13,94,287.00 | 36,60,763.00 |
| 8 Donation | 27,855.00 | 18,300.00 |
| 9 Insurance | 12,81,080.00 | 12,68,707.00 |
| 10 Legal & Professional Charges | 54,74,984.89 | 52,11,391.00 |
| 11 Rates & Taxes | 8,27,925.00 | 9,44,223.00 |
| 12 Selling and marketing expenses | 93,39,674.83 | 1,31,20,921.38 |
| 13 Sales tax/VAT | 7,65,990.70 | 2,97,236.00 |
| 14 Traveling, Conveyance & Vehicle Exp. | 66,12,313.00 | 60,32,616.00 |
| 15 Miscellaneous Expenses | 81,20,839.15 | 92,17,392.54 |
| 16 C.S.R.Expenses | - | 17,14,552.00 |
| 17 Prior Period Exp. | 4,53,516.00 | 1,25,896.00 |
| 18 Penalty | - | 56,500.00 |
| 19 Exchange Rate Fluctuation (Net) | (46,77,407.73) | 1,74,47,961.43 |
| | 3,37,64,201.95 | 7,09,44,959.05 |
| | 19,70,88,225.24 | 20,54,51,960.39 |

Notes to the Financial Statements for the year ended 31st March 2017**Note - 23****I. Significant Accounting Policies:****A) Basis of Preparation:**

These financial statements have been prepared in accordance with accounting principles Generally Accepted in India (Indian GAAP) the accounting standard notified under the relevant provisions of the Companies Act, 2013. The Financial Statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts and other claims / refunds, which due to uncertainty in realization are accounted for on actual receipt basis.

B) USE OF ESTIMATES:

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

C) Fixed Assets and Depreciation:**(i) Fixed Assets:**

Fixed assets are stated at cost of acquisition (net of CENVAT, wherever applicable), less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use. Direct costs are capitalized till the assets are ready to be put to use. Interest on borrowings, wherever applicable, attributable to new projects is capitalized and included in the cost of fixed assets as appropriate.

(ii) Depreciation:

Depreciation on fixed assets is charged on the Straight Line Method at rates arrived at after considering useful life of the assets specified in Part-C of Schedule - II of the Companies Act, 2013.

Depreciation on sale /deduction from Fixed Assets is provided for up to the month of sale, deduction, discarded as the case may be.

D) Borrowing Costs:

Borrowing cost attributable to acquisition, construction or production of qualifying assets are capitalised as part of the cost of that asset, till the asset is ready for use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

E) Inventories:

- a) Raw Materials: Valued at Cost or Market price whichever is lower.
- b) Work-in-Progress is valued at Valued at Cost or Market price whichever is lower.
- c) Finished goods are valued at Valued at Cost or Market price whichever is lower.
- d) Stores and Spares are valued at cost or market value whichever is lower basis.
- e) Scrap is valued at estimated realizable value.

F) Revenue Recognition:

- (a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The company collects sales tax and value added tax (VAT) on behalf of Government and therefore these are not economic benefit flowing to the company. Hence they are excluded from revenue.
- (b) Sales:
Sales of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.
- (c) Export Benefits :
Export incentives under the "Duty Entitlement pass Book Scheme", "Duty Draw back Scheme", etc, is accounted in the year of export. However export incentive in form of MEIS is accounted for F.Y. 2015-16 and current financial year.

G) CENVAT Credit:

The CENVAT credit available on purchase of raw materials, other eligible inputs and capital goods is adjusted against excise duty payable on clearance of goods produced. The unadjusted CENVAT credit is shown under the head "Short-term Loans and Advances"

H) Employee Benefits:

- (a) Provision for gratuity and leave encashment is made on the basis of actuarial valuation at the end of the year in conformity with the Accounting Standard - 15. Actuarial gains or losses are recognized in the profit and loss account.
- (b) Contribution to Provident Fund and Superannuation is accounted for on accrual basis.

I) Foreign Exchange Transactions:

- (a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the respective transactions. Monetary items denominated in foreign currencies at the year-end and not covered under forward exchange contracts are translated at year-end rate.
- (b) Exchange differences arising on foreign currency transactions settled during the year are recognized in the profit and loss A/c except in respect of fixed assets where exchange variance is adjusted to the cost of the respective fixed assets.

