



SURAJ LIMITED

Mfg. & Exporters of :

Stainless Steel Seamless Pipes, Tubes, 'U' Tubes

Flanges, Fittings & Electro Polished Finish

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

27/05/2019

TO,
BSE LTD.
FLOOR 25, P. J. TOWERS
DALAL STREET,
MUMBAI - 400001
Scrip Code: 531638

SUB.: Submission of Annual Report for the financial year 2018-19 in accordance to the provisions of Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

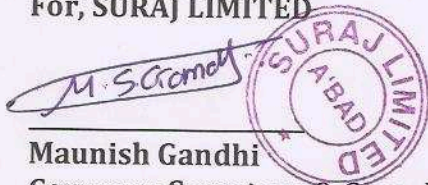
Dear Sir,

Pursuant to Regulation 34 (I) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the financial year ended 2018-2019 including Notice convening the 26th Annual General Meeting of the Company, to be held on Thursday, 27th June, 2019 at 10.30 a.m. at the Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380009, Gujarat, India.

Kindly take the above information on your record.

Thanking You,

Yours faithfully,
For, SURAJ LIMITED



Maunish Gandhi
Company Secretary & Compliance Officer

Encl: As above

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

26th ANNUAL REPORT

2018-19



SURAJ LIMITED

Progress is Life



**Manufacturers of Stainless Steel, Seamless Pipes,
Tubes, 'U' Tubes, Flanges & Fittings with Electropolishing**

26th ANNUAL REPORT 2018-2019

KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS

ASHOK SHAH	CHAIRMAN & CFO
GUNVANT SHAH	VICE CHAIRMAN & WHOLE TIME DIRECTOR
KUNAL SHAH	MANAGING DIRECTOR & CEO
SHILPA PATEL	WHOLE TIME DIRECTOR
DIPAK SHAH	INDEPENDENT DIRECTOR
KETAN SHAH	INDEPENDENT DIRECTOR
HAREN DESAI	INDEPENDENT DIRECTOR
BHUPENDRASINH PATEL	INDEPENDENT DIRECTOR

COMPANY SECRETARY : MAUNISH S. GANDHI

STATUTORY AUDITORS : RINKESH SHAH & CO. (CHARTERED ACCOUNTANTS)

BANKERS : PUNJAB NATIONAL BANK
STANDARD CHARTERED BANK
IDBI BANK LTD.

REGISTRAR & SHARE TRANSFER AGENT : MCS SHARE TRANSFER AGENT LTD.
201, SHATDAL COMPLEX, 2ND FLOOR, OPP. BATA
SHOW ROOM, ASHRAM ROAD, AHMEDABAD - 380009.

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

26th ANNUAL GENERAL MEETING

Date : Thursday, 27th June, 2019
Venue : Conference Hall of
"The Ahmedabad Textile Mills Association", Near "Gurjari",
Ashram Road, Ahmedabad - 380009
Time : 10:30 A.M.

SURAJ

**India's Leading Manufacturers of
Stainless Steel
Seamless Pipes, Tubes, 'U' Tubes,
Flanges & Fittings with Electropolishing.**



**Fast response, Guaranteed Quality. In a large Stock & Production Range.
Deliver Customized Near Net Shape & Finish with Smaller to Large Quantity.**

All Required Testing Facility Available In-house.

We are Supplying under all Customer & Third Party Inspection Agencies.



SURAJ LIMITED

Serving World Wide Oil, Gas & Power Industries

**REGD OFFICE : "SURAJ HOUSE",
OPP, USHMANPURA GARDEN,
ASHRAM ROAD, AHMEDABAD - 380 014
GUJRAT (INDIA)
PHONE : 0091 - 79 27540720, 27540721
FAX NO : 0091 - 79 27540722
E-mail : suraj@surajgroup.com**

**MUMBAI OFFICE :
311/317, BLOCK NO 3, 1ST FLOOR,
KANJI MANSION, S.V.P ROAD,
MUMBAI - 400 004 (INDIA)
PHONE : 0091 - 22 23891649, 66362534
FAX NO : 0091 - 22 23854979
E-Mail : surajm@surajgroup.com**

**www.surajgroup.com
*Progress is Life***

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Chairman's Speech to Shareholders

Respected Shareholders,

Good Morning. On my behalf and on behalf of the Board of Directors, I welcome you all to this 26th Annual General Meeting of Company.

I feel honoured and privileged once again to present you with the Annual Report for the F.Y. 2018-19. It gives me an opportunity to share my thoughts and the Company's progress during the year as well as the way forward. The financial year 2018-19 also was full of challenges and crucial commitments.

Discarding the global challenges, your company continued to carry on business cautiously which resulted in to turnover of ₹ 17,943.70 Lakh. On the mark of report that your Company sustained its profitability due to controlling expenses and finance cost and posted a total Comprehensive Income of ₹ 139.09 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 customer's 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 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 26th Annual General Meeting of the Members of **SURAJ LIMITED** will be held on **Thursday, 27th June, 2019** at 10:30 a.m. 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
 - a) The Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon and
 - b) The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2019 and the reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Shah (DIN: 00254255) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gunvant Shah (DIN: 00254292) who retires by rotation and being eligible offers himself for re-appointment.
4. To partially modify the resolution related to appointment of Statutory Auditors and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013, as amended by the Companies (Amendment) Act 2017, effective from May 7, 2018, the consent of the members of the Company be and is hereby accorded to delete the requirement of seeking ratification of appointment of Statutory Auditors, M/s. Rinkesh Shah & Co., Chartered Accountants at every Annual General Meeting, from the resolution passed at the 24th Annual General Meeting of the Company held on 20th June, 2017."

SPECIAL BUSINESS:

5. **To approve the remuneration to M/s Kiran J. Mehta & Co., Cost Accountant, Ahmedabad (FRN:00025), the Cost Auditors of the Company for the Financial year 2019-2020:**

To consider and, if thought fit, to pass 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), **M/s Kiran J. Mehta & Co.,** Cost Accountant, Ahmedabad (FRN:00025) appointed as a Cost Auditor by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year 2019-20 be paid the remuneration of ₹ 1,00,000/-(Rupees One Lakh only) plus GST for the year 2019-20 the Board has also approved the same.

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 ₹ 1,68,00,000/- p.a (Rupees One Crore Sixty eight Lacs Only) as per MCA Notification dated 12th September, 2018."

"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."

7. To approve material related party transactions:-

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the prevailing provisions of the Companies Act, 2013 read with rules made there under, consent of the members of the Company be and is hereby accorded to Material Related Party Transactions with TBS Metal Private Limited for a period of three years from FY-2018-19 and such approval is further accorded to an increase of up to 25% over and above the consolidated value of transactions in the previous financial year.

RESOLVED FURTHER THAT the Key Managerial Personnel of the Company be and are hereby severally authorised to take necessary actions and complete all the legal formalities related thereto."

Date: 02.05.2019

Place: Ahmedabad

Registered Office:

'Suraj House',

Opp. Usmanpura Garden,

Ashram Road, Ahmedabad-380014

CIN NO: L27100GJ1994PLC021088

By the order of the Board

SURAJ LIMITED

Maunish Gandhi

Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of the nominating organization.

2. A person can act as 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. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
3. Details under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, form integral part of the notice. The Directors have furnished the requisite declarations for their appointment/reappointment.
4. 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.
5. Brief profile 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report.
6. The Company has notified of closure of register of members and share transfer books from 14th June 2019 to 27th June 2019 (Both days inclusive) for the purpose of annual general meeting.
7. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
8. Members who hold shares in de-materialization form are requested to bring their depository account number for identification.
9. 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.
10. 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.
11. 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.

12. 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.
13. 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.
14. 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.
15. 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.
16. Pursuant to Sections 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to Investor Education and Protection Fund ("IEPF") established by the Central Government. The Company during the year has transferred a sum of ₹2,29,859/- being unclaimed dividend amount for the financial year 2010-11 to the Investor Education and Protection Fund of the Central Government. The shareholders who have not claimed their dividend for the financial year 2011-12 are requested to claim their dividend on or before 29th October, 2019, failing which it would be transferred to IEPF after 30th October, 2019 and no claim shall lay against the Company for the said amount of unclaimed dividend so transferred. The details of unclaimed dividends are available on the Company's website at www.surajgroup.com.

Further, pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF. The Company timely sent individual intimation to all such shareholders. All such Shareholders are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to Demat Account of IEPF and no claim shall lay against the Company. The Shareholders thereafter need to claim their shares from IEPF Authority by filing E-Form-5 and by following such procedures as prescribed in the IEPF Rules (as may be amended from time to time).
17. 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.
18. 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.

19. The route map showing directions to reach the venue of the 26th AGM is annexed.
20. The Annual Report 2018-19 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.surajgroup.com and also on the website of the respective Stock Exchanges at www.bseindia.com

Process and manner for members opting for voting through Electronic means:

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations,2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system through remote e-voting services provided by Central Depository Services Limited (CDSL) from a place other than the venue of the Meeting.
- The Members whose names appear in the Register of Members / List of Beneficial Owners as on 14th June, 2019 (cut - off date) are entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 14th June, 2019, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- The remote e-voting will commence on 24th June, 2019 at 10.00 a.m. and ends on 26th June, 2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14th June, 2019, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.
- Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already 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 voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. 14th June, 2019.

(viii) The Company has appointed Mr. Bhavin B. Ratangayra, Partner of RTBR & Associates, Practising Company Secretary (Membership No. FCS: 8491; CP No: 9399), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

Step 1 : The voting period begins on **24th June, 2019 at 10.00 a.m. and ends on 26th June, 2019 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **14th June, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Step 2 : The shareholders should log on to the e-voting website www.evotingindia.com.

Step 3 : Click on Shareholders.

Step 4 : Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Step 5 : Next enter the Image Verification as displayed and Click on Login.

Step 6 : 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.

Step 7 : 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).

Step 8 : After entering these details appropriately, click on "SUBMIT" tab.

Step 9 : 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.

- Step 10 :** For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Step 11 :** Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- Step 12 :** 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.
- Step 13 :** Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- Step 14 :** 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.
- Step 15 :** Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- Step 16 :** You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- Step 17 :** 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.
- Step 18 :** Shareholders can also use Mobile app - "m - Voting" for e voting. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

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, 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.

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.

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

The following statement sets out all material facts relating to Special Business mentioned in the accompanying Notice:

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice.

Item No. 5:

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of **M/s. Kiran J. Mehta & Co.,** (FRN:00025) Cost Accountants, Ahmedabad as Cost Auditors to conduct the audit of the cost records maintained by the Company in respect of Steel-SS Seamless/Welded pipes/Tube, Fittings, Flanges, Coil for the financial year 2019-20 be paid the remuneration of ₹ 1,00,000/- (Rupees One Lakh only) plus GST for the year 2019-20 the Board has also approved the same.

In accordance with the provisions of Section 148 (3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board accordingly recommends the resolution at item No. 5 of this Notice for the approval of Members.

None of the Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the resolution at item No. 5 of this Notice.

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 ₹ 1,68,00,000/- P.a (Rupees One Crore Sixty eight Lacs Only) as per MCA Notification dated 12th September, 2018, 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 ₹ 1,68,00,000/- p.a (Rupees One Crore Sixty eight Lacs 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.

Item No. 7:

In order to sustain quality standards, quantitative benefits and ease of customer reach, in the best interest of the Company and its shareholders, major transactions of the Company pertaining to sale, purchase or supply of goods, materials & services have been with TBS Metal Private Limited considering the prevailing market trend these transactions will continue in the year 2019 and thereafter.

A summary of transactions carried out with TBS Metal Private Limited during the financial year 2018 together with projections until 2021 are as under:

Material Related Party Transactions with TBS Metal Pvt. Ltd.	For the F.Y. 2018-2019 (In lakhs)	Projected Transactions Proposed for Approval		
		For the F.Y. 2019-2020 (In lakhs)	For the F.Y. 2020-2021 (In lakhs)	For the F.Y. 2021-2022 (In lakhs)
Purchase of Goods	1333.49	Increase 25% on 2019	Increase 25% on 2020	Increase 25% on 2021
Sales of Goods	1506.25			

These transactions as well as the proposed transactions would continue to be in ordinary course of business and at arm's length basis.

Pursuant to provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, all Material Related Party Transactions will require approval of the members through an ordinary resolution.

Since the aggregate value of these transactions (year to date plus proposed in 2019) is likely to exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, the said transactions would be considered to be Material Related Party Transactions for the purpose of provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and will thus require approval of the members of the Company through an Ordinary Resolution. The Audit Committee and Board of Directors have reviewed major terms & conditions of these transactions and recommend to the members for their approval by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at item No. 7 of the Notice except to the extent of their shareholding or employment in the Company, its Holding Company or Associate Group Company, if any, in the Company.

The Board recommends the Resolution under item No. 7 of the Notice for approval of the Members as an Ordinary Resolution.

Date: 02.05.2019

Place: Ahmedabad

Registered Office:

'Suraj House',

Opp. Usmanpura Garden,

Ashram Road, Ahmedabad-380014

CIN NO: L27100GJ1994PLC021088

By the order of the Board

SURAJ LIMITED

Maunish Gandhi

Company Secretary

DIRECTORS REPORT

(CIN: L27100GJ1994PLC021088)

To,

THE MEMBERS

Your Directors have pleasure in submitting their 26th Annual Report of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2019.

1. FINANCIAL RESULTS:

During the year under review, the Company has achieved Comprehensive income of ₹ 139.09 lakhs. However, your Directors look forward to improve the financial position of the Company and are optimistic about the future growth and performance of the Company.

The summarized financial results of the Company for the period ended 31st March, 2019 are as follows:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operation	17,943.70	20,701.64	18,154.07	20,731.57
Other Income	38.79	25.48	43.97	25.57
Total Income	17,982.49	20,727.12	18,198.04	20,757.14
Less: Expenditure	16,187.60	19,039.50	16,402.20	19,073.19
Profit/(loss)before Interest, Depreciation, Tax	1794.89	1687.62	1795.84	1683.95
Less: Interest	1041.33	950.19	1041.33	950.19
Less: Depreciation & Amortization Cost	658.83	639.33	658.83	639.33
Less: Extraordinary items	0	0	0	0
Profit/(loss)Before Tax	94.73	98.10	95.68	94.43
Less: Tax Expenses	(46.06)	59.41	(46.06)	59.41
Profit/(loss)after Tax	140.79	38.69	141.74	35.02
Other Comprehensive Income	(1.70)	(1.87)	(1.70)	(1.87)
Total Comprehensive Income for the period	139.09	36.82	140.04	33.15

2. CONSOLIDATED FINANCIAL STATEMENT:

The Consolidated Financial Statements for the financial year 2018-19 of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

4. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your company is committed to good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Regulation 27 of SEBI (LODR) Regulations, 2015 are complied with. The details are given in Annexure -"A".

5. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2019-20 to BSE where the Company's Shares are listed.

6. DEMATERIALISATION OF SHARES:

99.72% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2019 and balance 0.28% is in physical form. The Company's Registrars are M/s MCS share transfer agent Ltd., having their office at, 201, Shatdal Complex, 2nd floor, Opp. Bata Show room, Ashram Road, Ahmedabad, Gujarat - 380009.

7. Number of Board Meetings held:

During the year under review, the Board duly met Four (4) times on 26/04/2018, 19/07/2018, 25/10/2018 and 12/01/2019 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose. For further details, please refer Corporate Governance Report.

8. 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, 2019, 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 with reference to financial statements in the company 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.

9. AUDIT OBSERVATIONS:

There are no qualifications, reservations or adverse remarks made by M/s. Rinkesh Shah & Co., Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31st March 2019 read with the explanatory notes therein are self explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

AUDITORS:**i) Statutory Auditors:**

M/s. Rinkesh Shah & Co., Chartered Accountants, was appointed as Statutory Auditors for a period of 5 year(s) in the Annual General Meeting held on 20th June, 2017 to hold the office till the conclusion of 29th Annual General Meeting of the Company to be held in the year 2022. Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, The consent of M/s. Rinkesh Shah & Co., Chartered Accountants, Ahmedabad along with certificate under Section 139 of the Act has been obtained to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company.

ii) Cost Auditors:

M/s. Kiran J. Mehta & Co., Cost Accountants (FRN: 00025) appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year 2019-20 be paid at such remuneration as shall be fixed by the Board of Directors of the Company.

iii) Secretarial Audit:

As per the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, our Company needs to obtain Secretarial Audit Report from Practicing Company Secretary and therefore, M/s RTBR & Associates, Company Secretaries, Ahmedabad had been appointed to issue Secretarial Audit Report for the period ended on 31st March 2019.

