25th ANNUAL REPORT

2017-18

SURAJ LIMITED

Progress is Life

SURAJ LIMITED

CIN: L27100GJ1994PLCO21088

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

25th ANNUAL REPORT 2017-2018

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.
102, SHATDAL COMPLEX, OPP. BATA SHOW ROOM,
ASHRAM ROAD, AHMEDABAD - 380 009.

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

25th ANNUAL GENERAL MEETING

Date : Thursday, 21st June, 2018
Venue : Conference Hall of
"The Ahmedabad Textile Mills Association", Near "Gurjari",
Ashram Road, Ahmedabad - 380009
Time : 10:30 A.M.

10 Years Overview

(₹.in Lakh)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sales & Other Income	23097.13	17687.13	23932.66	25031.46	26713.77	23901.15	25139.75	15405.55	19659.46	20704.25
Profit before Finance Cost, Depreciation & Tax	2193.84	2784.80	3399.21	3527.63	3702.79	2766.94	2680.72	1708.33	2115.19	1683.95
Depreciation	545.41	893.40	998.15	1015.26	1036.07	1073.01	731.98	705.12	628.26	639.33
Total Comprehensive Income	595.04	533.25	674.79	625.41	714.53	367.8	689.10	39.12	42.91	33.15
Share capital	1700.91	1700.91	1926.41	1926.41	1926.41	1926.41	1926.41	1926.41	1926.41	1926.41
Reserve & surplus	3200.23	5243.96	5581.79	5871.36	6247.82	6277.55	6605.54	6638.63	6681.55	6622.80
Shareholders Funds	4901.14	6944.87	7508.2	7797.77	8174.23	8203.96	8531.95	8565.04	8607.96	8549.21
Gross Block	7969.30	12951.26	13977.57	14157.50	14480.96	14883.77	15087.66	15243.60	15530.85	15699.31
Net Block	5743.49	9837.65	9865.82	9061.15	8357.41	7752.59	7402.80	6876.34	6545.62	6074.67
Dividend	255.14	255.14	288.96	288.96	288.96	288.96	288.96	0.00	0.00	0.00
Rate of Dividend Book Value of share (in Rs.)	15%	15%	15%	15%	15%	15%	15%	0%	0%	0%
Book Value of share (in Rs.) (Face Value Rs.10/-)	28.81	40.83	38.98	40.48	42.43	42.59	44.29	44.46	44.68	44.39
Earnings per Share (in Rs.)	3.50	3.14	3.50	3.25	3.71	1.91	3.58	0.20	0.22	0.17
Yearly High & Low Share Price Rupees	147-57.20	97.95-55	71.95-47.25	61.50-40.30	64-13.85	103.80-27	86-34	65-33.50	54.45-34.75	73.65-41

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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 25th Annual General Meeting of Company.

I feel honoured and privileged once again to present you with the Annual Report F.Y. 2017-18. 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 2017-18 also was full of challenges and crucial commitments.

Discarding the global challenges, your company continued to carry on business cautiously which resulted into turnover of ₹ 20,648.76 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 ₹ 36.82 Lakh

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

I would like to take this opportunity on behalf of the Board of Directors and its leadership team to thank each shareholder, Banks 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 25th Annual General Meeting of the Members of **SURAJ LIMITED** will be held on **Thursday, 21st June, 2018** at 10:30 am at the Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380009 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt
   a) The Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2018 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, 2018 and the reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Kunal Tarachand Shah (DIN:00254205) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Ms. Shilpa Mangaldas Patel (DIN: 07014883) who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. Rinkesh Shah & Co. (FRN: 129690W) Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

5. **To approve the remuneration of the Cost Auditor for the financial year 2018-19:**

   "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 & Associates.,** 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 2018-19 be paid the remuneration of ₹ 1,00,000/-(Rupees One Lakh only) plus GST for the year 2018-19 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 re appointment of Mr. Kunal Tarachand Shah (DIN:00254205) as a Managing Director & Chief Executive Officer of the Company who shall be liable to retire by rotation:**

   "RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Kunal Tarachand Shah (DIN:00254205) as Managing Director & Chief Executive officer of the Company for the period of five(5) years w.e.f. 28th September, 2017 on the terms and conditions as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be applicable to Mr. Kunal Tarachand Shah (DIN:00254205) to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013 and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. **To re appointment of Ms. Shilpa Mangaldas Patel (DIN: 07014883) as a Whole time Director of the company who shall be liable to retire by rotation:**

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 all others Provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V and all other applicable provisions of the Companies Act, 2013 and pursuant to Articles of Association of the Company, approval of the Company be and is hereby accorded to re-appoint of Ms. Shilpa Mangaldas Patel (DIN 07014883) as whole time Director of the company, for a period of 5 (Five) years w.e.f. 12th November, 2017, on the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board be and is hereby authorised to alter the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be applicable to Ms. Shilpa Mangaldas Patel (DIN 07014883) to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013 and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. **To approve material related party transactions:-**