J) Amortization of Miscellaneous Expenditure:

Preliminary expenses & Amalgamation expenses have been amortized over a period of five years in equal installments.

K) Income Tax Expenses:

- Income tax expenses comprise current tax and deferred tax charge or credit.

- Current Tax

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company.

- Deferred tax

Deferred Tax charge or credit reflects the tax effects of timing differences between accounting Income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date as per the Accounting Standard - 22.

L) Impairment of assets:

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

M) Prior Period Adjustment :

Expenses pertaining to earlier/previous years are accounted as prior period expense.

N) Earning Per Share:

In determining earning per share, the company considers the net profit after tax and includes the post-tax effect of any extra ordinary items. The number of shares used in computing basic earning per shares is the weighted average number of shares outstanding during the period.

O) Provisions, Contingent Liabilities and Contingent Assets:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of that obligation. Contingent Liabilities which are considered significant and material by the company are disclosed in the Notes to Accounts. Contingent Assets are neither recognized nor disclosed.

II. ADDITIONAL NOTES (Forming an integral part of Accounts)
1. Contingent liabilities not provided for :

(Amount in ₹)

| Particulars | As at March 31, 2017 | As at March 31, 2016 |
|---------------------------------------|---------------------------------|---------------------------------|
| (a) Disputed Excise & Customs demands | 16,35,23,248.00 | 16,35,23,248.00 |
| (b) Disputed Sales Tax demands | 4,57,27,541.00 | 4,57,27,541.00 |
| (c) Disputed Income Tax demand | 44,49,57,711.00 | 45,12,33,478.00 |
| (d) Disputed Service Tax demand | 1,31,15,754.00 | -- |

The details of disputed demands pertaining to (b), (c) and (d) above are as follows:

| Nature of the Dues | Forum before which the dispute is pending | Period to which it relates | As at March 31, 2017 | As at March 31, 2016 |
|---------------------------|--|--|---|--|
| Excise Duty | DGCEI, Mumbai (Ineligible Cenvat Credit Central Excise Department- Ahmedabad-III (*)) | Oct-2010 To Nov13 | 11,97,40,737 | 11,97,40,737 |
| Customs Duty | | F.Y.-2012-13 | 86,20,447 | 86,20,447 |
| | Disputed Excise & Customs demand | | 16,35,23,248 | 16,35,23,248 |
| Sales Tax | Sales Tax Appellate Commissioner Ahmedabad Jt. Commissioner of Commercial Taxes Ahmedabad Gujarat Value Added Tax Tribunal | F.Y.2003-04 F.Y.2004-05 F.Y.2008-09 F.Y.2009-10 F.Y.2010-11 | 2,24,379 1,40,975 1,05,14,581 1,79,35,983 1,69,11,623 | 2,24,379 1,40,975 1,05,14,581 1,79,35,983 1,69,11,623 |
| | Disputed Sales Tax demand(**) | | 4,57,27,541 | 4,57,27,541 |
| Income Tax | A.O. A.O. A.O. CIT (A)-Ahmedabad CIT (A)-Ahmedabad CIT (A)-Ahmedabad A.O. CIT (A)-Ahmadabad CIT (A)-Ahmadabad CIT (A)-Ahmadabad CIT(A)-Ahmadabad | A.Y.2001-02 A.Y.2004-05 A.Y.2006-07 A.Y.2007-08 A.Y.2008-09 A.Y.2009-10 A.Y.20010-11 A.Y.20011-12 A.Y.20012-13 A.Y.20013-14 A.Y.20014-15 | -- 1,088 38,057 19,99,068 7,40,72,192 1,87,60,719 2,21,477 8,76,01,472 14,21,96,316 6,42,55,881 5,58,11,441 | 9,17,386 1,088 -- -- 7,42,05,796 2,59,46,311 2,97,787 8,76,01,472 14,21,96,316 6,42,55,881 5,58,11,441 |
| | Disputed Income Tax Demand (***) | | 44,49,57,711 | 45,12,33,478 |
| Service Tax | CESTAT | F.Y. 2010-11 to F.Y. 2013-14 Penalty Penalty u/s 77(1) Interest on above | 65,52,877 65,52,877 10,000 Unascertained | -- -- -- -- |
| | Disputed Service Tax Demand | | 1,31,15,754 | -- |