Secretarial Audit Report issued by M/s RTBR & Associates, Company Secretaries in Form MR-3, attached and marked as "Annexure B", for the period under review forms part of this report. The said report does not contain observation or qualification.

10. 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 during the Financial Year (2018-19) CSR is not applicable to the company.

11. 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-C" to this report.

The Company has commissioned windmills in Gujarat for "Green Energy Generation", thus continuing to contribute in a small way towards a greener and cleaner earth.

12. 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.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

During the period under review, the company had entered into any material transaction with 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 27 of financial statements forming part of this report.

14. RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT:

In accordance with the provisions of section 152[6] of the Act and in terms of Articles of Association of the Company, Mr. Ashok Shah (DIN: 00254255) and Mr. Gunvant Shah (DIN: 00254292) being liable to retire by rotation, shall retire at the ensuing Annual General Meeting and being eligible, offer himself for reappointment. The Board recommends his reappointment.

15. KEY MANAGERIAL PERSONNEL:

The Board of Directors in their meeting held on 26th April, 2018 accepted the resignation of Mr. Vatan Brahmhatt from the post of company secretary and compliance officer of the Company. In the said meeting, the Board appointed Mr. Maunish S. Gandhi, Associate Company Secretary as the Company Secretary & Compliance Officer of the Company w.e.f 26th April, 2018.

Further, the Board Directors in their meeting held on 19th July, 2018 approved the resignation from the post of Managing Director of Mr. Ashok Shah and change in designation of Mr. Ashok Shah from MD to Director and CFO.

As on the date of this report, the following persons are the Key Managerial Personnel(s) of the Company:

1. Ashok Shah, Chairman & CFO
2. Kunal Shah, Managing Director & CEO
3. Gunvant Shah, Vice Chairman & Whole Time Director
4. Shilpa Patel, Whole Time Director
5. Maunish S. Gandhi, Company Secretary & Compliance Officer

The brief resume of the Directors and other related information has been detailed in Corporate Governance Report of Company.

16. EXTRACT OF ANNUAL RETURN:

The extracts of Annual Return in form MGT 9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "Annexure D" and is attached to this Report.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

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 for the year ended on 31st March, 2019.

18. 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 2018-19 ₹ in Lakh	Remuneration paid FY 2017-18 ₹ in Lakh	Increase in remuneration from previous year ₹ in Lakh
1	Mr. Ashok Shah	Chairman & CFO (ED)	27.06	NIL	27.06
2	Mr. Gunvant Shah	Vice Chairman & WTD (ED)	19.56	NIL	19.56
3	Mr. Kunal Shah	Managing Director (ED)	23.06	NIL	23.06
4	Ms. Shilpa Patel	Whole Time Director (ED)	12.37	11.77	0.60

19. 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:

Key Risk	Impact to Suraj Ltd	Mitigation Plans
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.

20. 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.

Date: 02.05.2019

Place: Ahmedabad

Registered Office:

'Suraj House',

Opp. Usmanpura Garden,

Ashram Road, Ahmedabad-380014

CIN NO: L27100GJ1994PLC021088

By the order of the Board of Directors

SURAJ LIMITED

ASHOK SHAH

Chairman & CFO

(DIN:00254255)

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Industry Structure and Development:

Suraj Limited ("the Company") is India's leading Manufacturer of Stainless Steel seamless Pipes, tubes, and "U" tubes, Flanges & fittings with Electro polishing having a plant at Survey 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 2018-19; it achieved sale and other income of ₹ 17,982.49 Lakhs as against last year's ₹ 20,727.12 Lakhs registering the decrease of about 13.24%. Profit before tax decrease from ₹ 98.10 Lakhs to ₹94.73 Lakhs. Net Profit is ₹139.09 Lakhs, Reserve and Surplus stood at ₹ 6764.46 Lakhs.

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 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:

India's economic growth is contingent upon the growth of the Indian steel industry. Steel Industry in India seems to be positive despite continuing global economic slowdown. Consumption of steel is taken to be an indicator of economic development. India is currently the world's fourth largest producer of crude steel (knocking to be the third largest by the year end) and is expected to become the second largest producer by 2020. Steel production in India has increased from 81 million tonnes (MT) in 2013-14 to 88 MT in 2014-15 with the capacity being increased from 100 MT in 2013-14 to 110 MT in 2014-15. The steel sector contributes nearly 2% of the country's GDP and employs over 6 lakh people. The per capita consumption of total finished steel in the country has risen from 51 kg in 2009-10 to about 60 kg in 2014-15. Steel demand in the developed economies grew by 1.8% in 2018 following a resilient 3.1% growth in 2017. We expect demand to further decelerate to 0.3% in 2019 and 0.7% in 2020, reflecting a deteriorating trade environment. 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.

ANNEXURE-A

REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 at most 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 and 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 at most 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 2018-19 the dates on which the said meetings were held are as follows:

- | | |
|-----------------------------------|-----------------------------------|
| 1) 26 th April, 2018 | 2) 19 th July, 2018 |
| 3) 25 th October, 2018 | 4) 12 th January, 2019 |

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/Investor's 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/WTd	2	YES	-	-	-
Ms. Shilpa Patel	NPD	ED/WTd	4	YES	-	-	-
Mr. Dipak Shah	NPD	NED/ID	4	YES	-	-	-
Mr. Ketan Shah	NPD	NED/ID	4	YES	-	-	-
Mr. Haren Desai	NPD	NED/ID	3	YES	-	-	-
Mr. Bhupendrasinh Patel	NPD	NED/ID	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, Shareholders (Investors) Grievance Committee, Remuneration Committee and CSR committee.
- None of the Directors of the Company was a member of more than ten Committees of Boards as stipulated under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 appointment and reappointment at the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Directors	Mr. Ashok Shah	Mr. Gunvant Shah
Date of Birth	29/05/1966	25/03/1971
Date of Appointment	20/01/1994	20/01/1994
Qualifications	Graduate	Graduate
Expertise in specific functional areas	Finance	Marketing
List of Companies in which outside Directorship held as on 31.03.2019 (Excluding private & Foreign companies)	Nil	Nil
Chairman/Member of the *Committees of other Companies on which he/she is a Member as on 31.03.2019	Nil	Nil
Number of equity shares held in the Company	1077662	991480

3. INFORMATION OF VARIOUS COMMITTEES

(i) Audit Committee:

The Audit Committee of the Company comprises of following three Non-Executive Directors and all they 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	3

The audit committee meetings were held on 26th April 2018, 19th July 2018, 25th October 2018 and 12th January 2019. The power and role of the Audit Committee are as per Guidelines set out in Regulation 27 of the Listing Agreement.

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, 2019.

The Chairman of the Audit Committee was present at 25th Annual General Meeting of the Company held on 21st June, 2018.

(ii) Remuneration Committee:

The Remuneration Committee of the Company comprises of following Non-Executive Directors and all they are Independent Director.

Name	Designation
Mr. Bhupendrasinh Patel	Chairman
Mr. Ketan Shah*	Member
Mr. Haren Desai	Member

* Shilpa Patel resigned w.e.f 19th July, 2018 as a member of the committee and Ketan Shah, Independent Director of the Company appointed as a member of the committee.

- i) The broad terms of reference of the remuneration Committee are as under;
 - a) To approve annual remuneration plan of the Company.
 - b) 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 25th Annual General Meeting of the Company held on 21st June, 2018.
- 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 ₹ 5000/-w.e.f. 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 2018-19 are as follows:(₹ In lakhs)

Name Of Director	Mr. Ashok Shah	Mr. Kunal Shah	Mr. Gunvant Shah	Ms. Shilpa Patel
Designation	Chairman (CFO)	Managing Director	Vice Chairman/WTD	Whole Time Director
Salary	27.06	23.06	19.56	12.37
Perquisites	-	-	-	-
Special Allowance	-	-	-	-
Variable component	-	-	-	-
Contribution to PF And super annotation fund	-	-	-	-
Total	27.06	23.06	19.56	12.37

Company has not issued any convertible instrument. However, the details of the Shares held by Non-Executive Directors as at 31st March 2019 and sitting fees paid for various meetings attended during the F.Y. 2018-19 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	₹ 20,000/-
2	Mr. Ketan Shah	-	₹ 20,000/-
3	Mr. Haren Desai	-	₹ 15,000/-
4	Mr. Bhupendrasinh Patel	-	₹ 20,000/-

(iii) 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

(iv) Shareholders/Investor's Grievance Committee:

The Company has constituted a Shareholders/Investor's Grievance Committee and stakeholders 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 2018-19 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 31.03.2019
SEBI	None	None	None
Shareholders	One	One	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.

The Committee duly met on 9th June, 2018.

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
2017-18	Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.	21/06/2018 10.30 AM	To re appointment of Mr. Kunal T. Shah (DIN:00254205) as a Managing Director & CEO of the Company To re appointment of Ms. Shilpa M. Patel (DIN: 07014883) as a WTD of the company To approve material related party transactions

2016-17	Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.	20/06/2017 10.30 AM	Appointment of cost auditor.
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.

(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
2017-18	NONE	NONE	NONE
2016-17	NONE	NONE	NONE
2015-16	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-24) - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Notes to the Accounts for the year 2018-19
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.suraj group.com
- iii) Whether it also Displays official News releases : Press release, if any made by the company are also displayed.
- iv) The presentation Made to the institutional Investors or to the analysts : No such preparation has been made during the year.
- v) Whether MD&A is Part of Annual Report : Yes

11. General Shareholders information

- i) Annual General Meeting : Date: 27th June, 2019
Time : 10.30 a.m.
Venue : Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009
- ii) Financial Calendar (Tentative)
The Company expects to announce the unaudited/audited quarterly results for the year 2019-20 as per the following schedule:
First quarter : 3rd week of July, 2019
Half-yearly results : 3rd week of October, 2019
Third quarter : 2nd Week of February, 2020
Yearly Results : By end of April, 2020
- iii) Listing on Stock Exchanges : Company's shares are listed with the Bombay Stock Exchange, PhirozeJeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. The listing fee for the financial year 2019-20 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 (₹)	BSE Low (₹)
April 18	54.00	44.80
May 18	52.00	45.50
June 18	54.70	45.00
July 18	57.60	47.05
August 18	52.25	43.05
September 18	47.00	41.00
October 18	46.00	37.10
November 18	40.10	34.45
December 18	38.10	32.60
January 19	41.00	34.10
February 19	42.90	37.00
March 19	36.00	34.20

- (viii) Registrar & Transfer Agents Address : MCS Share Transfer Agents Limited
201, Shatdal Complex, 2nd 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 2019

No of Equity Shares Held	No. of Share Holders	% of Share holders	No. of Shares held	% of shares holding
From To				
1 - 500	1205	74.8447	157974	0.8200
501 - 1000	139	8.6335	108874	0.5652
1001 - 2000	112	6.9565	159725	0.8291
2001 - 3000	36	2.2360	89415	0.4642
3001 - 4000	13	0.8075	47452	0.2463
4001 - 5000	14	0.8696	65949	0.3423
5001 - 10000	25	1.5528	189552	0.9840
10001- 50000	31	1.9255	670749	3.4819
50001- 100000	11	0.6832	757488	3.9321
100001- Above	24	1.4907	17016922	88.3349
Total	1610	100	19264100	100

B. Shareholding pattern as on 31st March 2019

Sr. No.	Category	No. of Shares Held	% of total Shares
1	Promoters	14390037	74.6987
2	Mutual Funds/UTI	NIL	NIL
3	Private Corporate Bodies	732341	3.8016
4	Central Govt/State Govt(s)/ POI	52313	0.2716
5	Public including HUF	3901330	20.2518
6	NRIs/Foreign Companies/OCBs	188079	0.9763
	TOTAL	19264100	100.00%

(xi) Dematerialization of Shares and Liquidity:

Number of shares held in dematerialized and physical mode as on 31st March 2019

Particulars	No. of Equity Shares	% to Share Capital
Physical	53633	0.2784
NSDL	2286626	11.8699
CDSL	16923841	87.8517
TOTAL	19264100	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	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)

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

DECLARATION

As provided under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Suraj Limited code of Business conduct and Ethics for the year ended March 31st, 2019.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 02.05.2019

Ashok Shah
Chairman & CFO
DIN : 00254255

CEO AND CFO CERTIFICATION

We, Ashok Shah Chairman & CFO and Kunal Shah, Managing Director & CEO of the company shall certify that, to the best of our knowledge and belief that:

- We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2019 and to the best of our Knowledge and belief:
 - These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 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.
- To the best of our Knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2019 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.

Ashok Shah
Chairman & CFO

Kunal Shah
Managing Director & CEO

Place : Ahmedabad
Date: 02.05.2019

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Suraj Limited

We have examined the compliance of conditions of Corporate Governance by **Suraj Limited** ('the Company') for the year ended on 31st March, 2019, as per Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place: Ahmedabad
Date: 02.05.2019

For, RTBR & ASSOCIATES
Company Secretaries

Bhavin Ratnaghayra
Membership No.: FCS 8491
CP No. : 9399

ANNEXURE - B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2019

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

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's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2019, 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 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under except the following:
- a) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	Bombay Stock Exchange	Non Compliance with the provisions of Regulation 19(1), 19(2) of SEBI (LODR) Regulations, 2015	Notice for non compliance has been received from BSE.	Company has submitted the clarification letter for the same and still no reply/Confirmation on the same received from BSE.

- b) During the financial year under review, Company has entered into related party transactions and the management has provided explanation that all the transactions are at arm length basis. However, the amount of transaction entered with related party has been increased from the amount of transaction was approved by the share holders of the company in previous Annual General Meeting of the Company.
- (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:

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 was no instance of:

- a) Buy-back of Securities.
- b) Merger/Amalgamation etc.
- c) Foreign Technical Collaboration.
- d) Public/Preferential issue of shares/debentures.

Place: Ahmedabad

Date: 02.05.2019

**RTBR & Associates
Company Secretaries**

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

Note: This report is to be read with our letter of even date which is annexed as "Annexure" and forms an integral part of this report

ANNEXURE

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: 02.05.2019

**RTBR & Associates
Company Secretaries**

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

Secretarial Compliance Report of SURAJ LIMITED

For the year ended 31st March, 2019

We, **RTBR & Associates, Company Secretaries**, have examined:

- a) All the documents and records made available to us and explanation provided by **SURAJ LIMITED** ("the listed entity"),
- b) The filings/ submissions made by the listed entity to the stock exchanges,
- c) Website of the listed entity,
- d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of:
 - a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
 - b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during Audit Period)
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during Audit Period)
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during Audit Period)
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during Audit Period)
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during Audit Period)
- h) 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);

and based on the above examination, We hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below:- NIL
- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from our examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued there under:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	Bombay Stock Exchange	Non Compliance with the provisions of Regulation 19(1), 19(2) of SEBI (LODR) Regulations, 2015	Notice for non compliance has been received from BSE.	Company has submitted the clarification letter for the same.

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	As regards to the Investor Education and Protection Fund, company has not yet filed form IEPF 4 (Statement of shares transferred to the Investor Education and Protection Fund) with MCA portal	-	The Company has filed the form IEPF 4 vide SRN H40636052 Dated 01/01/2019	The Company has taken the action and filled required forms to comply with the observation made.

Place: Ahmedabad
Date: 02.05.2019

RTBR & Associates
Company Secretaries

Bhavin B. Ratnaghayra
FCS: 8491
CP: 9399

ANNEXURE - C

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>
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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 31.03.2019	Year Ended 31.03.2018
A. Power and Fuel Consumption Electricity		
Purchase in Unit KWH	2655467	2989559
Total Amt. ₹	2,05,24,270	2,30,49,559
Rate KWH ₹	7.73	7.71
B. Consumption per unit of production		
Production (M.T)	5204.30	7070.835
Total Nos. of Unit (KWH)	2655467	2989559
Unit Per M.T.(KWH)	510.25	422.80
Cost per M.T. ₹	3,943.72	3,259.81

(B) Technology absorption:

(i) The efforts made towards technology	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.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	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.
(iv) The expenditure incurred on Research and Development.	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.