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 2018 and such approval is further accorded to an increase of up to 15% 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: 26.04. 2018
Place: Ahmedabad

By Order of the Board of Directors
SURAJ LIMITED

Registered Office:
'Suraj House', Opp. Usmanpura Garden,
Ashram Road, Ahmedabad-380014
CIN NO: L27100GJ1994PLC021088

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 13th June 2018 to 21st June 2018 (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 Depositary 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. Members are requested to note that the dividend for the year 2010-2011 which is not encashed for a period of 7 years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investors Education and Protection Fund after 26th October, 2018. The last date for claiming the dividend is 25th October, 2018. Members who have not en cashed their above Dividend Warrants may approach to the Company/RTA immediately for re validation as otherwise no claim thereafter shall lie against the Fund or the Company in respect of such unclaimed Dividend Amount.

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 Twenty fifth AGM is annexed.

20. The Annual Report 2017-18 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:

(i) 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.

(ii) The Members whose names appear in the Register of Members / List of Beneficial Owners as on 13th June, 2018 (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.

(iii) 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. 13th June, 2018, 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.

(iv) The remote e-voting will commence on 18th June, 2018 at 10.00 a.m. and ends on 20th June, 2018 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 13th June, 2018, 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.

(v) 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.

(vi) 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.

(vii) 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. 13th June, 2018.

(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 : Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com

Step 2 : Now click on "Shareholders" to cast your votes.

Step 3 : 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 4 : Next enter the Image Verification as displayed and Click on Login.

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 5 : If you are a first time user follow the steps given below :

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

Step 6 : After entering these details appropriately, click on "SUBMIT" tab.

Step 7 : 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 8 : For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Step 9 : Click on the EVSN for the relevant <Company Name> on which you choose to vote.

Step 10 : 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 11 : Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

Step 12: 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 13 : Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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 14 : Note for Non - Individual Shareholders and Custodians

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

Shareholders can also cast their vote using CDSL's Mobile app M-voting available for android based mobiles. The M-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile. 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.

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 2018-19 at a remuneration of ₹.1,00,000/- plus GST and out of pocket expenses.

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.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2018-19.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

Item No. 6:

The Board of Directors at its meeting held on 27th July, 2017 re-appointed Mr. Kunal Tarachand Shah (DIN:00254205) as Managing Director & Chief Executive Director of the Company w.e.f. 28th September, 2017 for the period of five years subject to approval of shareholders in ensuing Annual General Meeting and on the basis of recommendation of Nomination and Remuneration Committee. For the purpose, an agreement has been entered into by the Company with the Managing Director & CEO on 27th July, 2017. The main terms and conditions of his re-appointment as Managing Director & CEO, as contained in the said agreement are furnished below:

a. Term of appointment: - Five (5) years w.e.f. 28th September, 2017

b. Salary: Up to ₹.1,00,000/- per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee. The annual increment will be decided by the Board of Directors of the Company.

c. Perquisites:

   1. Leave travel allowance for self and family once in a year as per rules of the Company.
   2. Medical expenses actually incurred by him and his family subject to maximum of one month salary
   3. Club fees
   4. Provision for use of car for official business personal use of the car will be billed to him.
   5. Provision for telephone at residence-personal long distance calls will be billed to him.
   6. Medical & personal accident insurance.

d. The Company will make suitable contribution towards Provident Fund, Superannuation Fund and Annuity Fund.

e. Gratuity will be payable as per Rules of the Company.

f. Leave as per Rules of the Company including encashment of unavailed leave at the end of the

tenure.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

Item No. 7:

The Board of Directors in their meeting held on 13th October, 2017 and also on the basis of recommendation of the Remuneration Committee of the Company in their meeting held on 13th October,2017 it has been proposed to appoint Ms. Shilpa Mangaldas Patel (DIN 07014883), as Whole-time Director of the Company for a period of 5 years w.e.f. 12th November,2017. The term of directorship of Ms. Shilpa Mangaldas Patel will be under the category of liable to retire by rotation.

Ms. Shilpa Mangaldas Patel, is having very wide experience in relation to the Steel products. It would be in the interest of the Company to appoint him as a Whole time Director of the Company.