* Against the above demands, the company has paid Rs. 160.00 lacs (Previous year - Rs. 160 lacs)

** Against the above demands, the company has paid Rs. 36.82 lacs (Previous year - Rs. 36.82 lacs)

*** Against the above demands, the company has paid Rs. 176.31 lacs (Previous year - Rs. NIL)

The above amounts are based on the notices of demand or the assessment orders or notification by the relevant authorities, as the case may be, and the company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the company's rights for future appeals before the Judiciary.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for in the Accounts (net of advances)- **Rs. 53,06,17,190/-**

3. In terms of accounting policy (E) for the accounting of export incentives, estimated benefit of Rs 287.30 Lakh have been taken in to account under DES Scheme. Steps are being taken to import raw materials and utilize the same.

4. **Amount Paid / Payable to Auditors :** (Amount in ₹)

| No. | Particulars | 2016-17 | 2015-16 |
|-----|--------------------|-----------------|-----------------|
| a) | Audit Fees | 3,75,000 | 3,75,000 |
| b) | Tax Audit Fees | 75,000 | 75,000 |
| c) | For Review Reports | 50,000 | 50,000 |
| | Total | 5,00,000 | 5,00,000 |

5. **Prior Period Expenditure:** (Amount in ₹)

| No. | Particulars | 2016-17 | 2015-16 |
|-----|--------------|-----------------|-------------------|
| 1 | Rate & Taxes | 4,53,516 | 1,25,896/- |
| | Total | 4,53,516 | 1,25,896/- |

6. In the opinion of the Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and provision for all known and determined liabilities (except wherever otherwise stated) are adequate and not in excess of the amount reasonably necessary.

7. Balances under Sundry Debtors, Sundry Creditors, Loans & Advances are subject to confirmation and reconciliation with the respective parties/ concerns. Necessary adjustment if any, thereon having an importance of revenue nature, will be made in the year of such confirmation / reconciliation.

8. **Employee Benefits**

As per Accounting Standard 15 "Employee Benefits", the disclosure of Employee benefits as defined in the Accounting Slanderer are given below. :

a) **Gratuity (defined benefits plans)**

The Company has defined gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

b) **Leave wages (long term employment benefit)**

The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

| Particulars | Privilege Leave (non Funded) | Gratuity (funded) |
|---|------------------------------|-------------------|
| Change in the present value of the defined benefit obligation. | | |
| Opening defined benefit obligation | 644708 | 4923791 |
| Interest cost | 51641 | 394396 |
| Current service cost | 322699 | 385987 |

| | | |
|--|----------|-----------|
| Benefits paid | (234406) | (621813) |
| Actuarial (gain) / Losses on obligation | (64563) | (11385) |
| Closing defined obligation | 720079 | 5070976 |
| Change in the fair Value plan asset | | |
| Opening fair value of plan asset | -- | 4294453 |
| Expected return on plan asset | -- | 343986 |
| Contribution by employer | -- | 401223 |
| Benefits paid | -- | (621813) |
| Actuarial gain / (Losses) | -- | 29631 |
| Closing balance of fair value of plan assets | -- | 4447480 |
| Amount recognized in the balance sheet | | |
| Assets/(Liability) at the end of the year | (720079) | (5070976) |
| Fair value of plan assets at the end of the year | -- | 4447480 |
| Funded Status | (720079) | (623496) |
| Unrecognized past service cost | -- | -- |
| Assets/(Liability) recognized in the balance sheet | (720079) | (623496) |
| Income/expense recognized in the profit and loss account statement | | |
| Current service cost | 322699 | 385987 |
| Interest cost on benefit obligation | 51641 | 50410 |
| Expected return on plan assets | -- | -- |
| Net actuarial (gain) / loss in the period | (64563) | (41016) |
| Net Expenses | 309777 | 395381 |
| Movement in net liability recognized in balance sheet | | |
| Opening net liability | 644708 | 629338 |
| Expenses as above (P/L Charge) | 309777 | 395381 |
| Employers contribution | (234406) | (401223) |
| (Assets)/Liability recognized in the balance sheet | 720079 | 623496 |
| Principal actuarial assumption as at balance sheet date | | |
| Discount rate | 8.01% | 8.01% |
| Expected rate of return on the plan assets | -- | 8.01% |
| Annual increase in salary cost | 6.00% | 6.00% |
| Attrition Rate | 2.00% | 2.00% |
| The categories of plan assets as % of total plan assets are with insurance company | 100.00% | 100.00% |