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:**(₹ In Lakhs)**

Particulars	Amount
Foreign exchange Earning:	10,560.14
Foreign Exchange outgo :	
- CIF value of Import:	5,423.52
- Expenditure in foreign Currency:	30.79

ANNEXURE - D

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 31.03.2019

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

Sl. 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	24106	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

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

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	14389977	0	14389977	74.6984	14390037	0	14390037	74.6986	0.0004	
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0	
c) Bodies Corporates	0	0	0	0	0	0	0	0	0	
d) Bank/FI	0	0	0	0	0	0	0	0	0	
e) Any other	0	0	0	0	0	0	0	0	0	
SUB TOTAL: (A) (1)	14389977	0	14389977	74.6984	14390037	0	14390037	74.6986	0.0004	
(2) Foreign										
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	
b) Other Individuals	0	0	0	0	0	0	0	0	0	
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	
d) Banks/FI	0	0	0	0	0	0	0	0	0	
e) Any other...	0	0	0	0	0	0	0	0	0	
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	
Total Shareholding of Promoter										
(A)= (A)(1)+(A)(2)	14389977	0	14389977	74.6984	14390037	0	14390037	74.6986	0.0004	

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
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	52313	0	52313	0.2716	0.2716
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)									
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates	714107	0	714107	3.7069	732341	0	732341	3.8016	2.5534
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 Lakh	885775	120233	1006008	5.2222	891673	53633	945306	4.9071	(6.0339)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	2949138	0	2949138	15.3090	2755157	0	2755157	14.3020	(6.5775)
c) Any Other (specify) NRIs									
HUF	202339	0	202339	1.0503	200867	0	200867	1.0427	(0.7275)
NRI	2531	0	2531	0.0131	188079	0	188079	0.9764	98.6542
d) Foreign Bodies Corporate	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	4753890	120233	4874123	25.3015	4820430	53633	4874063	25.3014	88.1403
Total Public Shareholding									
C. Shares held by Custodian	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	19143867	120233	19264100	100.00	19210467	53633	19264100	100.00	88.1407

(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	
1	Anilaben Ashokkumar Shah	3808679	19.7709	0	3808679	19.7709	0
2	Chandrika Kunal Shah	3103839	16.1120	0	3103839	16.1120	0
3	Rekhaben Gunvantkumar Shah	2517889	13.0704	0	2517889	13.0704	0
4	Ashokkumar Tarachand Shah	1077662	5.5941	0	1077662	5.5941	0
5	Kunal Tarachand Shah	1030488	5.3493	0	1030488	5.3493	0
6	Gunvantkumar Tarachand Shah	991420	5.1465	0	991480	5.1468	0.0003
7	Dishant Kunalbhai Shah	555000	2.8810	0	555000	2.8810	0
8	Dixit Ashokkumar Shah	292500	1.5184	0	292500	1.5184	0
9	Chirag Ashokbhai Shah	292500	1.5184	0	292500	1.5184	0
10	Kapil Gunvantkumar Shah	270000	1.4016	0	270000	1.4016	0
11	Minor Abhay Gunvantkumar Shah	270000	1.4016	0	270000	1.4016	0
12	Nisha Maheshkumar Jain	180000	0.9344	0	180000	0.9344	0
	Total	14389977	74.6984	0	14390037	74.6987	0.0003

(iii) CHANGE IN PROMOTER'S 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	14389977	74.6984	14390037	74.6986
2	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/ transfer/bonus/sweat equity etc.)	In the month of December, 2018 promoter's 60 shares purchase through stock Broker by mistake.			
3	At the end of the year	14389977	74.6984	14390037	74.6986

(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.	622073	3.2292
2	PAWANDEV P. JAIN	403000	2.0920
3	PADMAVATI RAMESH JAIN	248379	1.2893
4	MUKESH RAGHUNATHMAL CHANDAN	220809	1.1462
5	PARASMAL JAIN	206324	1.0710
6	HITESH BHANWARLAL SANGHVI	185618	0.9635
7	RAMESH KUMAR JAIN	150000	0.7787
8	SAVITA NARESH MUNOT	133300	0.6920
9	LALITA BHANSALI	124500	0.6463
10	MUKESHKUMAR AMRATLAL SHAH	119849	0.6221

(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	1077662	5.5941
2	Kunal Shah	1030488	5.3493
3	Gurvant Shah	991480	5.1468
4	Dipak Shah	1200	0.0062
5	Shilpa Patel	940	0.0049
6	Ketan Shah	NIL	NIL
7	Haren Desai	NIL	NIL
8	Bhupendrasinh Patel	NIL	NIL
9	Maunish S. Gandhi	NIL	NIL

V. INDEBTEDNESS:

(₹ In Lakhs)

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	9,644.53	1,515	NIL	11,159.53
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	32.27	NIL	NIL	32.27
Total (i+ii+iii)	9,676.80	1,515.00	NIL	11,191.80
Change in Indebtedness during the financial year				
• Addition	40,357.21	175	NIL	40,532.21
• Reduction	(40,653.75)	(1,185)	NIL	(41,838.75)
Net Change	(296.54)	(1,010)	NIL	(1,306.54)
Indebtedness at the end of the financial year				
i) Principal Amount	9,347.99	505	NIL	9,852.99
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	0.80	NIL	NIL	0.80
Total (i+ii+iii)	9,348.79	505	NIL	9,853.79

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(₹ In Lakhs)

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

Sl. No.	Particulars of Remuneration	Name of MD/WT/ Manager				Total
		Mr. Ashok Shah	Mr. Gunvant Shah	Mr. Kunal Shah	Ms. Shilpa Patel	Amount
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	27.06	19.56	23.06	12.37	82.05
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify(PF)	-	-	-	-	-
5.	Others, please specify(Bonus)	-	-	-	-	-
	Total (A)	27.06	19.56	23.06	12.37	82.05

B) Remuneration to other directors : (₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total
		Mr. Dipak Shah	Mr. Ketan Shah	Mr. Haren Desai	Mr. Bhpendra Patel	Amount
1.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	20,000/-	20,000/-	15,000/-	20,000/-	75,000/-
	Total (1)	20,000/-	20,000/-	15,000/-	20,000/-	75,000/-
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	
	Total = (1 + 2)	20,000/-	20,000/-	15,000/-	20,000/-	75,000/-

(C) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTB: (₹ In Lakhs)

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	4.11	4.11
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify	-	-
5.	Others, please specify	-	-
	Total	4.11	4.11

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				

INDEPENDENT AUDITOR'S REPORT

To The Members of,
SURAJ LIMITED
Ahmedabad.

Report on the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Suraj Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind As") specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2019 its profits (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Net Realizable Value of Goods</p> <p>Goods are valued at lower of cost & net realizable value (estimated selling price less estimated cost to sell), considering the business practice of company major sales are through export of steel pipes & other products and purchase through imports.</p> <p>The value of stock is heavily affected by the and fluctuation of currency difference & always has volatility on price. Therefore it has been considered as a Key Audit Matter.</p> <p>The total value of finished goods as at 31 March, 2019 is ₹ 8,415.45 lakhs. Also refer to Note 3.10 for the accounting policy on valuation of finished goods.</p>	<p>1. Obtained an understanding of the determination of the net realizable values of the stock and assessed and tested the reasonableness of the significant judgments applied by the management.</p> <p>2. Evaluated the design of internal controls relating to the valuation of finished goods also tested the operating effectiveness of the aforesaid controls.</p> <p>3. Compared the actual realization after the year end / latest realization to assess the reasonableness of the net realizable value that was estimated and considered by the management.</p>

	<p>4. Compared the actual costs incurred to sell after the year end / based on the latest sale transaction to assess the reasonableness of the cost to sell that was estimated and considered by the management.</p> <p>5. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at Net realizable value where the cost was higher than the net realizable value.</p> <p>6. Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.</p>
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Information other than the financial statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statement that give a true and fair of the financial position, financial performance including other comprehensive Income, cash flows and changes in equity of the company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies making judgments and estimates that are reasonable and prudent and the design implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to preparation and presentation of the financial statements that give true and fair view and are free from material misstatement , whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. 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 & on the basis of such checks of books & records of the company as we consider appropriate and according to the information and explanation given to us, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

16. 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 accounts as required by law have been kept by the Company so far as it appears from the examination of those books;
- c. The balance sheet, the statement of profit and loss including the statement of other Comprehensive Income, cash flow statement and statement of changes in Equity dealt with in this Report are in agreement with the books of accounts;
- d. In our opinion, the aforesaid standalone financial statements comply with accounting Standards specified under section 133 of the Act.
- e. On the basis of written representations received from the directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of sections 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over Financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in the "Annexure 2" to this report;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our Information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any material foreseeable losses in long term contracts including derivative contracts during the year ended March 31, 2019
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Ahmedabad

Date: 02.05.2019

**For Rinkesh Shah & Co,
Chartered Accountants
ICAI FRN: 129690W**

**CA Rinkesh Shah
Membership No: 131783**

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2019

1. (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipments;
(b) All Property Plant & Equipments have not been physically verified by the management during the year but there is a regular programme of verification which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification;
(c) According to the information and explanations given by the management, the title deeds of Immovable properties included in property, plant and equipment are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
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 partnership or other parties covered in register maintained under section 189 of companies Act, 2013. Accordingly, the provision of clause 3(iii) (a), (b), and (c) of the order are not applicable to the company and hence not commented upon .
4. In our opinion and according to the information and explanations gives to us, the Company has not advanced any loans or made investments, given guarantees, and provided any securities in respect of which provision of section 185 and 186 of The Companies Act, 2013 are applicable and hence not commented upon.
5. In our opinion and according to the information and explanations gives to us , the Company has not accepted any deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of deposits) Rules, 2014 (as amended) framed thereunder. Accordingly, the provision of clause 3(v) of the order are not applicable.
6. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the central government for the maintenance of cost records under section 148(1) of the companies Act, 2013, related to the manufacture of steel tubes and pipes, and are of the opinion that prima facie, specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, goods and service tax, service tax, duty of custom, duty of excise, value added tax, Cess and other statutory dues applicable to it with the appropriate authorities.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales-tax, duty of custom, duty of excises, value added tax, cess and other statutory dues were outstanding, at the year end for a period of more than six months from date they became payable.
(c) According to the records of the company, dues outstanding of income tax, value added tax, sales tax, excise duty and duty of custom on account of any dispute are as follows:

(₹ In Lakhs)

Name of Statue	Nature of the Dues	Forum before which the dispute is pending	Period to which it relates	Disputed Amount
Central Excise Act,1944	Excise Duty	DGCEI, Mumbai (Ineligible Cenvat Credit)	OCT-2010 TO NOV13	1,197.41
Custom Tariff Act	Customs Duty	Central Excise Department-Ahmedabad-III To be filed before CESTAT, Mumbai	FEB-2014 To NOV-2014 F.Y.-2012-13	397.36 86.20
		Disputed Excise & Customs demand		1,680.97
Sales Tax Act	Sales Tax	Sales Tax Appellate Commissioner Ahmedabad	F.Y.2003-04	2.24
Sales Tax Act	Sales Tax	Jt. Commissioner of Commercial Taxes Ahmedabad	F.Y.2004-05	1.41
Gujarat Value Added Tax Act,2003	VAT	Gujarat Value Added Tax Tribunal	F.Y.2008-09	102.99
Central Sales Tax Act,1965	Central Sales Tax	Gujarat Value Added Tax Tribunal	F.Y.2008-09	2.15
Gujarat Value Added Tax Act,2003	VAT	Gujarat Value Added Tax Tribunal	F.Y.2009-10	160.09
Central Sales Tax Act,1965	Central Sales Tax	Gujarat Value Added Tax Tribunal	F.Y.2009-10	19.27
Gujarat Value Added Tax Act,2003	VAT	Gujarat Value Added Tax Tribunal	F.Y 2010-11	160.16
Central Sales Tax Act,1965	Central Sales Tax	Gujarat Value Added Tax Tribunal	F.Y.2010-11	8.96
		Disputed Sales Tax demand		457.28
Income Tax Act,1961	Income Tax	Section 220(2)	A.Y.2006-07	0.24
Income Tax Act,1961		Section 143(3)	A.Y.2007-08	19.99
Income Tax Act,1961		Section 254	A.Y.2008-09	2.18
Income Tax Act,1961		CIT (A)-Ahmadabad	A.Y.2008-09	634.46
Income Tax Act,1961		CIT (A)-Ahmadabad	A.Y.2009-10	182.83
Income Tax Act,1961		CIT (A)-Ahmedabad	A.Y.2011-12	844.58
Income Tax Act,1961		CIT (A)-Ahmedabad	A.Y.2012-13	1331.96
Income Tax Act,1961		CIT (A)-Ahmedabad	A.Y.2013-14	601.56
Income Tax Act,1961		CIT (A)-Ahmadabad	A.Y.2014-15	501.42
			Disputed Income Tax Demand	

8. Based on audit procedures and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowing to a bank .
9. To the best of our knowledge and belief and according to the information and explanations given by the management, the Company has not raised any money by way of Initial public offer / further public offer/debt instruments and term loans hence reporting under clause (ix) is not applicable to the Company and hence not commented upon.
10. Based on audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud /material fraud on the Company by the officer and employees of the Company has been noticed or reported during the year.
11. According to the information and explanations given by the management, the managerial remuneration has been paid /provided in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act,2013.
12. As the Company is not a Nidhi Company Consequently the Nidhi Rules, 2014 are not applicable to it, the provisions of Paragraph 3Clause(xii) of the Order are not applicable to the Company.
13. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standard.
14. 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.
15. According to the information and explanations given by the management, the Company has not entered into any non cash transactions with its Directors or persons connected with him as referred to in section 192 of the Companies Act,2013. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Place: Ahmedabad
Date: 02.05.2019

For Rinkesh Shah & Co,
Chartered Accountants
ICAI FRN: 129690W

CA Rinkesh Shah
Membership No: 131783

"Annexure 2" to Independent Auditor's Report

Referred to in paragraph 2 (f) of the Independent Auditor's Report of even date to the members of Suraj Limited on the standalone financial statements for the year ended March 31, 2019.

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

1. We have audited the internal financial controls over financial reporting of SURAJ Limited ("the Company") as of March 31, 2019 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

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

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act, 2013 to the extent applicable to the audit of internal financial controls, and both issued by the ICAI. 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.
4. 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.
5. 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 with reference to these standalone Financial Statements

6. 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 authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

7. 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

8. 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad

Date: 02.05.2019

**For Rinkesh Shah & Co,
Chartered Accountants
ICAI FRN: 129690W**

**CA Rinkesh Shah
Membership No: 131783**

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ In Lakhs)

	Note	As at 31 st March, 2019	As at 31 st March, 2018
ASSETS			
Non- Current Assets			
a. Property, Plant and Equipment	5	5,660.65	6,073.24
b. Capital Work-in-progress		-	-
c. Intangible Assets	5	0.57	1.43
d. Financial Assets			
i. Investment	6	0.29	0.29
ii. Other financial assets		-	-
Total Non- Current Assets		5,661.51	6,074.96
Current Assets			
a. Inventories	7	8,415.45	8,820.50
b. Financial Assets			
i. Trade Receivables	8	3,057.67	4,183.18
ii. Cash and Cash Equivalents	9	478.76	408.15
iii. Other bank balance	9	5.36	7.69
c. Other Current Assets	10	2,162.53	1,803.22
Total Current Assets		14,119.77	15,222.74
Total Assets		19,781.28	21,297.70
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	11	1,926.41	1,926.41
Other Equity	12	6,764.46	6,625.38
Total Equity		8,690.87	8,551.79
LIABILITIES			
I. Non-Current Liabilities			
a. Provision		-	-
b. Deferred Tax Liabilities (Net)	13	142.40	254.06
c. Other Non-Current Liabilities		-	-
Total Non- Current Liabilities		142.40	254.06
II. Current Liabilities			
a. Financial Liabilities			
i. Borrowings	14	9,853.00	11,159.53
ii. Trade Payables	15	564.08	793.51
b. Other Current Liabilities	16	316.86	331.20
c. Provisions	17	148.48	127.32
d. Current Tax Liabilities	18	65.59	80.29
Total Current Liabilities		10,948.01	12,491.85
Total Equity and Liabilities		19,781.28	21,297.70

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
Chairman & CFO
DIN: 00254255

Kunal Shah
Managing Director & CEO
DIN: 00254205

Gurvant Shah
Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ In Lakhs)