The major terms and conditions of his appointment as recommended by the Remuneration Committee are as under:

a. Term of appointment: - Five(5) years w.e.f. 12th November, 2017

b. Salary: Up to ₹.1, 00,000/- per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee. The annual increment will be decided by the Board of Directors of the Company.

c. Perquisites:

   1. Leave travel allowance for self and family once in a year as per rules of the Company.

   2. Medical expenses actually incurred by him and his family subject to maximum of one month salary

   3. Club fees

   4. Provision for use of car for official business personal use of the car will be billed to him.

   5. Provision for telephone at residence-personal long distance calls will be billed to him.

   6. Medical & personal accident insurance.

d. The Company will make suitable contribution towards Provident Fund, Superannuation Fund and Annuity Fund.

e. Gratuity will be payable as per Rules of the Company.

f. Leave as per Rules of the Company including encashment of unavailed leave at the end of the tenure.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

Item No. 8:

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. 2017-2018 (In lakhs)**	**Projected Transactions Proposed for Approval**		
		For the F.Y. 2018-2019 (In lakhs)	**For the F.Y. 2019-2020 (In lakhs)**	**For the F.Y. 2020-2021 (In lakhs)**
Purchase of Goods	1,138.43	Increase 15% on 2018	Increase 15% on 2019	Increase 15% on 2020
Sales of Goods	1,502.09			

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 are, 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: 26.04. 2018
Place: Ahmedabad

By Order of the Board of Directors
SURAJ LIMITED

Registered Office:
'Suraj House', Opp. Usmanpura Garden,
Ashram Road, Ahmedabad-380014
CIN NO: L27100GJ1994PLC021088

Maunish Gandhi
Company Secretary

DIRECTORS REPORT
(CIN: L27100GJ1994PLC021088)

To,

THE MEMBERS

Your Directors have pleasure in submitting their 25th Annual Report of the Company together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2018.

FINANCIAL RESULTS:

During the year under review, the Company has achieved Comprehensive Income of ₹ 36.82 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, 2018 are as follows:

(₹ In Lakh)

Particulars	Standalone		Consolidated
	2017-18	2016-17	2017-18
Sales	20,648.76	20,599.05	20,678.69
Other Income	25.48	33.10	25.57
Total Income	20,674.24	20,632.15	20,704.26
Less: Expenditure	18,986.62	20,563.01	19,020.31
Profit/(loss)before Interest, Depreciation, Tax	1,687.62	1,631.11	1,683.95
Less: Interest	950.19	933.71	950.19
Less: Depreciation & Amortization Cost	639.33	628.26	639.33
Less: Extraordinary items	0	0	0
Profit/(loss)Before Tax	**98.10**	**69.14**	**94.43**
Less: Tax Expenses	59.41	26.40	59.41
Profit/(loss)after Tax	38.69	42.74	35.02
Other Comprehensive Income	(1.87)	0.41	(1.87)
Total Comprehensive Income for the period	36.82	43.15	33.15

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements for the Financial year 2017-18 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.

INDIAN ACCOUNTING STANDARDS (Ind AS)

As mandated by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") from 1st April, 2017 with a transition date of 1st April, 2016. The Financial Results for the year 2017-18 have been prepared in accordance with Ind AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other recognized accounting practices and policies to the extent applicable. The Financial Results for all the periods of 2017-18 presented have been prepared in accordance with Ind AS.

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.

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".

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE where the Company's Shares are listed.

DEMATERIALISATION OF SHARES:

99.38% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2018 and balance 0.62% 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.

Number of Board Meetings held:

During the year under review, the Board duly met Four (4) times on 26/04/2017, 27/07/2017, 13/10/2017 and 11/01/2018 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.

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, 2018, 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.

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 2018 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, were 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 Company shall place the matter relating to such appointment for ratification by members at every annual general meeting and therefore it is proposed to ratify the appointment of M/s. Rinkesh Shah & Co., Chartered Accountants, as the Statutory Auditors of the Company.

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 & Associates, 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 2017-18 be paid the remuneration as set out in the statement annexed to the notice convening this meeting.

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 2018.

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.

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 of two Independent Directors one whole time director and one is executive director (Chairman & CFO).

In pursuant to provision of section 135 and Schedule VII of the Companies Act, 2013, and CSR policy of company it is required to spend two percent of average net profit of the company for the three immediately preceding financial year. However the company has inadequate profit during the financial year 2017-18 and company is facing uphill task in meeting its financial obligations. Hence the company is unable to spend any funds on CSR activities for the time being. The company will incur the sum on CSR activities as soon as financial position of company will improve.

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.

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.

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.

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. Kunal Tarachand Shah (DIN:00254205) and Ms. Shilpa Mangaldas Patel (DIN: 07014883) being liable to retire by rotation, shall retire at the ensuing Annual General Meeting and being eligible, offer themself for reappointment. The Board recommends their reappointment.

KEY MANAGERIAL PERSONNEL:

Mr. Kunal Tarachand Shah (DIN:00254205) is the existing Managing Director & Chief Executive officer of the Company. The Board of Directors subject to approval of the shareholders proposes his re-appointment as a Managing Director & Chief Executive officer under Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, for a further period of five (5) years w.e.f. 28th September, 2017.

Ms. Shilpa Mangaldas Patel (DIN 07014883) is the existing whole time Director of the Company. The Board of Directors subject to approval of the shareholders proposes his re-appointment as a whole time Director under Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, for a further period of five (5) years w.e.f. 12th November, 2017.

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

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

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.

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, 2018.