9. Segment Reporting :

a) Primary Segment :

The Company's operations predominantly relates to a single segment namely "Stainless Steel Tubes & Pipes" which as per Accounting Standards 17 is considered as the only reportable business segment.

b) Secondary Segment:

Secondary Segment is geographical, which is determined on the basis of location of the customer, is classified as either domestic or overseas and the same is as under :

₹ in Lakh

| Sales | F.Y. 2016-17 | F.Y. 2015-16 |
|-----------------------------|------------------|------------------|
| Domestic Sales | | |
| Sale of S. S. Pipes & Tubes | 7,181.40 | 4,031.77 |
| Sale of Shares | -- | 116.96 |
| | ----- | ----- |
| | 7,181.40 | 4,148.73 |
| Export Sales | 12,723.81 | 11,601.66 |
| Total | 19,905.21 | 15,750.39 |

Note : Since income from power generation is set off against Electricity Exp., it is not treated as a separate segment. Similarly Turnover and profit from share trading activity being less than 10% of Total Turnover and Profit, it is also not treated as separate segment.

10. Earning per share (EPS) :

| Sr. No. | Particulars | 2016-17 | 2015-16 |
|---------|--|-------------|-------------|
| a) | Net Profit after Tax available for Equity Shareholders (Rs.) | 42,91,407 | 39,12,171 |
| b) | Weighted average number of Shares at beginning | 1,92,64,100 | 1,92,64,100 |
| c) | Basic and Diluted Earning per Share (Rs.) | 0.22 | 0.20 |

11. As required by Accounting Standard 18 issued by Institute of Chartered Accountants of India relating to Related Party Disclosure, information is as under:

a) Related parties and nature of relationship

* **Directors of the Company :**

- 1 Shri Ashok T. Shah
- 2 Shri Gunvant T. Shah
- 3 Shri Kunal T. Shah
- 4 Shri Bipin K. Prajapati
- 5 Shri Ketan R. Shah
- 6 Shri Dipak H. Shah
- 7 Shri Haren R. Desai
- 8 Shri Bhupendrasinh B Patel
- 9 Ms. Shilpaben M Patel

* **Associate Companies :**

- 1 Suraj Enterprise Pvt. Ltd.
- 2 Suraj Impex Pvt. Ltd.
- 3 TBS Metal Pvt. Ltd.

b) Transactions that have taken place during the period April 1, 2016 to March 31, 2017 with related parties by the company.

Amount in Lakh

| Name of the Related Parties with whom the transaction have been made | Description of Relationship with the party | Nature of Transaction | F.Y. 2016-17 | | F.Y. 2015-16 | |
|--|--|-----------------------|-----------------|---------------------|-----------------|---------------------|
| | | | During the year | Amount Out-standing | During the year | Amount Out-standing |
| Suraj Enterprise Pvt. Ltd. | Associate Company | Temporary Adv. Taken | 7,600.00 | | 2,475.00 | 1,400.00 |
| | | Temporary Adv. Given | 8,600.00 | 1,300.00 | 1,312.00 | |
| Suraj Impex Pvt. Ltd. | Associate Company | Fixed Assets Purchase | -- | -- | 0.18 | -- |
| Shri Ashok T. Shah | Chief Financial Officer | Remuneration | -- | -- | 4.30 | |
| | | P.F. Contribution | | | -- | -- |
| | | Bonus | | | -- | -- |
| Shri Gunvant T. Shah | Vice Chairman & Whole Time Director | Remuneration | -- | -- | 3.10 | |
| | | P.F. Contribution | | | -- | -- |
| | | Bonus | | | -- | -- |