Particulars	Note No.	2018-19	2017-18
INCOME			
Revenue from operations	19	17,943.70	20,701.64
Other Income	20	38.79	25.48
Total Income		17,982.49	20,727.12
EXPENSES			
Cost of Raw Materials consumed	21	13,517.06	16,374.36
Changes in Inventories Finished Goods, Work -in-progress and stock-in-trade	22	(414.15)	(1,716.84)
Employee Benefits expenses	23	1,139.42	1,085.46
Finance Cost	24	1,041.33	950.19
Depreciation, amortization, impairment and obsolescence	5	658.83	639.33
Other Expenses	25	1,945.27	3,296.52
Total expenses		17,887.76	20,629.02
Profit /(loss) before exceptional items and tax		94.73	98.10
Exceptional item		-	-
Profit / (loss) before tax		94.73	98.10
Tax Expense			
Current Tax		65.59	80.29
Deferred Tax	13	(111.65)	(20.88)
Total Tax Expense		(46.06)	59.41
profit /(loss) for the period (PAT)		140.79	38.69
Other Comprehensive income (OCI)		(1.70)	(1.87)
Total Comprehensive Income for the period		139.09	36.82
Paid - up equity share capital (face value of share : ₹ 10 each)		1,926.41	1,926.41
Earnings per share (EPS)			
(a) Basic EPS (₹)		0.73	0.20
(b) Diluted EPS (₹)		0.73	0.20

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
Chairman & CFO
DIN: 00254255

Kunal Shah
Managing Director & CEO
DIN: 00254205

Gunvant Shah
Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

STANDALONE STATEMENT OF CHANGE IN EQUITY AS AT 31ST MARCH, 2019

A. Equity Share Capital

(₹ In Lakhs)

Balance	Note
As at April 1, 2017	1926.41
Issue of Equity Share Capital	-
As at March 31, 2018	1926.41
Issue of Equity Share Capital	-
As at March 31, 2019	1926.41

B. Other Equity

(₹ In Lakhs)

Particulars	Reserves and Surplus				
	Security Premium	General Reserves	Statutory Reserves	Surplus in Profit & Loss	Total
Balance as at April 1, 2017	2,189.56	244.74	328.83	3,825.42	6,588.55
Profit for the year	-	-	-	38.69	38.69
Other Comprehensive income for the year	-	-	-	(1.87)	(1.87)
Adjustment during the year	-	-	-	-	-
Balance as at March 31, 2018	2,189.56	244.74	328.83	3,862.24	6,625.37
Balance as at April 1, 2018	2,189.56	244.74	328.83	3,862.24	6,625.37
Profit for the year	-	-	-	140.79	140.79
Other Comprehensive income for the year	-	-	-	(1.70)	(1.70)
Balance as at March 31, 2019	2,189.56	244.74	328.83	4,001.33	6,764.46

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
Chairman & CFO
DIN: 00254255

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Managing Director & CEO
DIN: 00254205

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Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019 (₹ In Lakhs)

	2018-19	2017-18
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	94.73	98.10
Adjusted for:	0.00	0.00
(Profit) / Loss on sale / Discard of Assets (Net)	1.10	0.00
Depreciation / Amortisation and Depletion Expense	658.83	639.33
Accounts Written off expense	26.54	45.24
Interest Income	(38.70)	(25.37)
Other Comprehensive Income	(1.70)	(1.87)
Finance Cost	1,041.33	950.19
Operating Profit before Working Capital Changes	1,782.13	1,705.62
Adjusted for:		
Trade and Other Receivables	1,096.50	12.84
Inventories	405.04	1,091.84
Other Current Assets	(356.96)	(169.36)
Other Financial Assets - Non Current	0.00	52.67
Trade and Other Payables	(229.43)	(941.50)
Other Current Liabilities	(29.04)	(215.06)
Provisions - Current	21.16	60.08
Provisions - Non Current	0.00	(57.91)
Cash Generated from Operation	2,689.40	1,539.21
Tax Paid (Net)	(63.14)	(92.17)
Net Cash Flow from Operating Activities	2,626.26	1,447.04
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(250.74)	(168.37)
Proceeds from disposal of tangible and intangible assets	4.26	0.00
Investments in subsidiaries	0.00	(0.29)
Net cash flow from other financial assets	0.00	0.00
Interest Income	38.70	25.37
Net Cash Flow (used in) Investing Activities	(207.79)	(143.29)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings (net)	(1,306.53)	(477.43)
Finance Cost paid	(1,041.33)	(950.19)
Net Cash Flow (used in) Financing Activities	(2,347.86)	(1,427.62)
Net Increase / (Decrease) in Cash and Cash Equivalents	70.61	(123.87)
Opening Balance of Cash and Cash Equivalents	408.15	532.02
Closing Balance of Cash and Cash Equivalents	478.76	408.15

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
Chairman & CFO
DIN: 00254255

Kunal Shah
Managing Director & CEO
DIN: 00254205

Gunvant Shah
Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

Notes to Standalone Financial Statements For the year ended on 31st March, 2019

1 Corporate Information:

Suraj Limited ("The Company") is India's leading Manufacturer of Stainless Steel Seamless Pipes, Tubes and "U" Tubes, Flanges & Fittings with Electro polishing having a plant at Thol, Mehsana. Our products find application in important industry segments like pharmaceuticals, dyes & pigments, Oil, Gas, Refinery, etc. The Company is a public company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE). The registered office of the company is located at Usmanpura, Ahmedabad. The Company caters to both domestic and international markets.

2 Basis of preparation of financial statement:

The financial statements of company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The Financial Statements have been prepared on the historical cost convention basis except for certain financial assets and liabilities which have been measured at fair value. Refer accounting policy regarding financial instruments (financial assets and financial liabilities).

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors at its meeting held on May 2, 2019.

The financial statements are presented in ₹ and all values are rounded to nearest Lakhs (₹00,000), except where otherwise indicated.

3 Summary of significant accounting policies**3.1 Current versus non-current classification:**

The Company presents assets and liabilities in the Balance Sheet based on current/non current classification.

An asset is treated as current when it is:

- i. Expected to be realised or intended to sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realised within twelve months after the reporting period; or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is treated as current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are considered as non-current assets and liabilities.

Operating Cycle

The operating cycle is the time between acquisition of assets for processing and their realization cash and cash equivalents. The Company has identified twelve month as its operating cycle.

3.2 Use of Estimates:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of Future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.3 Foreign Currencies:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the Functional Currency") The Financial statements are presented in Indian Rupee (INR), which is the company's functional and presentation currency.

Transactions in foreign currencies are initially recorded in by the Company at spot rates at the functional currency spot rate (i.e. INR) at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.4 FAIR VALUE MEASUREMENT :

The Company measures financial instruments, such as derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sale an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ✓ In the principal market for the asset or liability, or
- ✓ In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ✓ Level 1-Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ✓ Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ✓ Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and

liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.5 Property, plant and equipment:

On the date of transaction, the Company has elected to continue with the previous GAAP's carrying amount as deemed cost to measure all the items of property, plant and equipment. Property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalisation criteria are met, the cost of replacing part of the fixed assets and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significantly parts of fixed assets are required to be replaced at intervals, the company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognised in the carrying amount of the Property, plant and equipment as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of Property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the statement of Profit and Loss for the period during which such expenses are incurred.

Capital work in progress comprised of cost of Property, plant and equipment that are yet not installed and not ready for their intended use at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable. The Company calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act 2013.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

3.6 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets in the form of software are amortised on a straight-line basis six years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.7 Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless

the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.8 Investment and other Financial Assets:

Financial assets are recognized and measured in accordance with Ind AS - 109 Financial Instruments. Accordingly, the company recognizes financial asset only when it has contractual right to receive cash or other financial assets from another Company.

i. Initial recognition and measurement

All financial assets, except investment in subsidiary are measured initially at fair value plus, transaction costs that are attributable to the acquisition of the financial asset. The transaction cost incurred for the purchase of financial assets held at fair value through profit or loss are expended in the statement of Profit and Loss immediately.

ii. Subsequent measurement:

For the purpose of Subsequent measurement financial assets are classified in three categories:

- ✓ Measured at amortised cost
- ✓ Measured at fair value through other comprehensive income (FVOCI)
- ✓ Measured at fair value through Profit and Loss (FVTPL)

Debt instruments at amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortized cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. Gain or loss on a debt instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt instruments at fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). The movement in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive Income is reclassified from equity to the Statement of Profit and Loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt instruments at fair value through Profit and Loss (FVTPL):

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortized cost or FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments:

All equity investments, except in subsidiary are measured at cost in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made

on initial recognition and is irrevocable.

If the company decides to classify an equity instruments as a FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income(OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of Investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

iii. Derecognition:

A financial asset (or, where applicable, a part of financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company's Balance sheet) when:

- ✓ The rights to receive cash flows from the asset have expired, or
- ✓ The company has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss(ECL) model for measurement and recognition of impairment loss on the following financial assets and credit exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial guarantee contracts which are not measured at FVTPL.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and loss.

3.9 Financial liabilities:

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of Profit and Loss, loans and borrowing, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below: Financial liabilities at fair value through Statement of Profit and loss.

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivatives financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as

defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The company has not designated any financial liability at FVTPL.

Loans and Borrowings:

Company does not have any long term borrowings from any banks and financial institution, so measurement at amortised cost method is not applicable to the company. Company recognises all the working capital borrowings at the actual rate of borrowing. All expenditures relating to interest, charges and processing fees recorded as finance cost in statement of profit and loss.

Derecognition :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and loss.

Derivative financial instrument:

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instrument is initially recognized at fair value through consolidated statement of Profit and loss (FVTPL) on the date on which a derivative contract is entered into and is subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are classified in the consolidated statement of Profit and loss and reported with foreign exchange gains/(loss) not within results from operating activities. Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designed as hedge are recorded as finance cost.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to relate the assets and settle the liabilities simultaneously.

3.10 Inventories:

Finished goods and Work-in-process are stated at the lower of cost and estimated net realizable value. Cost of inventories constitutes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity.

Raw materials, components, stores and spares are valued at lower of cost and estimated net realizable value. Cost is determined on weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Provision is recognized for damaged, defective or obsolete stocks where necessary. Cost of all inventories is determined using weighted average method of valuation.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated

costs of completion and estimated costs necessary to make the sale.

While in above head (Inventories) may also contains details of Investment in subsidiary and Joint Venture details of Property Plant & Equipments, Capital Work in Progress, Provisions & Contingent Liabilities

3.11 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Excise Duty is a liability of the manufacturer, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, sales tax/value added tax (VAT)/Goods and Service Tax (GST) is not received by the company on its account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods:

- i. Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of goods. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.
- ii. The company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax in the years of admission of such claims by the concerned authorities. Benefits in respect of export license are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.
- iii. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rates applicable. Interest income is included under the head "other income" in the statement of Profit & Loss.
- iv. Revenue from windmill is recognised on unit generation basis.

3.12 Taxes:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of Profit and Loss is recognised outside the statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except.

- ✓ When the Deferred tax liability arises from the initial recognition of goodwill or an asset or liability

in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss;

- ✓ In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent it is probable that future taxable amounts will be available against the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- ✓ When the deferred tax asset arises relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss.
- ✓ In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of Profit and Loss is recognised outside the statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.13 Employee benefits:

I. Defined Contribution Plan

a. Provident Fund

Contributions in respect of Employees who are not covered by Company's Employees Provident fund trust are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to Statement of profit and Loss as and when services are rendered by employees. The Company has no obligation other than the contribution payable to the Regional provident fund.

II. Defined Benefit plan

a. Gratuity

Every employee who has completed five years or more of service is entitled to Gratuity as per the provisions of The Payment of Gratuity Act, 1972. Retirement Gratuity for employees is funded

through a scheme of Life Insurance Corporation of India. The costs of providing benefits under this plan are determined on the basis of actuarial valuation using the projected unit credit method at each year-end. Actuarial gains/ losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. The excess/ shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain/ loss in the Statement of Profit and loss. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

b. Provident Fund

In respect of the employees covered by the Company's Employee provident Fund trust in Point I a above, contributions to the Company's Employee provident Fund trust (administered by the Company as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952) are made in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contribution to the Trust, the Company has an obligation to make good the shortfall, if any between the return from the investments of the Trust and the notified interest rate and recognizes such obligation, if any determined based on an actuarial valuation as at the balance sheet date, as an expense.

III. Long Term Compensated Absences

The Company treats accumulated leave to the extent such leave are carried forward as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

3.14 Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable Estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain, the expense relating to a provision is presented in the consolidated statement of Profit and loss net of any reimbursement.

3.15 Export Incentive.

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Earnings per share:

Basic Earnings per Share is calculated by dividing the net profit/ loss for the year attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit/ loss for the period attributable to ordinary equity holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.16 Cash and cash equivalent:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

4. Significant accounting estimates and assumptions:

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumption and estimates could result in outcomes that require a material adjustments to the carrying amount of assets or liabilities affected in future periods.

4.1 Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are describes below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans(gratuity benefits):

The cost of the defined benefits gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rates, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rates for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publically available mortality tables for India. These mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Future details about gratuity obligations are given in note- 30

b) Fair value measurement for financial instruments.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note- 33 for further disclosures.

4.2 Changes in Accounting Standards and other recent accounting pronouncements

Amendment to Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Amendment to Ind AS 19 'Employee Benefits': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

5. PROPERTY, PLANT & EQUIPMENTS

Description of Assets	GROSS BLOCK					DE PRECIATION / AMORTISATION					NET BLOCK	
	As at 01.04.2017	Additions	Deduction	As at 31.03.2018	Additions	Deduction	As at 31.03.2019	As at 01.04.2017	For the year Ending March 31, 2018	Deduction	As at 31.03.2018	As at 31.03.2019
(A) Tangible Assets												
Land & Site Development	1,978.34	33.4	-	2011.74	-	-	2,011.74	-	-	-	-	2,011.74
Factory Building	3,371.75	187.25	-	3,559.00	1.27	-	3,560.27	1023.15	111.25	-	1,134.40	2,424.60
Office Premises	202.02	-	-	202.02	-	-	202.02	39.96	3.19	-	43.15	155.68
Plant & Machinery	8,479.11	205.82	-	8,684.93	216.87	-	8,901.80	6,887.16	504.51	-	7,391.67	991.77
Furniture Fixture	217.11	18.64	-	235.74	14.46	-	250.2	178.65	7.12	-	185.77	55.23
Computer	106.36	0.32	-	106.68	3.94	-	110.62	102.27	1.85	-	104.11	4.09
Vehicle	293.63	4.18	-	297.8	14.01	5.35	306.46	184.92	10.38	-	195.30	99.37
Wind Mill	594.87	-	-	594.87	-	-	594.87	565.12	-	-	565.12	29.74
Sub-Total	15,243.17	449.61	-	15,692.78	250.55	5.35	15,937.98	8,981.24	638.29	-	9,619.53	5,660.65
Capital Work In Progress	281.14	-	-	-	-	-	-	-	-	-	-	-
Total (A)	15,524.32	449.61	281.14	15,692.78	250.55	5.35	15,937.98	8,981.24	638.29	-	9,619.53	5,660.65
(B) Intangible Assets												
Software	6.54	-	-	6.54	0.18	-	6.71	4.07	1.03	-	5.11	0.57
Total (B)	6.54	-	-	6.54	0.18	-	6.71	4.07	1.03	-	5.11	0.57
Total (A+B)	15,530.85	449.61	281.14	15,699.31	250.73	5.35	15,944.69	8,985.31	639.33	0.00	9,624.64	5,661.22
												6,074.67

NOTES TO THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(₹ In Lakhs)

Particulars	As at 31st March,2019	As at 31st March,2018
6. INVESTMENT - NON CURRENT		
Investment in LLP		
Suraj Impex LLP (70% shares)	0.29	0.29
Total	0.29	0.29
Current	-	-
Non-Current	0.29	0.29
Total	0.29	0.29

Particulars	As at 31st March,2019	As at 31st March,2018
7. INVENTORIES		
Raw materials	1,823.79	2,640.91
Work-in-progress	5,801.11	5,002.14
Finished goods	518.62	697.48
Scrap	172.36	378.32
Stores, Spares & Packing Material	99.57	101.65
Total	8,415.45	8,820.50

Particulars	As at 31st March,2019	As at 31st March,2018
8. TRADE RECEIVABLES		
Trade receivables Unsecured, Considered Good	3,057.67	4,183.18
Total	3,057.67	4,183.18
Current	3,057.67	4,183.18
Non-Current	-	-
Total	3,057.67	4,183.18