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 2017-18. ₹.in Lakh	Remuneration paid FY 2016-17. ₹.in Lakh	Increase in remuneration from previous year ₹.in Lakh
1	Mr. Ashok Shah	Chairman & CFO (ED)	NIL	NIL	NIL
2	Mr. Gunvant Shah	Vice Chairman & Whole time Director (ED)	NIL	NIL	NIL
3	Mr. Kunal Shah	Managing Director & CEO	NIL	NIL	NIL
4	Ms. Shilpa Patel	Whole time Director	11.77	10.17	1.60

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

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

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

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: 26.04. 2018
Place: Ahmedabad

By Order of the Board of Directors
SURAJ LIMITED

Registered Office:
'Suraj House', Opp. Usmanpura Garden,
Ashram Road, Ahmedabad-380014
CIN NO: L27100GJ1994PLC021088

ASHOK T. SHAH
Chairman cum Chief Financial Officer
(DIN : 00254255)

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Industry Structure and Development:

Suraj Limited ("The Company") is India's leading Manufaturer of Stainless Steel Seamless Pipes, Tubes and "U" Tubes, Flanges & Fittings With Electropolishing having a plant at S.no. 779/A, Thol, Tal:-Kadi, Dist: - Mehsana. Our products find application in important industry segments like pharmaceuticals, dyes & pigments, Oil, Gas, Refinery, etc. The day to day management of the Company is looked by the Executive Director assisted by a team of competent technical & commercial professionals.

Financial Performance:

The company's overall operational performance has been average during the financial year 2017-18; it achieved sale and other income of ₹ 20674.24 Lakhs as against last year's ₹ 20632.15 Lakhs registering the increase of about 0.20%. Profit before tax increase from ₹ 69.14 Lakhs to ₹ 98.10 Lakhs. Net Profit is ₹ 36.82 Lakhs, Reserve and Surplus stood at ₹ 6625.38 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.

Business outlook:

Steel Industry in India seems to be positive despite continuing global economic slowdown. This optimism stems from many factors. The Indian steel industry is in some ways insulated from the events affecting steel industry on a global scale as it does not rely on export to the developed markets. Despite high interest rates and marginal slowdown in economic activity the basic economic fundamentals will ensure stable performance of the economy in coming year. The year 2017-18 offers a positive picture in terms of the growth in all segments in comparison with previous. Indian Steel production is set to meet the target of 200 million tonnes by 2020. This will result in India reaching second place in world steel production. The Summit on Steel was organized by Confederation of Indian Industry (CII). Public and private players discussed their intention to expand their existing capacities of steel. Industry value added (IVA), or the industry's contribution to the overall economy, is expected to grow at an annualized 1.8% to more than 1.616 billion tonne in 2018, and increase by another 0.7% to nearly 1.627 billion tonne in 2019 with India poised to overtake the US and grab the No. 2 slot in in terms of global steel demand. 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 utmost importance of achieving high standards of Corporate Governance and is committed to achieve the highest level of Corporate Governance in order to enhance long-term shareholder value by integration of systems and actions for enhancement of corporate performance. The Company places due emphasis on regulatory compliance. The Company gives equal importance for maintaining as well as improving the quality of its products and to achieve this, the Company carries out continuous product developments and quality controls. The Company gives utmost importance for developing a team of competitive professional managers. Overall, policy is set by the Board of Directors and implemented by a team of professional managers in their respective field. The Company gives fair amount of freedom to the employees to get their best contribution to the Company and rewards and incentives are given in recognition thereof.

2. Board of Directors: 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. Four Board Meetings were held during the year 2017-18 the dates on which the said meetings were held are as follows:

1) 26th April 2017	2) 27th July,2017
3) 13th October,2017	4) 11th January,2018

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

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

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

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

Name Of Director	PD/NPD	ED/NED/ID/WTD	No. Of Board Meeting attended	Attendence at the last AGM	NO. Of Directorship in other co. (Excluding private company.)	NO. of Committees (Other than Suraj Ltd)	
						Chairman	Member
Mr. Ashok Shah	PD	ED	4	YES	-	-	-
Mr. Kunal Shah	PD	ED	4	YES	-	-	-
Mr. Gunvant Shah	PD	ED	4	YES	-	-	-
Mr. Dipak Shah	NPD	NED/ID	4	YES	-	-	-
Mr. Ketan Shah	NPD	NED/ID	1	YES	-	-	-
Mr. Haren Desai	NPD	NED/ID	4	YES	-	-	-
Mr. Bhupendra Patel	NPD	NED/ID	4	YES	-	-	-
Ms. Shilpa Patel	NPD	WTD	4	YES	-	-	-

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

- The committees mentioned above include Audit Committee, Share holders (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	**Mr. Kunal Shah**	**Ms. Shilpa Patel**
Date of Birth	24/08/1973	08/04/1972
Date of Appointment	20/01/1994	13/11/2014
Qualifications	Graduate	M.A., B.P.ed.
Expertise in specific functional areas	Marketing	Commercial
List of Companies in which outside Directorship held as on 31.03.2018 (Excluding private & Foreign companies)	Nil	Nil
Chairman/Member of the *Committees of other Companies on which he/she is a Member as on 31.03.2018	Nil	Nil
Number of equity shares held in the Company	1030488	940

Information of various committee

3. Audit Committee:

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

Name Of the Member	**Designation**	**No. of meeting Held**	**No. of meeting attended**
Mr. Dipak Shah	Chairman	4	4
Mr. Ketan Shah	Member	4	1
Mr. Haren Desai	Member	4	4

The audit committee meetings were held on 26th April 2017, 27th July 2017, 13th October 2017 and 11th January 2018. 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 2018.