| | | | | | | |
|--------------------------|------------------------|--|---------------------------|------------------------|-------------------------|------|
| Shri. Kunal T. Shah | Managing Director | Remuneration P.F. Contribution Bonus | - | - | 3.65 - - | - |
| Ms. Shilpa M Patel | Woman Director | Remuneration P.F. Bonus | 1,017.00 0.216 0.07 | 0.827 0.018 0.07 | 9.604 0.216 0.035 | 0.73 |
| Shri Dipak H. Shah | Non Executive Director | Sitting Fees | 0.15 | - | 0.100 | - |
| Shri Ketan R. Shah | Non Executive Director | Sitting Fees | 0.20 | - | 0.150 | - |
| Shri Haren R.Desai | Non Executive Director | Sitting Fees | 0.20 | - | 0.200 | - |
| Shri Bhupendrasinh Patel | Non Executive Director | Sitting Fees | 0.20 | - | 0.200 | - |
| TBS Metal Pvt. Ltd. | | Sales | 584.87 | 114.45 | - | - |

Related party relationship is as identified by the management and relied upon by the auditors.

12. Inventory related details :

a. Consumption of Raw materials

₹ In Lakh

| Particulars | 2016-17 | 2015-16 |
|---------------------|------------------|------------------|
| S.S. Seamless Pipes | 12,928.51 | 8,529.85 |
| S.S. Coil | 56.10 | 35.86 |
| S.S. Round Bar | 4,040.46 | 2,845.04 |
| Total | 17,025.07 | 11,410.75 |

b. Composition of Raw Materials :

₹ In Lakh

| Particulars | 2016-17 | | 2015-16 | |
|--------------|------------------|------------|------------------|---------------|
| | Value Rs. | % age | Value Rs. | % age |
| Indigenous | 6,768.64 | 39.76 | 2,873.92 | 25.19 |
| Imported | 10,256.43 | 60.24 | 8,536.83 | 74.81 |
| Total | 17,025.07 | 100 | 11,410.75 | 100.00 |

c. Composition of Stores & Consumable:

₹ In Lakh

| Particulars | 2016-17 | | 2015-16 | |
|--------------|---------------|------------|---------------|------------|
| | Value Rs. | % age | Value Rs. | % age |
| Indigenous | 184.59 | 67.73 | 233.22 | 78.19 |
| Imported | 87.94 | 32.27 | 65.05 | 21.81 |
| Total | 272.53 | 100 | 298.27 | 100 |

d. Finished Goods

| Particulars | Turnover | Closing Inventory | Opening Inventory |
|------------------------------|--|----------------------------------|------------------------------------|
| A) Manufactured goods | | | |
| - S. S. Pipes & Tubes | 15,559.98 (13,976.09) | 486.75 (476.38) | 476.38 (750.60) |
| - S. S. Scrap | 3,372.55 (1,070.43) | 369.71 (203.60) | 203.60 (276.00) |
| B) Trading | | | |
| - Shares | -- (116.96) | -- -- | -- (--) |
| Total | 18,932.53 (15,163.48) | 740.54 (679.98) | 679.98 (1,026.60) |

e. Closing stock of WIP

| Particulars | 2016-17 | 2015-16 |
|--------------------|---------------------|---------------------|
| S.S. Pipes & Tubes | 30,69,13,820 | 15,43,34,951 |
| Round Bar | 5,51,41,651 | -- |
| Total | 36,20,55,471 | 15,43,34,951 |

13. Value of Imports on C.I.F. Basis

| Particulars | 2016-17 | 2015-16 |
|---------------|-----------------|-----------------|
| Raw Material | 82,78,98,298.00 | 68,34,61,620.00 |
| Capital Goods | -- | 5,93,950.00 |
| Stores | 1,08,42,152.00 | 71,18,077.00 |

14. Expenditure in Foreign Exchange :

| Particulars | 2016-17 | 2015-16 |
|----------------------|----------------|----------------|
| Traveling Expenses | 34,83,847.00 | 25,23,036.00 |
| Sales Commission | 13,94,287.00 | 36,60,763.00 |
| Advertisement | 20,71,966.00 | 38,18,240.00 |
| Business Development | 44,81,304.14 | 46,96,181.82 |
| Capital goods | -- | 5,93,950.00 |
| Stores & Spares | 1,08,42,152.00 | 71,18,077.00 |
| Bank Interest | 47,55,327.59 | 1,85,81,807.31 |
| Bank Charges | 31,64,515.00 | 1,87,61,68.12 |