Particulars	As at 31st March,2019	As at 31st March,2018
9. CASH AND CASH EQUIVALENTS/BANK BALANCE		
Cash on Hand	3.06	3.08
Balance with Bank		
Current Accounts	1.54	2.70
Fixed Deposits		
(Maturity of three Months or less)	474.16	402.37
Total Cash and Cash Equivalents	478.76	408.15
Other Bank Balance		
Unpaid dividends	5.36	7.69
Total Other Bank Balance	5.36	7.69

(₹ In Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
10. OTHER CURRENT ASSETS		
Deposits	4.06	8.07
Balance with government authorities	392.26	511.05
Advance Tax and TDS	239.53	253.59
Prepaid Expenses	28.53	19.05
Others Loan and Advances	605.87	514.47
Export Incentives receivable	494.03	459.71
Advance to Suppliers	398.25	37.28
Total	2,162.53	1,803.22
Current	2,162.53	1,803.22
Non-Current	-	-
Total	2,162.53	1,803.22

Particulars	As at 31st March, 2019	As at 31st March, 2018
11. SHARE CAPITAL		
Authorized Share Capital		
2325000 Equity Shares of ₹ 10 each	2,325.00	2,325.00
Issued, Subscribed and Paid Up		
19264100 Equity Shares of ₹ 10 each	1,926.41	1,926.41
Total	1,926.41	1,926.41

11.1 Reconciliation of Share capital				
Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
Authorised share capital				
Equity shares of ₹10/- each	23250000	2,325.00	23250000	2,325.00
Issued and subscribed share capital	19264100	1,926.41	19264100	1,926.41
Subscribed and fully paid up	19264100	1,926.41	19264100	1,926.41

Reconciliation of shares outstanding at the beginning and at the end of the Reporting year				
Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
At the beginning of the year	19264100	1,926.41	19264100	1,926.41
Additions during the year	-	-	-	-
Outstanding at the end of the year	19264100	1,926.41	19264100	1,926.41

Terms/Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Number of Shares held by each shareholder holding more than 5% Shares in the company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
SHAH GUNVANTKUMAR TARACHAND	991480	5.15	991420	5.15
ANILABEN ASHOKKUMAR SHAH	3808679	19.77	3808679	19.77
KUNAL TARACHAND SHAH	1030488	5.35	1030488	5.35
REKHABEN GUNVANTKUMAR SHAH	2517889	13.07	2517889	13.07
ASHOKKUMAR TARACHAND SHAH	1077662	5.59	1077662	5.59
CHANDRIKA KUNAL SHAH	3103839	16.11	3103839	16.11

(₹ In Lakhs)

<u>Particulars</u>	As at 31st March, 2019	As at 31st March, 2018
12. OTHER EQUITY		
Securities Premium Account		
Balance per last Financial Statement	2,189.56	2,189.56
Balance at the end of the year	2,189.56	2,189.56
General Reserves		
Balance per last Financial Statement	244.74	244.74
Balance at the end of the year	244.74	244.74
Statutory Reserves		
Balance per last Financial Statement	328.83	328.83
Balance at the end of the year	328.83	328.83
Surplus in Statement of Profit and loss		
Balance per last Financial Statement	3,862.24	3,825.41
Add: Profit for the year	139.09	36.82
Balance at the end of the year	4,001.33	3,862.24
Total Retained Earnings	6,764.46	6,625.38

(₹ In Lakhs)

Particulars	As at 31st March,2019	As at 31st March,2018
13. DEFERRED TAX LIABILITIES (NET)		
As per last Balance Sheet	254.05	274.94
Charge / (Credit) to Statement of Profit & Loss	(111.65)	(20.88)
Total	142.40	254.06

Particulars	As at 31st March,2019	As at 31st March,2018
14. BORROWINGS		
Secured borrowings		
From Banks		
Foreign Currency Loan	-	1,578.74
Rupee Loan	9,348.00	8,065.79
Unsecured borrowings		
Suraj Enterprise Private Limited	505.00	1,515.00
Total	9,853.00	11,159.53
Current	9,853.00	11,159.53
Non-Current	-	-
Total	9,853.00	11,159.53

The working capital loan from Punjab National Bank ₹ 5,846.41 Lakhs, Standard Chartered Bank ₹ 1200.76 Lakhs and IDBI Bank ₹ 2300.83 Lakhs is secured by the first charge on pari pasu basis over the current assets of the company and second charge over the fixed assets of the company and guaranteed by the directors of the company 1. Mr. Ashok T. Shah, 2. Mr. Kunal T. Shah, 3. Mr. Gunvant T. Shah along with corporate guarantee of Suraj Impex Pvt. Ltd

Particulars	As at 31st March,2019	As at 31st March,2018
15. TRADE PAYABLES		
Secured		
Due to Micro, Small and Medium Enterprise	0.00	0.00
Due to Others	564.08	793.51
Total	564.08	793.51
Current	564.08	793.51
Non-Current	-	-
Total	564.08	793.51

The company does not have suppliers who are registered as micro or small enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2019. The information regarding Micro or small enterprises has been determined on the basis of information available with the management, which has been relied up on by the auditors.

(₹ In Lakhs)

Particulars	As at 31st March,2019	As at 31st March,2018
16. OTHER CURRENT LIABILITIES		
Other Financial Liabilities		
Interest accrued but not due	0.80	8.26
Unpaid dividend (Not due for credit to Investor Education and Protection fund)	5.36	7.69
Other Current Liabilities		
Statutory Dues	10.47	6.96
Advance from Customers	224.45	217.52
Corporate Social Responsibility	0.00	16.96
Other Payables	75.78	73.81
Total	316.86	331.20

Particulars	As at 31st March,2019	As at 31st March,2018
17. PROVISIONS		
Provision for Employee benefits	148.48	127.32
Total	148.48	127.32
Current	148.48	127.32
Non-Current	-	-
Total	148.48	127.32

Particulars	As at 31st March,2019	As at 31st March,2018
18. CURRENT TAX LIABILITIES		
Provision for income tax	65.59	80.29
Total	65.59	80.29

Particulars	2018-19	2017-18
19. REVENUE FROM OPERATION		
Sale of Stainless Steel Seamless Pipes, Tubes, U-Tubes, Flanges and Fittings	17,391.95	20,379.12
Sale of Power generated from Windmill	99.05	91.08
Other Operating Revenue		
Scrap and Waste Sales	48.70	7.14
Others	404.00	224.30
Total	17,943.70	20,701.64

Particulars	2018-19	2017-18
20. OTHER INCOME		
Interest Income - From Bank	38.69	25.37
Other Non-Operating Income	0.10	0.11
Total	38.79	25.48

(₹ In Lakhs)

Particulars	2018-19	2017-18
21. COST OF RAW MATERIAL CONSUMED		
Inventory at the beginning of the year	2,640.91	5,446.63
Add: Purchases during the year	12,699.94	13,568.64
	15,340.85	19,015.27
Less: Inventory at the end of the year	1,823.79	2,640.91
Total	13,517.06	16,374.36

Particulars	2018-19	2017-18
22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & SCRAP		
Inventories at the beginning of the year		
Finished Goods	697.48	486.76
Work In Progress	5,002.14	3,620.55
Scrap	378.32	253.79
	6077.94	4,361.10
Inventories at the end of the year		
Finished Goods	518.63	697.48
Work In Progress	5,801.11	5,002.14
Scrap	172.35	378.32
	6492.09	6,077.94
	(414.15)	(1,716.84)

Particulars	2018-19	2017-18
23. EMPLOYEE BENEFITS		
Salaries, Wages, Bonus etc.	1,063.45	999.14
Contribution to Provident and Other funds	25.74	34.16
Staff Welfare expenses	50.23	52.16
Total	1,139.42	1,085.46

Particulars	2018-19	2017-18
24. FINANCE COST		
Interest Expense	901.12	779.30
Bank Charges	140.21	170.89
Total	1041.33	950.19

(₹ In Lakhs)

Particulars	2018-19	2017-18
25. OTHER EXPENSES		
Manufacturing Expenses		
Power and fuel	487.95	557.91
Consumption of stores and spares	449.69	434.14
Packing material	80.86	92.75
Job work charges	2.11	6.21
Transportation and freight	242.07	300.74
Clearing & Forwarding Exp.	141.83	97.37
Repairs and maintenance - Plant & Machinery	158.38	175.08
Repairs and maintenance - Building	3.05	0.77
Other Taxes	-	1,629.05
	1,565.94	3,294.02
Selling and Distribution Expense		
Selling and marketing expenses	111.50	105.23
	111.50	105.23
Administration Expense		
Audit Fees	5.95	5.00
Communication Exp.	11.81	15.60
Commission	0.11	0.16
Insurance	12.45	10.71
Legal & Professional Charges	39.73	36.73
Rates & Taxes	6.49	9.66
Traveling, Conveyance & Vehicle Exp.	37.91	44.01
Other Expenses	122.15	138.08
Exchange Rate Fluctuation (Net)	31.23	(362.68)
	267.83	(102.73)
Total	1,945.27	3,296.52
25.1 Payments to Auditors as:		
Particulars	2018-19	2017-18
a. Statutory Audit Fees	3.75	3.75
b. Tax Audit Fees	0.75	0.75
c. Review Reports Fees	0.50	0.50
d. GST Audit Fees	0.95	-
	5.95	5.00

26. EARNING PER SHARE

Particulars		2018-19	2017-18
Earning per share (Basic and diluted)			
Profit attributable to ordinary equity holders	₹In Lakhs	140.79	38.69
Total no. of equity shares at the end of the year	Nos.	1,92,64,100	1,92,64,100
Weighted average number of equity shares for Basic and Diluted	Nos.	1,92,64,100	1,92,64,100
Nominal Value of equity share	In ₹	10	10
Basic earning per share	In ₹	0.73	0.20

27. DISCLOSURE PURSUANT TO RELATED PARTIES

As per Indian Accounting Standard on “Related Party Disclosures” (Ind AS 24), the related parties of the company are as follows:

27.1 Name of the related parties and nature of relationship
Limited Liability Partnership (70% holding in LLP)

Suraj Impex LLP

Key Managerial Personnel

Mr. Ashok Shah - Chairman & CFO

Mr. Gunvant Shah - Vice Chairman & Whole Time Director

Mr. Kunal Shah - Managing Director & CEO

Ms. Shilpa Patel - Whole Time Director

Directorship of Key Managerial Personnel in following :

Suraj Enterprise Private Limited

TBS Metal Private Limited

Non Executive Directors

Mr. Dipak Shah

Mr. Ketan Shah

Mr. Haren Desai

Mr. Bhupendrasinh Patel

27.2 Disclosure in respect of related party transaction

(₹ In Lakhs)

Nature of transactions	Year ended	
	March 31, 2019	March 31, 2018
Sales of goods and material		
TBS Metal Private Limited	1,506.25	1,502.09
Purchase of goods and material		
TBS Metal Private Limited	1,333.49	1,138.43
Net Borrowing received / (repaid)		
Suraj Enterprise Private Limited	(1010)	215
Investment (Net)		
Suraj Impex LLP (70% Contribution)	0.29	0.29
Remuneration		
Mr. Ashok Shah - Chairman & CFO	27.06	-
Mr. Gunvant Shah - Vice Chairman & Whole Time Director	19.56	-

Mr. Kunal Shah - Managing Director & CEO	23.06	-
Ms. Shilpa Patel (Whole Time Director)	12.37	11.77
Sitting Fees		
Mr. Dipak Shah	0.20	0.15
Mr. Ketan Shah	0.20	0.05
Mr. Haren Desai	0.15	0.20
Mr. Bhupendrasinh Patel	0.20	0.20
Professional Fees		
Mr. Dipak Shah	0.25	0.55

(₹ In Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
28. CONTINGENT LIABILITIES		
Contingent liabilities not provide for		
a. Guarantees given by bank on behalf of the company	123.16	174.81
b. Disputed demands in respect of		
Excise / Custom duty	1,680.97	1,635.23
Sales tax	457.28	457.28
Income tax	4,119.22	4,112.53
Service tax	-	-
Total Retained Earnings	6,380.63	6,379.85

29. FOREIGN EXCHANGE DERIVATIVE AND EXPOSURES NOT HEDGED
29.1 Foreign Exchange Derivatives (₹ In Lakhs)

Nature of Instrumts	Currency	As at 31st March, 2019		As at 31st March, 2018	
		Foreign (Lakhs)	INR	Foreign (Lakhs)	INR
Forward Contract	USD	-	-	19,533	12.68
		-	-	19,533	12.68

29.2 Exposure Not Hedged (₹ In Lakhs)

Nature of Instrumts	Currency	As at 31st March, 2019		As at 31st March, 2018	
		Foreign (Lakhs)	INR (Lakhs)	Foreign (Lakhs)	INR (Lakhs)
Payable towards borrowings	USD	-	-	24,37,673	1,566.06
	AED	-	-	-	-
Receivables	USD	28,16,257	1,940.12	10,57,190	676.71
	EURO	3,86,195	297.18	31,01,684	2,482.97
	GBP	-	-	9,2365	83.78
Payable to Creditors	USD	1666	1.15	1,200	0.77
	EURO	250	0.20	500	0.40
	GBP	700	0.63	446	0.41

Note 30 : Disclosure pursuant to Employee benefits

30.1 Defined contribution plans:

Expenses are included in Note No. 23 "Employee Benefit Expense"

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provident Fund	16.16	14.62
	16.16	14.62

30.2 Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan administered by Trust and the Company makes contributions to recognized Trust.

March 31, 2019: Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss					Return on plan assets (excluding amounts included in net interest expense)	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	March 31, 2019
	April 1, 2018	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid		Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	67.17	4.45	5.25	9.70	(1.44)	-	-	1.31	(0.16)	1.15		76.88
Fair value of plan assets	52.38	-	4.10	4.10	(1.44)	(0.56)	-	-	-	(0.56)	20.36	74.84
Benefit liability / (Assets)	14.79	4.45	1.16	5.61	-	0.56	-	1.31	(0.16)	1.71	(20.36)	1.74
Total benefit liability / (Assets)	14.79	4.45	1.16	5.61	-	0.56	-	1.31	(0.16)	1.71	(20.36)	1.74

March 31, 2018: Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss				Return on plan assets (excluding amounts included in net interest expense)	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	March 31, 2018	
	April 1, 2017	Service cost	Net interest expense	Sub-total included in statement of profit and loss		Benefit paid	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments			Sub-total included in OCI
Gratuity												
Defined benefit obligation	50.71	15.10	3.88	18.99	(2.97)		6.88	(0.68)	(5.76)	0.44	67.17	
Fair value of plan assets	44.47	-	3.41	3.41	(2.97)		-	-	-	(1.43)	52.38	
Benefit liability / (Assets)	6.23	15.10	0.48	15.58	-		6.88	(0.68)	(5.76)	1.87	14.79	
Total benefit liability / (Assets)	6.23	15.10	0.48	15.58	-		6.88	(0.68)	(5.76)	1.87	14.79	

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2019 (%) of total plan assets	Year ended March 31, 2018 (%) of total plan assets
Insurance fund	100.00%	100.00%
(%) of total plan assets	100.00%	100.00%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	7.54%	7.82%
Future salary increase	6.00%	6.00%
Expected rate of return on plan assets	7.54%	7.82%
Employees Turnover rate	7.00%	7.00%
Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

A quantitative sensitivity analysis for significant assumption is as shown below: (₹ In Lakhs)

Particulars	(increase) / decrease in defined benefit obligation (Impact)		
	Sensitivity level	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity		76.58	67.17
Discount rate	1% increase	(4.50)	(3.97)
	1% decrease	5.06	4.45
Salary increase	1% increase	3.12	2.61
	1% decrease	(2.76)	(2.36)
Employees Turnover rate	1% increase	1.09	1.08
	1% decrease	(1.18)	(1.18)

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity		
Within the next 12 months (next annual reporting period)	7.07	1.30
Between 2 and 5 years	27.36	7.20
Beyond 5 years	104.10	129.27
Total expected payments	138.53	137.77

31 DISCLOSURE OF SIGNIFICANT INTEREST IN SUBSIDIARIES AS PER PARAGRAPH 17 OF IND AS 27

Name of Entity	Relationship	Place of Business	Ownership %
Suraj Impex LLP	Subsidiary	Gujarat	70

Note: method of accounting investment in subsidiary is at cost.