The Chairman of the Audit Committee was present at 24th Annual General Meeting of the Company held on 20th June 2017.

(ii). Remuneration Committee:

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

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

i) The broad terms of reference of the remuneration Committee are as under;

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 24th Annual General Meeting of the Company held on 20th June, 2017.

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 2017-18 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	Whole time director
Salary	NIL	NIL	NIL	11.77
Perqusits	-	-	-	-
Special Allowance	-	-	-	-
Variable component	-	-	-	-
Contribution to PF And super annotation fund	-	-	-	-
Total	**NIL**	**NIL**	**NIL**	**11.77**

Company has not issued any convertible instrument. However, the details of the Shares held by Non-Executive Directors as at 31st March 2018 and sitting fees paid for various meetings attended during the F.Y. 2017-18 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	₹ 15,000/-
2	Mr. Ketan Shah	-	₹ 5,000/-
3	Mr. Haren Desai	-	₹ 20,000/-
4	Mr. Bhupendra 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/Investors' Grievance Committee:

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

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

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

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

The number of shareholder's complaints received through Stock Exchange or SEBI during the year 2017-18 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 31.03.2018
SEBI	None	None	None
Shareholders	None	None	None

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

The Committee duly met Two (2) times 20th July, 2017 and 30th October, 2017.

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
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.

2014-15	Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.	21/07/2015 10.30 AM	Appointment of Ms. Shilpa Patel as Whole Time Director. Remuneration of Cost Auditor. Amend the Article of Association.

(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
2016-17	NONE	NONE	NONE
2015-16	NONE	NONE	NONE
2014-15	NONE	NONE	NONE

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

7. Disclosure:

1. There are no materially significant related party transactions made by the Company with its promoters, Directors or Management, etc., that may have potential conflict with the interest of the Company at large. Transactions with related parties as per requirements of Accounting Standard (AS-18) - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Notes to the Accounts for the year 2017-2018
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 Guajarati 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	: Yes

Part of Annual
Report

11. General Shareholders information

i) Annual General Meeting : Date: 21st June, 2018
Time : 10.30am
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 2018-19 as per the following schedule:

First quarter : 3rd week of July, 2018
Half-yearly results : 2nd week of October, 2018
Third quarter : 2nd Week of February, 2019
Yearly Results : By end of April, 2019

iii) Listing on Stock Exchanges : Company's shares are listed with the Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001. The listing fee for the financial year 2018-19 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 17	54.45	42.85
May 17	49.95	40.35
June 17	50.00	40.10
July 17	44.90	37.05
August 17	42.85	34.75
September 17	41.00	35.95
October 17	42.75	35.85
November 17	44.90	38.00
December 17	46.50	39.10
January 18	73.65	41.00
February 18	63.40	52.10
March18	53.10	42.75

(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 2018

No of Equity helding Shares Held	**No. of Share**	**% of Share holders Holders**	**No. of Shares held**	**% of shares**
From To				
1 - 500	1267	73.9638	167082	0.8673
501 - 1000	145	8.4647	114004	0.5918
1001 - 2000	143	8.3479	197839	1.0270
2001 - 3000	40	2.3351	98939	0.5136
3001 - 4000	15	0.8757	54912	0.2850
4001 - 5000	12	0.7005	55949	0.2904
5001 - 10000	26	1.5178	195207	1.0133
10001- 50000	31	1.8097	679112	3.5253
50001- 100000	10	0.5838	705175	3.6606
100001- Above	24	1.4011	16995881	88.2257
Total	**1713**	**100**	**19264100**	**100**

b. Shareholding pattern as on 31" March 2018

Sr. No.	**Category**	**No. of Shares Held**	**% of total Shares**
1	Promoters	14389977	74.6984
2	Mutual Funds/UTI	NIL	NIL
3	Private Corporate Bodies	714107	3.7069
4	Public including HUF	4157485	21.58
5	NRIs/Foreign Companies/OCBs	2531	0.1031
	TOTAL	**1,92,64,100**	**100.00%**

(xi) Dematerialization of Shares and Liquidity:

Number of shares held in dematerialized and physical mode as on 31st March 2018

Particulars	**No. of Equity Shares**	**% to Share Capital**
NSDL	2486617	12.9080
CDSL	16657250	86.4678
Physical	120233	0.6241
TOTAL	**1,92,64,100**	**100.00%**