15. Details of Foreign currency exposure that are not hedged by derivative instruments or otherwise:-

| Particulars | Currency | Amount in foreign currency | Equivalent Indian currency |
|------------------------------|----------|----------------------------|----------------------------|
| As at 31st March 2017 | | | |
| Receivables | EURO | 43,35,654.75 | 30,04,28,356.76 |
| | USD | 13,93,529.31 | 9,03,70,375.75 |
| | GBP | -- | -- |
| Payables | EURO | 4,840.00 | 3,35,376.00 |
| | USD | 600.00 | 38,910.00 |
| | AED | -- | -- |
| Buyer's Credit payable | USD | 4,82,745.40 | -- |
| As at 31st March 2016 | | | |
| Receivable | EURO | 20,35,804.11 | 15,34,99,629.65 |
| | USD | 16,32,718.69 | 10,81,67,613.29 |
| | GBP | 70,236.48 | 66,96,346.00 |
| Payables | EURO | 1,21,550.70 | 91,64,446.57 |
| | USD | 91,020.49 | 60,32,557.46 |
| Buyer's Credit payable | AED | 14,000.00 | 2,55,640.00 |
| | USD | 26,42,275 | 17,70,04,175 |

16. Earning in Foreign Exchange

| Particulars | 2016-17 | 2015-16 |
|--|----------------|----------------|
| Export Sales on F.O.B. (including deemed exports) | 1,25,73,34,133 | 1,13,30,49,467 |

17. Cash Transaction :

Disclosure of specified bank notes (SBN) held and transacted during 08.11.2016 to 30.12.2016

| | SBNs | Other denomination Notes | Total |
|--|-------------|-------------------------------------|--------------|
| Closing cash in hand as on 08.11.2016 | 1,18,500.00 | 36,133.00 | 1,54,633.00 |
| (+) Permitted receipts | -- | 3,53,103.00 | 3,53,103.00 |
| (-) Permitted payments | -- | 3,32,977.00 | 3,32,977.00 |
| (-)Amount deposited in Banks | 1,185,00.00 | -- | 1,18,500.00 |
| Closing cash in hand as on 30.12.2016 | -- | 56,259.00 | 56,259.00 |

18. The Company has initiated the process of identifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2017, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

19. Previous year figures have been regrouped and/or rearranged whenever necessary.

Signature to Notes 1 to 23

As per our report of even date attached

For PANKAJ K. SHAH ASSOCIATES
Firm Registration No. 107352W

For & ON BEHALF OF BOARD OF DIRECTORS**CHARTERED ACCOUNTANTS**

Ashok T. Shah
DIN : 00254255

Chairman & C.F.O.

Gunvant T. Shah
DIN : 00254292

Vice Chairman & Whole Time Director

(CA.PANKAJ K. SHAH)
PROPRIETOR

Kunal T. Shah
DIN : 00254205

Managing Director & C.E.O.**M. No. 34603****Vatan Brahmhatt Company Secretary****PLACE: AHMEDABAD****DATE : 26.04.2017**

Form MGT-11**Proxy form**

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



CIN: L27100GJ1994PLCO21088

Registered Office: "Suraj House" Opp. Usmanpura Garden, Ashram Road, Ahmedabad, Gujarat -380014

Email: suraj@surajgroup.com, website: www.surajgroup.com

| | |
|---------------------|-------------|
| Regd. Folio No.: | *DP ID: |
| No. of Shares held: | *Client ID: |

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

1. Name & Address: _____

E-mail ID: _____ Signature _____ or failing him/her

2. Name & Address: _____

E-mail ID: _____ Signature _____ or failing him/her

3. Name & Address: _____

E-mail ID: _____ Signature _____ or failing him/her

and whose signatures are appended below as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the Twenty Third Annual General Meeting of the Company, to be held on Tuesday, the 20th day of June, 2017 at 10.30 a.m. at Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009. and at any adjournment thereof in respect of resolutions are indicated below:

| Sr. No. | Resolution(s) | Vote | |
|---------|---|------|---------|
| | | For | Against |
| 1 | Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2017 | | |
| 2 | To re-appoint of Mr. Ashok Shah as Director who retires by rotation and being eligible offers himself for re-appointment. | | |
| 3 | To re-appoint of Mr. Gunvant Shah as Director who retires by rotation and being eligible offers himself for re-appointment. | | |
| 4 | Appointment of M/s. Rinkesh Shah & Co., Chartered Accountants as Statutory Auditors & fixing their remuneration | | |
| 7 | To approve the remuneration paid to M/s. Kiran J. Mehta & Co, Cost Auditors for the year 2017-18 | | |
| 8 | To approve managerial remuneration as prescribed under schedule V of the act. | | |

* Applicable for investors holding shares in Electronic form.