32 FINANCIAL INSTRUMENTS, RISK MANAGEMENT, OBJECTIVES AND POLICIES

32.1 Financial Risk Management

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

32.2 Credit Risk Management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly.

(₹ In Lakhs)

(a) The ageing analysis trade receivables from the date the invoice falls due is given below :

<u>Particulars</u>	Year ended March 31, 2019	Year ended March 31, 2018
Up to 3 months	1,854.42	2,575.91
3 to 6 months	1,196.05	392.97
6 to 12 months	7.20	1,214.30
Beyond 12 months	-	-
Gross Carrying Amount	3,057.67	4,183.18
Expected Credit Losses	-	-
Net Carrying Amount	3,057.67	4,183.18

(b) Details of single customer accounted for more than 10% of the accounts receivable as at 31st March 2019 and 31st March 2018 :

<u>Particulars</u>	Year ended March 31, 2019	Year ended March 31, 2018
Srinox Bvba	1,333.45	2,405.80

(c) Details of single customer accounted for more than 10% of revenue for the year ended at 31st March 2019 and 31st March 2018 :

<u>Particulars</u>	Year ended March 31, 2019	Year ended March 31, 2018
Maruti Inox (India) Pvt. Ltd.	2404.60	3,006.59
Srinox Bvba	-	2,872.04

32.3 Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at 31-03-2019			As at 31-03-2018		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Borrowings	9,853.00	-	9,853.00	11,159.53	-	11,159.53
Trade Payables	564.08	-	564.08	793.51	-	793.51
Other Financial Liabilities	-	-	-	-	-	-
Total	10,417.07	-	10,417.07	11,953.04	-	11,953.04

32.4 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

a) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

Nature of Borrowing	Change in basis points	As at 31-03-2019	As at 31-03-2018
Working Capital Facilities from Bank	0.50	46.74	48.22
	(0.50)	(46.74)	(48.22)

b) Commodity Price Risk

Principal Raw Material for company's products is round bar. Company sources its raw material requirements from domestic markets. Domestic market price generally remains in line with international market prices. Volatility in metal prices, currency fluctuation of rupee vis a vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price of scrap and pig

iron. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

c) Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of round bar by ₹ 0.50 per kg on profit for the period.

Particulars	Impact on PAT	
	2018-19	2017-18
₹ 0.50 increase in price	26.02	35.16
₹ 0.50 decrease in price	(26.02)	(35.16)

33. Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

Particulars	As at 31-03-2019	As at 31-03-2018
Borrowings	9,853.00	11,159.53
Less : Cash & Cash Equivalents	484.12	415.84
Net Debt (A)	9,368.88	10,743.69
Total Equity	8,690.87	8,551.79
Equity and Net Debt (B)	18,059.75	19,295.48
Gearing Ratio (A/B)	0.52	0.56

34. Letters of balance confirmation have been sent to various parties and are subject to confirmation and reconciliation, if any.

35. Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current years figures.

36. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.

37. In terms of IndAS 36 - Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

38. EVENTS OCCURRED AFTER THE BALANCE SHEET DATE:

The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 02, 2019, there were no subsequent events to be recognized or reported that are not already previously disclosed.

INDEPENDENT AUDITORS' REPORT

To The Members of,

SURAJ LIMITED

Ahmedabad.

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated Financial statements of SURAJ Limited (hereinafter referred to as "the Holding Company") and its subsidiary -Suraj Impex LLP (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2019, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and the summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of M/s S.S. Gandhi & Associates on separate financial statements and on the other financial information of the subsidiary-Suraj Impex LLP, consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by M/s S.S Gandhi & Associates in terms of their report referred to in paragraph 15 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the report of M/s S.S Gandhi & Associates on separate financial statement and on the other financial information of the subsidiary, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined that there are no key audit matters to be communicated in our report.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India,

including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the company included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are

therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements and other financial information, in respect to Suraj Impex LLP whose financial statements include total assets of ₹ 4.33 Lakhs and net assets of ₹ 2.87 Lakhs as at March 31, 2019, and total revenues of ₹ 215.54 Lakhs for the year ended on that date. These financial statements and other financial information have been audited by M/s S.S Gandhi & Associates which financial statements and other financial information and auditors reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary - Suraj Impex LLP, and our report in terms of subsection (3) of section 143 of the Act, in so far it relates to the aforesaid subsidiary - Suraj Impex LLP, is based solely on the report of such M/s S.S Gandhi & Associates.

16. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of M/s S.S Gandhi & Associates on separate financial statement and other financial information of the subsidiary, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books and the report of M/s S.S Gandhi & Associates;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditor of its subsidiary company covered under the Act, none of the directors of the Group company covered under the Act, are disqualified as on 31 March 2019 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 Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 1';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements / consolidated financial statements as also the other financial information of the subsidiary
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii. Provision has been made in these consolidated financial statements, as required under the Applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company during the year ended 31 March 2019;

Place: Ahmedabad

Date: 02.05.2019

**For Rinkesh Shah & Co,
Chartered Accountants
ICAI FRN: 129690W**

**CA Rinkesh Shah
Membership No: 131783**

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Annexure 1 to the Independent Auditor's Report of even date to the members of Suraj Limited on the consolidated financial statements for the year ended 31 March 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of SURAJ Limited (hereinafter referred to as "the Holding Company") and its subsidiary Suraj Impex LLP, which is LLP incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary Suraj Impex LLP which is LLP incorporated in India, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent 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 judgment, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and

appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements

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 Holding Company, its subsidiary Suraj Impex LLP which is LLP incorporated in India, which are companies incorporated in India, have, 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, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India."

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its subsidiary Suraj Impex LLP which is LLP incorporated in India, is based on the corresponding reports of the auditor of such LLP incorporated in India. Our opinion is not qualified in respect of this matter.

Place: Ahmedabad
Date: 02.05.2019

For Rinkesh Shah & Co,
Chartered Accountants
ICAI FRN: 129690W

CA Rinkesh Shah
Membership No: 131783

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ In Lakhs)

	Note	As at 31 st March, 2019	As at 31 st March, 2018
ASSETS			
Non- Current Assets			
a. Property, Plant and Equipment	5	5,660.65	6,073.24
b. Capital Work-in-progress		-	-
c. Intangible Assets	5	0.57	1.43
d. Financial Assets			
i. Investment			
ii. Other financial assets			
Total Non- Current Assets		5,661.22	6,074.67
Current Assets			
a. Inventories	6	8,415.45	8833.83
b. Financial Assets			
i. Trade Receivables	7	3057.77	4183.31
ii. Cash and Cash Equivalents	8	480.04	408.45
iii. Other bank balance	8	5.36	7.69
c. Other Current Assets	9	2165.49	1841.17
Total Current Assets		14124.11	15274.45
Total Assets		19,785.33	21349.12
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	1,926.41	1926.41
Other Equity	11	6,765.13	6622.80
Total Equity		8,691.54	8,549.21
Non-controlling interest		2.21	1.78
LIABILITIES			
I. Non-Current Liabilities			
a. Provision			
b. Deferred Tax Liabilities (Net)	12	142.40	254.06
c. Other Non-Current Liabilities		-	-
Total Non- Current Liabilities		142.40	254.06
II. Current Liabilities			
a. Financial Liabilities			
i. Borrowings	13	9,854.20	11211.33
ii. Trade Payables	14	564.08	793.51
b. Other Current Liabilities	15	316.83	331.62
c. Provisions	16	148.48	127.32
d. Current Tax Liabilities	17	65.59	80.29
Total Current Liabilities		10,949.18	12544.07
Total Equity and Liabilities		19,785.33	21349.12

As per our report of even date

For RINKESH SHAH & Co.

Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
Chairman & CFO
DIN: 00254255

Kunal Shah
Managing Director & CEO
DIN: 00254205

Gurvant Shah
Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(₹ In Lakhs)

Particulars	Note No.	2018-19	2017-18
INCOME			
Revenue from operations	18	18,154.07	20731.57
Other Income	19	43.97	25.57
Total Income		18,198.04	20757.14
EXPENSES			
Cost of Raw Materials consumed	20	13,517.05	16374.36
Purchase of Stock-in-trade	21	198.49	45.81
Changes in Inventories Finished Goods, Work-in-progress and stock-in-trade	22	(400.81)	(1730.18)
Employee Benefits expenses	23	1,141.22	1085.46
Finance Cost	24	1,041.33	950.19
Depreciation, amortization, impairment and Obsolescence	5	658.83	639.33
Other Expenses	25	1,946.25	3297.74
Total expenses		18,102.36	20662.71
Profit/(loss) before exceptional items and tax (1A - 2A)		95.68	94.43
Exceptional item		-	-
Profit / (loss) before tax (3-4)		95.68	94.43
Tax Expense			
Current Tax		65.59	80.29
Deferred Tax	12	(111.65)	(20.88)
Total Tax Expense		(46.06)	59.41
profit/(loss) for the period (PAT) (5-6)		141.74	35.02
Other Comprehensive income (OCI)		(1.70)	(1.87)
Total Comprehensive Income for the period (7+8)		140.04	33.15
Profit for the year attributable to :			
Equity holders of the parent		141.46	36.12
Non - Controlling interest		0.28	(1.10)
Total Comprehensive income attributable to :			
Equity holders of the parent		(1.70)	(1.87)
Non - Controlling interest		-	-
Paid - up equity share capital (face value of share : ₹ 10 each)		1,926.41	1,926.41
Earnings per share (EPS) of ₹ 10 each (Not annualised) :			
(a) Basic EPS (₹)		0.73	0.18
(b) Diluted EPS (₹)		0.73	0.18

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
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DIN: 00254255

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Managing Director & CEO
DIN: 00254205

Gunvant Shah
Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS AT 31ST MARCH, 2019
A. Equity Share Capital

(₹ In Lakhs)

Balance	Note
As at March 31, 2017	1,926.41
Issue of Equity Share Capital	-
As at March 31, 2018	1,926.41
As at March 31, 2018	1,926.41
Issue of Equity Share Capital	-
As at March 31, 2019	1,926.41

B. Other Equity

(₹ In Lakhs)

Particulars	Reserves and Surplus				
	Security Premium	General Reserves	Statutory Reserves	Surplus in Profit & Loss	Total
Balance as at March 31, 2017	2,189.56	244.74	328.83	3,825.42	6,588.55
Balance as at April 1, 2017	2,189.56	244.74	328.83	3,825.42	6,588.55
Profit for the year	-	-	-	36.12	36.12
Other Comprehensive income for the year	-	-	-	(1.87)	(1.87)
Balance as at March 31, 2018	2,189.56	244.74	328.83	3,859.67	6,622.80
Balance as at April 1, 2018	2,189.56	244.74	328.83	3,859.67	6,622.80
Balance as at April 1, 2018	2,189.56	244.74	328.83	3,859.67	6,622.80
Profit for the year	-	-	-	144.03	144.03
Other Comprehensive income for the year	-	-	-	(1.70)	(1.70)
Balance as at March 31, 2019	2,189.56	244.74	328.83	4002.00	6,765.13

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
Chairman & CFO
DIN: 00254255

Kunal Shah
Managing Director & CEO
DIN: 00254205

Gunvant Shah
Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019 (₹ In Lakhs)

	2018-19	2017-18
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	95.68	94.43
Adjusted for:	0.00	0.00
(Profit) / Loss on sale / Discard of Assets (Net)	1.10	0.00
Depreciation / Amortisation and Depletion Expense	658.83	639.33
Accounts Written off expense	26.54	45.24
Interest Income	(38.70)	(25.37)
Other Comprehensive Income	(1.70)	(1.87)
Finance Cost	1,041.33	950.19
Operating Profit before Working Capital Changes	1,783.08	1,701.95
Adjusted for:		
Trade and Other Receivables	1,099.26	12.71
Inventories	418.38	1,078.50
Other Current Assets	(321.99)	(204.43)
Other Financial Assets - Non Current	0.00	52.67
Trade and Other Payables	(229.43)	(941.50)
Other Current Liabilities	(14.79)	(214.64)
Provisions - Current	6.46	60.08
Provisions - Non Current	0.00	(57.91)
Cash Generated from Operation	2,740.97	1,487.43
Tax Paid (Net)	(63.14)	(92.17)
Net Cash Flow form Operating Activities	2,677.83	1,395.26
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(250.74)	(168.38)
Proceeds from disposal of tangible and intangible assets	4.26	0.00
Investments in subsidiaries	0.00	0.00
Net cash flow from other financial assets	0.00	0.00
Interest Income	38.70	25.37
Net Cash Flow (used in) Investing Activities	(207.78)	(143.01)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings (net)	(1,357.13)	(425.63)
Finance Cost paid	(1,041.33)	(950.19)
Net Cash Flow (used in) Financing Activities	(2,398.46)	(1,375.82)
Net Increase / (Decrease) in Cash and Cash Equivalents	71.59	(123.57)
Opening Balance of Cash and Cash Equivalents	408.45	532.02
Closing Balance of Cash and Cash Equivalents	480.04	408.45

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
02.05.2019

For and on behalf of the Board

Ashok Shah
Chairman & CFO
DIN: 00254255

Kunal Shah
Managing Director & CEO
DIN: 00254205

Gurvant Shah
Vice Chairman & WTD
DIN: 00254292

Maunish Gandhi
Company Secretary

Notes to Consolidated Financial Statements For the year ended on 31st March, 2019**1 Corporate Information:**

The consolidated financial statements comprise financial statements of Suraj Limited ("The Company") and its subsidiary Suraj Impex LLP (collectively the "Group"). Suraj Limited ("The Company") is India's leading Manufacturer of Stainless Steel Seamless Pipes, Tubes and "U" Tubes, Flanges & Fittings With Electropolishing having a plant at Thol, Mehsana. Our products find application in important industry segments like pharmaceuticals, dyes & pigments, Oil, Gas, Refinery, etc. The Company is a public company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange (BSE). The registered office of the company is located at Usmanpura, Ahmedabad. The Company caters to both domestic and international markets.

2 Basis of preparation of financial statement:

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Consolidated financial statements have been prepared on the historical cost convention basis except for certain financial assets and liabilities which have been measured at fair value. Refer accounting policy regarding financial instruments (financial assets and financial liabilities). The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors at its meeting held on May 02, 2019.

Suraj Ltd acquired 70% share in Suraj Impex LLP and remains 30% held by directors of the company. So as per, Ind AS Suraj Impex LLP became subsidiary of Suraj Ltd, during the year ending 31st March, 2019. So financial statements for the year ending 31st March, 2019 prescribed as consolidated financial statements.

The consolidated financial statements are presented in ₹ and all values are rounded to nearest Lakhs except where otherwise indicated.

3 Summary of significant accounting policies**3.1 Principles of Consolidation**

The consolidated financial statements comprises the financial statements of the Company and its subsidiary, Suraj Impex LLP for the year ended March 31, 2019. In the preparation of consolidated financial statements, investment in subsidiary has been accounted for in accordance with Ind AS 110 on Consolidation Financial Statements (CFS) have been prepared on the following basis :

i) Subsidiary is fully consolidated from the date of incorporation, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights). Subsidiary has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expense after eliminating all significant intra-group balances and intra-group transactions. The unrealized profits resulting from intra-group transactions that are included, if any in carrying amount of assets are eliminated in full.

ii) Financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies. As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, consistent with the Company's standalone financial statements for like transaction and other event in similar circumstances and are presented, to the extent possible, in the same manner as the Company's Standalone financial statements. Any deviation in accounting policies is disclosed separately.

iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

iv) The subsidiary considered in consolidated financial statements are :

Name of Company	Country of Incorporation	% of Ownership
Suraj Impex LLP	India	70%

3.2 Current versus non-current classification:

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are considered as non-current assets and liabilities.

Operating Cycle

The operating cycle is the time between acquisition of assets for processing and their realization cash and cash equivalents. The Group has identified twelve month as its operating cycle.

3.3 Use of Estimates:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of Future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

3.4 Foreign Currencies:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('The Functional Currency') The Financial statements are presented in Indian Rupee (INR), which is the Group's functional and presentation currency.

Transactions in foreign currencies are initially recorded in by the Group at spot rates at the functional currency spot rate (i.e. INR) at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on

the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.5 FAIR VALUE MEASUREMENT:

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ✓ In the principal market for the asset or liability, or
- ✓ In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ✓ Level 1-Quoted(unadjusted)market prices in active markets for identical assets or liabilities
- ✓ Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ✓ Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.6 Property, plant and equipment:

On the date of transaction, the Group has elected to continue with the previous GAAP's carrying amount as deemed cost to measure all the items of property, plant and equipment. Property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalisation criteria are met, the cost of replacing part of the fixed assets and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significantly parts of fixed assets are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognised in the carrying amount of the Property, plant and equipment as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of Property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the statement of Profit and Loss for the period during which such expenses are incurred.