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

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

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

DECLARATION

As provided under 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, 2018

For and on behalf of the Board of Directors

Place: Ahmedabad **Ashok Shah**
Date: 26.04.2018 **Chairman & CFO**
DIN : 00254255

CEO AND CFO CERTIFICATION

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

a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2018 and to the best of our Knowledge and belief:
   i) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   ii) These Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
b) To the best of our Knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 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 & C.F.O

Kunal Shah
Managing Director & CEO

Place : Ahmedabad
Date: 26.04.2018

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, 2018, 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 procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

Place: Ahmedabad
Date: 26.04.2018

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 31.03.2018

[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** (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 31.03.2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made there under except the following:

a) During the financial year under Review the Company has not spent required amount on CSR as per the Companies Act, 2013. The management has provided explanation that due to recession in the industry and inadequate profit during the year, company was not in position to spent required amount for CSR.

b) 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 and as informed by management, they are in process of filling the same.

c) During the financial year under review, Company has entered into related party transactions and the management has provide explanation that all the transactions are at arm length basis

(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')

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015).

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

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. (Not applicable to the company during Audit Period)

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

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

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

(vi) Looking to the nature of business of the company and also informed to us by the management, we hereby report that following laws specifically applicable to the company:

a) The Indian Boiler Act, 1923

b) The Hazardous Wastes (Management and Handling) Rules, 1989

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited except following:

(a) During the year the company has received various mail for correction of discrepancy in various compliance documents filled with BSE, the company has provided necessary replies and complied with the same.

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

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instance of:

a) Buy-back of Securities.

b) Merger/Amalgmation etc.

c) Foreign Technical Collobaration.

d) Public/Preferential issue of shares/debentures.

Place: Ahmedabad
Date: 26.04.2018

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: 26.04.2018

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:

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

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 31.03.2018**	**Year Ended 31.03.2017**
A. Power and Fuel Consumption Electricity		
Purchase in Unit KWH	2989559	2867305
Total Amt. ₹	**2,30,49,559**	**2,18,58,164**
Rate KWH ₹	7.71	7.62
B. Consumption per unit of production		
Production (M.T)	7070.835	8,328.72
Total Nos. of Unit (KWH)	2989559	28,67,305
Unit Per M.T.(KWH)	422.80	344.27
Cost per M.T. ₹	**3,259.81**	**2,624.43**

(B) Technology absorption:

(i) The efforts made towards technology	Updation of Technology is a Continuous process, absorption 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:	9,343.58
Foreign Exchange outgo :	
- CIF value of Import:	4,151.19
- Expenditure in foreign Currency:	373.20

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 31.03.2018

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Si. No.	Name & Description of main products/services	NIC / HSN Code of the Product /service	% to total turnover of the company
1	Manufacturing of Stainless Steel, Pipes Tubes, 'U' Tubes, Flanges & Fittings	24106	98.69%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

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

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	14390173	0	14390173	74.6994	14389977	0	14389977	74.6984	0.0010
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)	**14390173**	**0**	**14390173**	**74.6994**	**14389977**	**0**	**14389977**	**74.6984**	**0.0010**
(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)	**14390173**	**0**	**14390173**	**74.6994**	**14389977**	**0**	**14389977**	**74.6984**	**0.0010**

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	0	0	0	0	0
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)									
(2) Non Institutions									
a) Bodies corporates	692676	0	692676	3.5957	714107	0	714107	3.7069	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 Lakh	1107702	125933	1107702	5.7501	885775	120233	1006008	5.22	(0.5301)
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 Lakh	3063056	0	3063056	15.9003	2949138	0	2949138	15.31	0.307
c) Any Other (specify) NRIs									
HUF	0	0	0	0	202339	0	202339	1.0503	1.0503
NRI									
d) Foreign Bodies Corporate									
SUB TOTAL (B)(2):	**4747994**	**125933**	**4873927**	**25.3006**	**4753890**	**120233**	**4874123**	**25.3**	**-**
Total Public Shareholding									
C. Shares held by Custodian	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**19138167**	**125933**	**19264100**	**100**	**19143867**	**120233**	**19264100**	**100**	**-**