Signed _____ this day of _____ 2017

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Affix
Revenue
Stamp
Re. 1/-

Signature of the shareholder
across Revenue

Stamp

Note: 1) 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.

2) The proxy need not be a member of the company



CIN: L27100GJ1994PLCO21088

Registered Office: "Suraj House" Opp.Usmanpura Garden, Ashram Road,Ahmedabad, Gujarat -380014

Email: suraj@surajgroup.com, website:www.surajgroup.com

24th ANNUAL GENERAL MEETING Voting Through Electronic Means

Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised clause 35B of the Listing Agreement, the Company is providing e-voting facility to the Members of the Company, the facility to vote at the 24th Annual General Meeting to be held on Tuesday, the 20th June, 2017. Members of the Company can transact all the items of the business through electronic voting system, provided by Central Depository Services Limited, as contained in the Notice of the Meeting.

The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mr. Bhavin Ratnaghariya, Practicing Company Secretary, who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit his report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour of or against, if any, to the Chairman of the Company. Results will be uploaded on the Company's website as well as intimated to the Stock Exchanges (BSE).

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 17/06/2017 on 9.00 AM and ends on 19/06/2017 on 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13/06/2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The company EVSN number is 170522001 which is generated in the CDSL e-voting system.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.

- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| 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 sequence number which is printed on Postal Ballot / Attendance Slip indicated 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). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN (Mentioned instructions point no. i) for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed 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 copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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.

**Yours Sincerely,
For, Suraj Ltd**

Place : Ahmedabad
Date :

**Vatan Brahmhatt
Company Secretary**

E-Voting Page

| Resolution No. as per Notice | Particulars | No. of Shares Held | Assent | Dissent |
|---------------------------------|---|-----------------------|--------|---------|
| 1 | Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2017 | | | |
| 2 | To re-appoint of Mr. Ashok Shah as Director who retires by rotation and being eligible offers himself for re-appointment. | | | |
| 3 | To re-appoint of Mr. Gunvant Shah as Director who retires by rotation and being eligible offers Himself for re-appointment. | | | |
| 4 | Appointment of M/s.Rinkesh Shah & Co. Chartered Accountants as Statutory Auditors & fixing their remuneration | | | |
| 7 | To approve the remuneration paid to M/s. Kiran J. Mehta & Co, Cost Auditors for the year 2017-18 | | | |
| 8 | To approve managerial remuneration as prescribed under schedule V of the act. | | | |

CIN: L27100GJ1994PLCO21088

Registered Office: "Suraj House" Opp.Usmanpura Garden, Ashram Road,Ahmedabad, Gujarat -380014

Email: suraj@surajgroup.com, website:www.surajgroup.com**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

Full name of the member attending _____
Member's Folio No/ Client ID : _____ No. Of shares held: _____
Name of Proxy _____ (To be filled in, if the Proxy attends instead of the member)
I hereby record my presence at the 24th Annual General Meeting of the Suraj Limited, at Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.on Tuesday, the 20th day of June, 2017 at 10.30 a.m.

Member's / Proxy's Signature

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

Route Map of AGM Venue of:**Suraj Limited****24th Annual General Meeting,****Tuesday, 20th June 2017****At 10.30 Am****VENUE:****ATMA Hall (Ahmedabad Textile Mills' Association)****Near Gurjari, Ashram Road, Navrangpura,****Ahmedabad - 380009**

BOOK-POST

To, _____

If undelivered please return to :



SURAJ LIMITED

REGD. OFFICE :

'Suraj House' Opp. Usmanpura Garden,
Ashram Road, Ahmedabad - 380 014. Gujarat (INDIA)

Phone : (079) 27540720

www.surajgroup.com, E-Mail : suraj@surajgroup.com

CIN : L27100GJ1994PLC021088