Capital work in progress comprised of cost of Property, plant and equipment that are yet not installed and not ready for their intended use at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable. The Group calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act 2013.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

3.7 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets in the form of software are amortised on a straight-line basis six years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

3.8 Impairment of non-financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.9 Investment and other Financial Assets:

Financial assets are recognized and measured in accordance with Ind AS 109 - Financial Instruments. Accordingly, the Group recognizes financial asset only when it has contractual right to receive cash or other financial assets from another Company.

i. Initial recognition and measurement

All financial assets, except investment in subsidiary are measured initially at fair value plus, transaction costs that are attributable to the acquisition of the financial asset. The transaction cost incurred for the purchase of financial assets held at fair value through profit or loss are

expended in the statement of Profit and Loss immediately.

ii. Subsequent measurement:

For the purpose of Subsequent measurement financial assets are classified in three categories:

- ✓ Measured at amortised cost
- ✓ Measured at fair value through other comprehensive income (FVOCI)
- ✓ Measured at fair value through Profit and Loss (FVTPL)

Debt instruments at amortised cost:

Assets that are held for collection of contractual cash flows where the cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortized cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. Gain or loss on a debt instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt instruments at fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). The movement in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from equity to the Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in finance income using the effective interest rate method.

Debt instruments at fair value through Profit and Loss (FVTPL):

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortized cost or FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments:

All equity investments, except in subsidiary are measured at cost in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instruments as a FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of Investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

iii. Derecognition:

A financial asset (or, where applicable, a part of financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance sheet) when:

- ✓ The rights to receive cash flows from the asset have expired, or
- ✓ The Group has transferred substantially all the risks and rewards of the asset

iv. Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance.

b) Financial guarantee contracts which are not measured at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and Loss. This amount is reflected under the head other expenses in the Statement of Profit and loss.

3.10 Financial liabilities:

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of Profit and Loss, loans and borrowing, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below: Financial liabilities at fair value through Statement of Profit and loss.

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivatives financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition and only if the criteria in IndAs 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability at FVTPL. Loans and borrowings:

Company does not have any long term borrowings from any banks and financial institution, so measurement at amortised cost method is not applicable to the company. Company recognise all the working capital borrowings at the actual rate of borrowing. All expenditures relating to interest, charges and processing fees recorded as finance cost in statement of profit and loss.

This category generally applies to borrowings.

Derecognition :

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such

an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and loss.

Derivative financial instrument:

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instrument is initially recognized at fair value through consolidated statement of Profit and loss (FVTPL) on the date on which a derivative contract is entered into and is subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are classified in the consolidated statement of Profit and loss and reported with foreign exchange gains/(loss) not within results from operating activities. Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designed as hedge are recorded as finance cost.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to relate the assets and settle the liabilities simultaneously.

3.11 Inventories:

Finished goods and Work-in-process are stated at the lower of cost and estimated net realizable value. Cost of inventories constitutes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity.

Raw materials, components, stores and spares are valued at lower of cost and estimated net realizable value. Cost is determined on weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Provision is recognized for damaged, defective or obsolete stocks where necessary. Cost of all inventories is determined using weighted average method of valuation.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.12 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Excise Duty is a liability of the manufacturer, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

However, sales tax/value added tax (VAT)/Goods and Service Tax (GST) is not received by the Group on its account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of Goods:

i. Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of goods. Revenue from sale of goods

is measured at the fair value of the consideration received or receivable, net of trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

ii. The Group accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax in the years of admission of such claims by the concerned authorities. Benefits in respect of export license are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

iii. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rates applicable. Interest income is included under the head "other income" in the statement of Profit & Loss.

iv. Revenue from windmill is recognised on unit generation basis.

3.13 Taxes:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of Profit and Loss is recognised outside the statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except.

- ✓ When the Deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss;
- ✓ In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent it is probable that future taxable amounts will be available against the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except:

- ✓ When the deferred tax asset arises relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss.
- ✓ In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future

taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of Profit and Loss is recognised outside the statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e. the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.14 Employee benefits:

I. Defined Contribution Plan

a. Provident Fund

Contributions in respect of Employees who are not covered by Group's Employees Provident fund trust are made to the Fund administered by the Regional Provident Fund Commissioner as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and are charged to Statement of profit and Loss as and when services are rendered by employees. The Group has no obligation other than the contribution payable to the Regional provident fund.

II. Defined Benefit plan

a. Gratuity

Every employee who has completed five years or more of service is entitled to Gratuity as per the provisions of The Payment of Gratuity Act, 1972. Retirement Gratuity for employees is funded through a scheme of Life Insurance Corporation of India. The costs of providing benefits under this plan are determined on the basis of actuarial valuation using the projected unit credit method at each year-end. Actuarial gains/ losses are immediately recognised in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. The excess/ shortfall in the fair value of the plan assets over the present value of the obligation calculated as per actuarial methods as at balance sheet dates is recognised as a gain/ loss in the Statement of Profit and loss. Any asset arising out of this calculation is limited to the past service cost plus the present value of available refunds and reduction in future contributions.

b. Provident Fund

In respect of the employees covered by the Group's Employee provident Fund trust in Point - I (a) above, contributions to the Group's Employee provident Fund trust (administered by the Group as per the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952) are made in accordance with the fund rules. The interest rate payable to the beneficiaries every year is being notified by the Government.

In the case of contribution to the Trust, the Group has an obligation to make good the shortfall, if any between the return from the investments of the Trust and the notified interest rate and recognizes such obligation, if any determined based on an actuarial valuation as at the balance sheet date, as an expense.

III. Long Term Compensated Absences

The Group treats accumulated leave to the extent such leave are carried forward as long-term employee benefit for measurement purposes. Such long-term compensated absences are

provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non- current liability.

3.15 Provisions:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable Estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain, the expense relating to a provision is presented in the consolidated statement of Profit and loss net of any reimbursement.

3.16 Export Incentive.

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

3.17 Earnings per share:

Basic Earnings per Share is calculated by dividing the net profit/ loss for the year attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit/ loss for the period attributable to ordinary equity holders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.18 Cash and cash equivalent:

Cash and cash equivalent in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

4 Significant accounting estimates and assumptions:

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumption and estimates could result in outcomes that require a material adjustments to the carrying amount of assets or liabilities affected in future periods.

4.1 Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are describes below. The Group based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans(gratuity benefits):

The cost of the defined benefits gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rates, future

salary increases and mortality rates. Due to the complexities involved in the valuation and **its** long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rates for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publically available mortality tables for India. These mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Future details about gratuity obligations are given in note- 30

b) Fair value measurement for financial instruments.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note- 31 for further disclosures.

5. PROPERTY, PLANT & EQUIPMENTS

Description of Assets	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK			
	As at 01.04.2017	Additions	Deduction	As at 31.03.2018	Additions	Deduction	As at 31.03.2019	As at 01.04.2017	For the year Ending March 31, 2018	Deduction	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019
(A) Tangible Assets														
Land & Site Development	1,978.34	33.4	-	2,011.74	-	-	2,011.74	-	-	-	-	-	2,011.74	2,011.74
Factory Building	3,371.75	187.25	-	3,559.00	127	-	3,560.27	1,023.15	111.25	-	1,134.40	1,247.24	2,313.03	2,424.60
Office Premises	202.02	-	-	202.02	-	-	202.02	39.96	3.19	-	43.15	46.34	155.68	158.87
Plant & Machinery	8,479.11	205.82	-	8,684.93	216.87	-	8,901.80	6,887.16	504.51	-	7,391.67	7,910.03	991.77	1,293.26
Furniture Fixture	217.11	18.64	-	235.74	14.46	-	250.2	178.65	7.12	-	185.77	194.97	55.23	49.97
Computer	106.36	0.32	-	106.68	3.94	-	110.62	102.27	1.85	-	104.11	106.53	4.09	2.56
Vehicle	293.63	4.18	-	297.8	14.01	5.35	306.46	184.92	10.38	-	195.30	207.08	99.37	102.5
Wind Mill	594.87	-	-	594.87	-	-	594.87	565.12	-	-	565.12	29.74	29.74	29.74
Sub-Total	15,243.17	449.61	-	15,692.78	250.55	5.35	15,937.98	8,981.24	638.29	-	9,619.53	10,277.32	5,660.65	6,073.24
Capital Work in Progress	281.14	-	281.14	-	-	-	-	-	-	-	-	-	-	-
Total (A)	15,524.32	449.61	281.14	15,692.78	250.55	5.35	15,937.98	8,981.24	638.29	-	9,619.53	10,277.32	5,660.65	6,073.24
(B) Intangible As sets														
Software	6.54	-	-	6.54	0.18	-	6.71	4.07	1.03	-	5.11	6.15	0.57	1.43
Total (B)	6.54	-	-	6.54	-	-	6.71	4.07	1.03	-	5.11	6.15	0.57	1.43
Total (A+B)	15,530.85	449.61	281.14	15,699.31	250.73	5.35	15,944.69	8,985.31	639.33	0.00	9,624.64	10,283.47	5,661.22	6,074.67

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(₹ In Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
6. INVENTORIES		
Raw materials	1,823.79	2,640.91
Work-in-progress	5,801.11	5,002.14
Finished goods	518.62	697.48
Stock in Trade	-	13.34
Scrap	172.36	378.32
Stores , Spares & Packing Material	99.57	101.64
Total	8,415.45	8,833.83

Particulars	As at 31st March, 2019	As at 31st March, 2018
7. TRADE RECEIVABLES		
Trade receivables unsecured, considered good	3,057.77	4,183.31
Total Current	3,057.77	4,183.31
Non-Current	-	-
Total	3,057.77	4,183.31

Particulars	As at 31st March, 2019	As at 31st March, 2018
8. CASH AND CASH EQUIVALENTS		
Cash on Hand	3.04	3.09
Balance with Bank		
Current Accounts	2.83	2.99
Fixed Deposits (Maturity of three Months or less)	474.17	402.37
Total Cash and Cash Equivalents	480.04	408.45
Other Bank Balance		
Unpaid dividends	5.36	7.69
Total Other Bank Balance	5.36	7.69

Particulars	As at 31st March, 2019	As at 31st March, 2018
9. OTHER ASSETS		
Deposits	4.06	8.07
Balance with government authorities	392.24	511.05
Advance Tax and TDS	239.53	291.54
Prepaid Expenses	28.53	19.05
Others Loan and Advances	608.85	514.47
Export Incentives receivable	494.02	459.71
Advance to Suppliers	398.26	37.28
Total	2,165.49	1,841.17
Current	2,165.49	1,841.17
Non-Current	-	-
Total	2,165.49	1,841.17

(₹ In Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
10. SHARE CAPITAL		
Authorized Share Capital		
2325000 Equity Shares of ₹ 10 each	2,325.00	2,325.00
Issued, Subscribed and Paid Up		
19264100 Equity Shares of ₹ 10 each	1,926.41	1,926.41
Total	1,926.41	1,926.41

10.1 Reconciliation of Share capital				
Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
Authorised share capital				
Equity shares of ₹10/- each	2,32,50,000	2,325.00	2,32,50,000	2,325.00
Issued and subscribed share capital	1,92,64,100	1,926.41	1,92,64,100	1,926.41
Subscribed and fully paid up	1,92,64,100	1,926.41	1,92,64,100	1,926.41

Terms/Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

Number of Shares held by each shareholder holding more than 5% Shares in the company

Particulars	As at March 31, 2019	
	No. of shares	₹ In Lakhs
SHAH GUNVANTKUMAR TARACHAND	9,91,480	5.15
ANILABEN ASHOKKUMAR SHAH	38,08,679	19.77
KUNAL TARACHAND SHAH	10,30,488	5.35
REKHABEN GUNVANTKUMAR SHAH	25,17,889	13.07
ASHOKKUMAR TARACHAND SHAH	10,77,662	5.59
CHANDRIKA KUNAL SHAH	31,03,839	16.11

(₹ In Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
11. OTHER EQUITY Securities Premium Account		
Balance per last Financial Statement	2,189.56	2,189.56
Balance at the end of the year	2,189.56	2,189.56
General Reserves		
Balance per last Financial Statement	244.74	244.74
Balance at the end of the year	244.74	244.74
Statutory Reserves		
Balance per last Financial Statement	328.83	328.83
Balance at the end of the year	328.83	328.83
Surplus in Statement of Profit and loss		
Balance per last Financial Statement	3,859.67	3,825.42
Add/(Less): Reinstatement effect due to Ind AS		
Add: Profit for the year	142.33	34.25
Balance at the end of the year	4,002.00	3,859.67
Total Retained Earnings	6,765.13	6,622.80

Particulars	As at 31st March, 2019	As at 31st March, 2018
12. DEFERRED TAX LIABILITIES (NET)		
As per last Balance Sheet	254.05	274.94
Charge / (Credit) to Statement of Profit & Loss (reinstated)	(111.65)	(20.88)
Total	142.40	254.06

Particulars	As at 31st March, 2019	As at 31st March, 2018
13. BORROWINGS Secured borrowings		
From Banks		
Foreign Currency Loan (Buyers Credit)	-	1,578.74
Rupee Loan (Working Capital)	9,349.20	8,065.79
Unsecured borrowings		
Suraj Enterprise Private Limited	505.00	1566.8
Total	9,854.20	11,211.33
Current	9,854.20	11,211.33
Non-Current	-	-
Total	9,854.20	11,211.33

(₹ In Lakhs)

Particulars	As at 31st March,2019	As at 31st March,2018
14. TRADE PAYABLES		
Secured		
Due to Micro, Small and Medium Enterprise	-	-
Due to Others	564.08	793.51
Total	564.08	793.51
Current	564.08	793.51

The company does not have suppliers who are registered as micro or small enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2019. The information regarding Micro or small enterprises has been determined on the basis of information available with the management, which has been relied up on by the auditors.

Particulars	As at 31st March,2019	As at 31st March,2018
15. OTHER CURRENT LIABILITIES		
Other Financial Liabilities		
Interest accrued but not due	0.80	8.26
Unpaid dividend (Not due for credit to Investor Education and Protection fund)	5.36	7.69
Other Current Liabilities		
Statutory Dues	10.47	6.96
Advance from Customers	224.45	217.52
Corporate Social Responsibility	-	16.96
Other Payables	75.75	74.23
Total	316.83	331.62

Particulars	As at 31st March,2019	As at 31st March,2018
16. PROVISIONS		
Provision for Employee benefits	148.48	127.32
Total	148.48	127.32
Current	148.48	127.32
Non-Current	-	-
Total	148.48	127.32

Particulars	As at 31st March,2019	As at 31st March,2018
17. CURRENT TAX LIABILITIES		
Provision for income tax	65.59	80.29
Total	65.59	80.29

(₹ In Lakhs)

Particulars	As at 31st March,2019	As at 31st March,2018
18. REVENUE FORM OPERATION		
Sale of Stainless Steel Seamless Pipes, Tubes, U-Tubes, Flanges and Fittings	17,391.95	20,379.12
Sale of Power generated from Windmill	99.05	91.08
Trading of shares	210.37	29.93
Other Operating Revenue		
Scrap and Waste Sales	48.70	7.14
Others	404.00	224.30
Total	18,154.07	20,731.57

Particulars	As at 31st March,2019	As at 31st March,2018
19. OTHER INCOME		
Interest Income - From Bank	38.69	25.37
Other Non-Operating Income	5.28	0.20
Total	43.97	25.57

Particulars	As at 31st March,2019	As at 31st March,2018
20. COST OF RAW MATERIAL CONSUMED		
Inventory at the beginning of the year	2,640.91	5,446.63
Add: Purchases	12,699.93	13,568.64
	15,340.84	19,015.27
Less: Inventory at the end of the year	1,823.79	2,640.91
Total	13,517.05	16,374.36

Particulars	As at 31st March,2019	As at 31st March,2018
21. Purchase of Stock in Trade		
Purchase of Stock in Trade	198.49	45.81
Total	198.49	45.81

(₹ In Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & SCRAP		
Inventories at the beginning of the year	-	-
Finished Goods	697.48	486.76
Work In Progress	5,002.14	3,620.55
Scrap	378.32	253.79
Stock in Trade	13.34	-
	6,091.28	4,361.10
Inventories at the end of the year		
Finished Goods	518.62	697.48
Work In Progress	5,801.11	5,002.14
Scrap	172.36	378.32
Stock in Trade	-	13.34
	6,492.09	6091.28
Total	(400.81)	(1,730.18)