(ii) **SHARE HOLDING OF PROMOTERS:**

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Anilaben Ashokkumar Shah	3808710	19.77	0	3808679	19.7707	0	(0.0007)
2	Chandrika Kunal Shah	3103870	16.11	0	3103839	16.1120	0	(0.002)
3	Rekhaben Gunvantkumar Shah	2517920	13.07	0	2517889	13.0704	0	(0.0004)
4	Ashokkumar Tarachand Shah	1077700	5.59	0	1077662	5.5941	0	(0.0041)
5	Kunal Tarachand Shah	1030600	5.35	0	1030488	5.3493	0	(0.0007)
6	Gunvantkumar Tarachand Shah	991373	5.15	0	991420	5.1465	0	0.0035
7	Minor Dishant Kunalbhai Shah	555000	2.88	0	555000	2.8810	0	0
8	Dixit Ashokkumar Shah	292500	1.52	0	292500	1.5184	0	0
9	Chirag Ashokbhai Shah	292500	1.52	0	292500	1.5184	0	0
10	Minor Kapil Gunvant kumar Shah	270000	1.40	0	270000	1.4016	0	0
11	Minor Abhay Gunvantkumar Shah	270000	1.40	0	270000	1.4016	0	0
12	Nisha Maheshkumar Jain	180000	0.93	0	180000	0.9344	0	0
	Total	**14390173**	**74.70**	**0**	**14389977**	**74.70**	**0**	**0**

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

Sl. No		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	14390173	74.6994	14390173	74.6994
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, 2017 promoter's 243 shares sold and in the month of April, 2017 one promoter's 47 shares purchase through stock Broker by mistake.			
3	At the end of the year	14389977	74.70	14389977	74.70

(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	601032	3.12
2	PAWANDEV P. JAIN	403000	2.0920
3	PADMAVATI RAMESH JAIN	248379	1.2893
4	MUKESH RAGHUNATHMALCHANDAN	220809	1.1462
5	PARASMALJAIN	206324	1.0710
6	HITESH BHANWARLALSANGHVI	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 AMRATLALSHAH	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	Gunvant Shah	991420	5.15
2	Shilpa Patel	940	0.0049
3	Kunal Shah	1030488	5.35
4	Maunish S. Gandhi	NIL	NIL
5	Ashok T. Shah	1077662	5.59
6	Dipak Shah	1200	0.0062
7	Ketan Shah	NIL	NIL
8	Haren Desai	NIL	NIL
9	Bhupendra PAtel	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	10,356.05	1,300.00	NIL	11,656.05
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	15.85	NIL	NIL	15.85
Total (i+ii+iii)	**10,371.9**	**1,300.00**	**--**	**1,1671.9**
Change in Indebtedness during the financial year				
• Addition	40,817.87	732.42	NIL	41,550.29
• Reduction	(41,512.97)	(517.42)	NIL	(42,030.39)
Net Change	(711.52)	215	--	(480.10)
Indebtedness at the end of the financial year				
i) Principal Amount	9,644.53	1515	NIL	11,159.53
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	32.27	NIL	NIL	8.26
Total (i+ii+iii)	**9,676.80**	**1,515.00**	**NIL**	**11,191.80**

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/WTD/ 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	NIL	NIL	NIL	11.77	11.77
2.	Stock Option	-	-	-		-
3.	Sweat Equity	-	-	-		-
4.	Commission - as % of profit - others, specify(PF)	-	-	-	-	-
5.	Others, please specify(Bonus)	-	-	-	-	-
	Total (A)	**NIL**	**NIL**	**NIL**	**11.77**	**11.77**

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

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Dipak Shah	Mr. Ketan Shah	Mr. Haren Desai	Mr. Bhpendra Patel	
1.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	15,000/-	5,000/-	20,000/-	20,000/-	60,000/-
	Total (1)	**15,000/-**	**5,000/-**	**20,000/-**	**20,000/-**	**60,000/-**
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	
	Total = (1 + 2)	**15,000/-**	**5,000/-**	**20,000/-**	**20,000/-**	**60,000/-**

(C) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD: **(₹ 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	4.05	4.05
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify	-	-
5.	Others, please specify	-	-
	Total	**4.05**	**4.05**

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 AUDITORS' REPORT

To The Members of,

SURAJ LIMITED

Ahmedabad.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statement of Suraj Limited ("the Company"),which comprise the Balance Sheet as at March 31, 2018, 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 policy and other explanatory information (herein after referred to as "the standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The company's board of directors is responsible for the matters stated in section134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS 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, read with the Companies (Indian Accounting Standards) Rules 2015,as amended.

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 Ind AS financial statements that give true and fair view and are free from material misstatement , whether due to fraud or error.

Auditors's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards matters which are required to be included in the audit report under this provision of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statement in accordance with the standards on auditing, issued by Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosure of the standalone Ind AS financial statement .The procedure selected depend on the auditor's judgment, including the assessment of risk of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessment , the auditors considers internal financial control relevant to Company 's preparation of the standalone Ind AS financial statement that give a true and fair view in order to design audit procedures that are the appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies and used the reasonableness of the accounting estimates made by the Company 's Directors , as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statement give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind As, of the state of affairs of the Company as at March 31,2018 its profits (including other comprehensive income), its cash flows and the changes in equity for the year -ended on that date.