Particulars	As at 31st March, 2019	As at 31st March, 2018
23. EMPLOYEE BENEFITS		
Salaries, Wages, Bonus etc.	1,065.25	999.16
Contribution to Provident and Other funds	25.74	34.15
Staff Welfare expenses	50.23	52.15
Total	1,141.22	1085.46

Particulars	As at 31st March, 2019	As at 31st March, 2018
24. FINANCE COST		
Interest Expense	901.12	779.31
Bank Charges	140.21	170.88
Total	1041.33	950.19

Particulars	As at 31st March, 2019	As at 31st March, 2018
25. OTHER EXPENSES		
Manufacturing Expenses		
Power and fuel	487.95	557.91
Consumption of stores and spares	449.69	434.14
Packing material	80.86	92.76
Job work charges	2.11	6.21
Transportation and freight	242.07	300.74
Clearing & Forwarding Exp.	141.83	97.37
Repairs and maintenance - Plant & Machinery	158.38	175.08
Repairs and maintenance - Building	3.05	0.77

Other Taxes	-	1629.05
	1,565.94	3,294.03
Selling and Distribution Expense		
Selling and marketing expenses	111.50	105.23
Sales Discount	-	-
	111.50	105.23
Administration Expense		
Audit Fees	6.07	5.12
Communication Exp.	11.81	15.6
Commission	0.11	0.16
Insurance	12.45	10.71
Legal & Professional Charges	39.79	36.97
Rates & Taxes	7.00	9.88
Traveling, Conveyance & Vehicle Exp.	38.20	44.01
Other Expenses	122.15	138.17
Exchange Rate Fluctuation (Net).	31.23	(362.68)
	268.81	(101.52)
Total	1,946.25	3,297.74

25.1 Payments to Auditors as:		
Particulars	As at 31st March, 2019	As at 31st March, 2018
a. Statutory Audit Fees	3.87	3.87
b. Tax Audit Fees	0.75	0.75
c. Review Reports Fees	0.50	0.50
d. GST audit fees	0.95	-
	6.02	5.12

26. EARNING PER SHARE			
Particulars		2018-19	2017-18
Earning per share (Basic and diluted)			
Profit attributable to ordinary equity holders	₹In Lakhs	141.74	35.02
Total no. of equity shares at the end of the year	Nos.	1,92,64,100	1,92,64,100
Weighted average number of equity shares			
For Basic and Diluted	Nos.	1,92,64,100	1,92,64,100
Nominal Value of equity share	In ₹	10	10
Basic earning per share	In ₹	0.73	0.18

27. DISCLOSURE PURSUANT TO RELATED PARTIES

As per Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the company are as follows:

27.1 Name of the related parties and nature of relationship

Limited Liability Partnership (70% holding in LLP)

Suraj Impex LLP

Key Managerial Personnel

Mr. Ashok Shah - Chairman and CFO

Mr. Gunvant Shah - Vice chairman and Whole-time Director
Mr. Kunal Shah - Managing Director and CEO
Ms. Shilpa Patel - Whole Time Director

Directorship of Key Managerial Personnel in following :

Suraj Enterprise Private Limited

TBS Metal Private Limited

Non Executive Directors

Mr. Dipak Shah

Mr. Ketan Shah

Mr. Haren Desai

Mr. Bhupendrasinh Patel

27.2 Disclosure in respect of related party transaction

(₹ In Lakhs)

Nature of transactions	Year ended	
	March 31,2019	March 31,2018
Sales of goods and material		
TBS Metal Private Limited	1,506.25	1,502.09
Purchase of goods and material		
TBS Metal Private Limited	1,333.49	1,138.43
Net Borrowing received / (repaid)		
Suraj Enterprise Private Limited	(1010)	215
Investment (Net)		
Suraj Impex LLP (70% Contribution)	0.29	0.29
Remuneration		
Mr. Ashok Shah - Chairman and CFO	27.06	-
Mr. Gunvant Shah - Vice chairman and Whole-time Director	19.56	-
Mr. Kunal Shah - Managing Director and CEO	23.06	-
Ms. Shilpa Patel (Whole Time Director)	12.37	11.77
Sitting Fees		
Mr. Dipak Shah	0.20	0.15
Mr. Ketan Shah	0.20	0.05
Mr. Haren Desai	0.15	0.20
Mr. Bhupendrasinh Patel	0.20	0.20
Professional Fees		
Mr. Dipak Shah	0.25	0.55

Particulars	As at 31 st March,2019	As at 31 st March,2018
28. CONTINGENT LIABILITIES		
Contingent liabilities not provide for		
a. Guarantees given by bank on behalf of the company	123.16	174.81
b. Disputed demands in respect of		
Excise / Custom duty	1,680.97	1,635.23
Sales tax	457.28	457.28
Income tax	4,119.22	4,112.53
Total Retained Earnings	6,380.63	6,379.85

29. DISCLOSURE PURSUANT TO FOREIGN EXCHANGE EXPOSURE (₹ In Lakhs)					
Nature of Instruments	Currency	As at 31 st March, 2019		As at 31 st March, 2018	
		Foreign	INR (Lakhs)	Foreign	INR (Lakhs)
Forward Contract	USD	-	-	19,533	12.68
		-	-	19,533	12.68

Nature of Instruments	Currency	As at 31 st March, 2019		As at 31 st March, 2018	
		Foreign	INR (Lakhs)	Foreign	INR (Lakhs)
Payable towards borrowings	USD	-	-	24,37,673	1,566.06
	AED	-	-	-	-
Receivables	USD	28,16,257	1,940.12	10,57,190	676.71
	EURO	3,86,195	297.18	31,01,684	2,482.97
	GBP	-	-	9,2365	83.78
Payable to Creditors	USD	1666	1.15	1,200	0.77
	EURO	250	0.20	500	0.40
	GBP	700	0.63	446	0.41

Note 30 : Disclosure pursuant to Employee benefits
30.1 Defined contribution plans:

Expenses are included in Note No. 23 "Employee Benefit Expense"

(₹ In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provident Fund	16.16	14.62
	16.16	14.62

30.2 Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan administered by Trust and the Company makes contributions to recognized Trust.

March 31, 2019: Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss				Return on plan assets (excluding amounts included in net interest expense)	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	March 31, 2019
	April 1, 2018	Service cost	Net interest expense	Sub-total included in statement of profit and loss		Benefit paid	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments		
Gratuity											
Defined benefit obligation	67.17	4.45	5.25	9.70	(1.44)	-	-	1.31	(0.16)	1.15	76.58
Fair value of plan assets	52.38	-	4.10	4.10	(1.44)	(0.56)	-	-	-	(0.56)	74.84
Benefit liability / (Assets)	14.79	4.45	1.16	5.61	-	0.56	-	1.31	(0.16)	1.71	1.74
Total benefit liability / (Assets)	14.79	4.45	1.16	5.61	-	0.56	-	1.31	(0.16)	1.71	1.74

March 31, 2018: Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss					Return on plan assets (excluding amounts included in net interest expense)	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	March 31, 2018
	April 1, 2017	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid		Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	50.71	15.10	3.88	18.99	(2.97)	-	6.88	(0.68)	(5.76)	0.44	-	67.17
Fair value of plan assets	44.47	-	3.41	3.41	(2.97)	(1.43)	-	-	-	(1.43)	8.89	52.38
Benefit liability / (Assets)	6.23	15.10	0.48	15.58	-	1.43	6.88	(0.68)	(5.76)	1.87	(8.89)	14.79
Total benefit liability / (Assets)	6.23	15.10	0.48	15.58	-	1.43	6.88	(0.68)	(5.76)	1.87	(8.89)	14.79

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2019 (%) of total plan assets	Year ended March 31, 2018 (%) of total plan assets
Insurance fund	100.00%	100.00%
(%) of total plan assets	100.00%	100.00%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	7.54%	7.82%
Future salary increase	6.00%	6.00%
Expected rate of return on plan assets	7.54%	7.82%
Employees Turnover rate	7.00%	7.00%
Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

A quantitative sensitivity analysis for significant assumption is as shown below: (₹ In Lakhs)

Particulars	(increase) / decrease in defined benefit obligation (Impact)		
	Sensitivity level	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity		76.58	67.17
Discount rate	1% increase	(4.50)	(3.97)
	1% decrease	5.06	4.45
Salary increase	1% increase	3.12	2.61
	1% decrease	(2.76)	(2.36)
Employees Turnover rate	1% increase	1.09	1.08
	1% decrease	(1.18)	(1.18)

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity		
Within the next 12 months (next annual reporting period)	7.07	1.30
Between 2 and 5 years	27.36	7.20
Beyond 5 years	104.10	129.27
Total expected payments	138.53	137.77

31. FINANCIAL INSTRUMENTS, RISK MANAGEMENT, OBJECTIVES AND POLICIES

31.1 Financial Risk Management

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

31.2 Credit Risk Management

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly.

(₹ In Lakhs)

(a) The ageing analysis trade receivables from the date the invoice falls due is given below :

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Up to 3 months	1,854.42	2,575.91
3 to 6 months	1,196.15	392.97
6 to 12 months	7.20	1,214.30
Beyond 12 months	-	-
Gross Carrying Amount	3,057.77	4,183.18
Expected Credit Losses	-	-
Net Carrying Amount	3,057.77	4,183.18

(b) Details of single customer accounted for more than 10% of the accounts receivable as at 31st March 2019 and 31st March 2018 :

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Srinox Bvba	1,333.45	2,405.80

(c) Details of single customer accounted for more than 10% of revenue for the year ended at 31st March 2019 and 31st March 2018 :

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Maruti Inox (India) Pvt. Ltd.	2404.60	3,006.59
Srinox Bvba	-	2,872.04

31.3 Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at 31-03-2019			As at 31-03-2018		
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total
Borrowings including interest	9,854.19	-	9,854.19	11,159.53	-	11,159.53
Trade Payables	564.07	-	564.07	793.51	-	793.51
Other Financial Liabilities	-	-	-	-	-	-
Total	10,418.26	-	10,418.26	11,953.04	-	11,953.04

31.4 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

a) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

Nature of Borrowing	Change in basis points	As 31-03-2019	As 31-03-2018
Working Capital Facilities from Bank	0.50	46.74	48.22
	(0.50)	(46.74)	(48.22)

b) Commodity Price Risk

Principal Raw Material for company's products is round bar. Company sources its raw material requirements from domestic markets. Domestic market price generally remains in line with international market prices. Volatility in metal prices, currency fluctuation of rupee vis a vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price of scrap and pig iron. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

c) Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of round bar by ₹ 0.50 per kg on profit for the period.

Particulars	Impact on PAT	
	2018-19	2017-18
₹ 0.50 increase in price	26.02	35.16
₹ 0.50 decrease in price	(26.02)	(35.16)

32. Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

Particulars	As at 31-03-2019	As at 31-03-2018
Borrowings	9,854.19	1,159.53
Less : Cash & Cash Equivalents	485.40	415.84
Net Debt (A)	9,368.79	10,743.69
Total Equity	8,691.53	8,551.79
Equity and Net Debt (B)	18,060.32	19,295.48
Gearing Ratio (A/B)	0.52	0.56

33. Letters of balance confirmation have been sent to various parties and are subject to confirmation and reconciliation, if any.

34. Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

35. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the balance sheet, if realised in the ordinary course of the business. Provision for depreciation and all known liabilities have been made in accounts.

36. In terms of Indas 36 - Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

37. EVENTS OCCURRED AFTER THE BALANCE SHEET DATE:

The company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 02, 2019, there were no subsequent events to be recognized or reported that are not already previously disclosed.

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]

26th Annual General Meeting - 27th day of June, 2019, at 10.30 A.M.



SURAJ LIMITED

CIN: L27100GJ1994PLC021088

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

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

CIN:	L27100GJ1994PLC021088
Name of the company:	SURAJ LIMITED
Registered office:	Suraj House" Opp.Usmanpura Garden, Ashram Road, Ahmedabad, Gujarat -380014

Name of the member(s) :

Registered address :

Email Id :

Folio No./Client Id :

DP ID :

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

1. Name : _____

Address : _____

E-mail ID: _____ Signature _____

2. Name : _____

Address : _____

E-mail ID: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the

26th Annual general meeting of the company, to be held on the 27th day of June, 2019 at 10.30 a.m. at Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(s)	Vote	
		For	Against
1	To receive, consider and adopt		
	a)The Audited Standalone Financial Statement of the Company for the financial year ended 31 st March, 2019 and the reports of the Board of Directors and Auditors thereon and		
	b)The Audited Consolidated Financial Statement of the Company for the financial year ended 31 st March, 2019 and the reports of the Auditors thereon.		
2	To appoint a Director in place of Mr. Ashok Shah (DIN: 00254255) who retires by rotation and being eligible offers himself for re-appointment		
3	To appoint a Director in place of Mr. Gunvant Shah (DIN: 00254292) who retires by rotation and being eligible offers himself for re-appointment		
4	To partially modify the resolution related to appointment of Statutory Auditors and if thought fit, to pass the following resolution as an Ordinary Resolution.		
5	To approve the remuneration of the Cost Auditor for the financial year 2019-20		
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)		
7	To approve material related party transactions		

Signed _____ this day of _____ 2019

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Affix
Revenue
Stamp
Re. 1/-

Signature of the shareholder
across Revenue
Stamp



CIN: L27100 GJ1994PLCO21088

Registered Office: "Suraj House" Opp. Usmanpura Garden, Ashram Road, Ahmedabad, Gujarat -380014
Email: suraj@surajgroup.com, website: www.surajgroup.com

26th 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 26th Annual General Meeting to be held on Thursday, the 27th June, 2019. 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:

Step 1: The voting period begins on 24th June, 2019 at 10.00 a.m. and ends on 26th June, 2019 at 5.00 P.M.

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14th June, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Step 2: The shareholders should log on to the e-voting website www.evotingindia.com.

Step 3: Click on Shareholders.

Step 4: Now Enter your User ID

d. For CDSL: 16 digits beneficiary ID,

e. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

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

Step 5: Next enter the Image Verification as displayed and Click on Login.

Step 6: 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.

Step 7: 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 e-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).

Step 8: After entering these details appropriately, click on "SUBMIT" tab.

- Step 9:** 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.
- Step 10:** For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Step 11:** Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- Step 12:** 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.
- Step 13:** Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- Step 14:** 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.
- Step 15:** Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- Step 16:** You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- Step 17:** 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.
- Step 18:** Shareholders can also use Mobile app - "m - Voting" for e voting. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

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, 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.

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 Limited**

**Place : Ahmedabad
Date : 02.05.2019**

**Maunish Gandhi
Company Secretary**

E-Voting Page

Resolution No. as per Notice	Particulars	No. of Shares Held	Assent	Dissent
1	To receive, consider and adopt a) The Audited Standalone Financial Statement of the Company for the financial year ended 31 st March, 2019 and the reports of the Board of Directors and Auditors thereon and b) The Audited Consolidated Financial Statement of the Company for the financial year ended 31 st March, 2019 and the reports of the Auditors thereon.			
2	To appoint a Director in place of Mr. Ashok T. Shah (DIN: 00254255) who retires by rotation and being eligible offers himself for re- appointment.			
3	To appoint a Director in place of Mr. Gunvant T. Shah (DIN: 00254292) who retires by rotation and being eligible offers himself for re-Appointment			
4	To partially modify the resolution related to appointment of Statutory Auditors and if thought fit, to pass the following resolution as an Ordinary Resolution.			
5	To approve the remuneration of the Cost Auditor for the financial year 2019-2020			
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)			
7	To approve material related party transactions			

Notes



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 : _____
Name of Proxy : _____
Regd. Folio No. : _____ DP Id : _____
Client Id* : _____ No. Of shares held: _____

I hereby record my presence at the 26th Annual General Meeting of the Suraj Limited, at Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009 on Thursday, the 27th day of June, 2019 at 10.30 a.m.

Member's / Proxy's Signature

(To be signed at the time of handling over the slip)

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.

.....X.....X.....

Route Map AGM Venue of:
Suraj Limited
26th Annual General Meeting
Thursday, 27th June, 2019
At. 10:30 a.m.



VENUE:
ATMA Hall (Ahmedabad Textile Mills' Association)
Near Gurjari, Ashram Road, Navrangpura,
Ahmedabad - 380009

BOOK-POST/COURIER

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