Other Matter

The comparative financial information of the company for the year ended 31st March, 2017 and the transaction date opening balance sheet as at 1st April, 2016 included in the standalone Ind AS financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by predecessor auditor, whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 26th April, 2017 and 26th April, 2016 respectively expressed on unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the central government of India in terms of sub-section (11) of section 143 of the Act , we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable
2. As required by section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best 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 this Reports are in agreement with the books of accounts;
   (d) In our opinion the aforesaid standalone Ind AS financial statement comply with accounting Standards specified under section 133 of the act, read with companies (Indian Accounting Standards) Rules, 2015 as amended ;
   (e) On the basis of written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors,none of the directors is disqualified as on 31st March, 2018, from being appointed as a directors 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 Auditors 'Reports 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:

1. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements-refer note -28 to the standalone Ind AS financial statements ;
2. The Company did not have any material foreseeable losses in long term contract including derivative contracts during the year ended March 31, 2018
3. 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: April 26,2018

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

CA Rinkesh Shah
Membership No: 131783

ANNEXURE TO INDEPENDENT AUDITORS' 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 31,2018

1. (a) The Company has generally maintained proper records showing full particulars ,including quantitative details and situation of fixed assets;
   (b) All fixed assets 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, 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
		Central Excise Department-Ahmedabad-III		351.62
Custom Tariff Act	Customs Duty	To be filed before CESTAT, Mumbai	F.Y.-2012-13	86.20
		Disputed Excise & Customs demand		**1,635.23**
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		CIT (A)-Ahmedabad	A.Y.2007-08	19.99
Income Tax Act,1961		Before A.O. under Section 143(3)	A.Y.2008-09	1.57
Income Tax Act,1961		CIT (A)-Ahmedabad	A.Y.2008-09	636.71
Income Tax Act,1961		CIT (A)-Ahmedabad	A.Y.2008-09	10.56
Income Tax Act,1961	Income Tax	CIT (A)-Ahmedabad	A.Y.2009-10	174.83
Income Tax Act,1961		CIT (A)-Ahmedabad	A.Y.2011-12	782.23
Income Tax Act,1961		CIT (A)-Ahmadabad	A.Y.2012-13	1,359.96
Income Tax Act,1961		CIT (A)-Ahmadabad	A.Y.2013-14	614.56
Income Tax Act,1961		CIT (A)-Ahmadabad	A.Y.2014-15	512.11
		Disputed Income Tax Demand		**4,112.53**

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: April 26,2018

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

CA Rinkesh Shah
Membership No: 131783

"Annexure 2" to Independent Auditors' Report

Referred to in paragraph 2 (f) of the Independent Auditors' Report of even date to the members of Suraj Limited on the standalone financial statements for the year ended March 31, 2018.

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, 2018 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

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

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, 2018, 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: April 26,2018

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

CA Rinkesh Shah
Membership No: 131783

STANDALONE BALANCE SHEET AS AT 31ST MARCH,2018

(₹ In Lakhs)

	Note	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
ASSETS				
Non- Current Assets				
a. Property, Plant and Equipment	5	6,073.24	6,262.02	6,825.37
b. Capital Work-in-progress		-	281.14	47.60
c. Intangible Assets	5	1.43	2.46	3.38
d. Financial Assets				
i. Investment	6	0.29	-	-
iii. Other financial assets	10	-	52.67	42.94
Total Non- Current Assets		**6,074.96**	**6,598.29**	**6,919.29**
Current Assets				
a. Inventories	7	8,820.50	9,912.33	9,762.77
b. Financial Assets				
ii. Trade Receivables	8	4,183.18	4,241.26	3,281.70
iii. Cash and Cash Equivalents	9	415.84	543.95	533.19
C. Other Current Assets	10	1,803.22	1,617.74	1,080.10
Total Current Assets		**15,222.74**	**16,315.28**	**14,657.76**
Total Assets		**21,297.70**	**22,913.57**	**21,577.05**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	11	1,926.41	1,926.41	1,926.41
Other Equity	12	6,625.38	6,588.55	6,545.40
Total Equity		**8,551.79**	**8,514.96**	**8,471.81**
LIABILITIES				
I. Non-Current Liabilities				
a. Provision	17		57.91	55.68
b. Deferred Tax Liabilities (Net)	13	254.06	274.94	313.04
c. Other Non-Current Liabilities		-	-	-
Total Non- Current Liabilities		**254.06**	**332.85**	**368.72**
II. Current Liabilities				
a. Financial Liabilities				
i. Borrowings	14	11,159.53	11,636.95	12,188.65
ii. Trade Payables	15	793.51	1,735.01	180.54
b. Other Current Liabilities	16	331.20	564.10	251.35
c. Provisions	17	127.32	67.25	54.62
d. Current Tax Liabilities	18	80.29	62.45	61.36
Total Current Liabilities		**12,491.85**	**14,065.76**	**12,736.52**
Total Equity and Liabilities		**21,297.70**	**22,913.57**	**21,577.05**

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

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
April 26, 2018

For and on behalf of the Board

Ashok T. Shah
Chairman & CFO
DIN: 00254255

Gunvant T. Shah
Vice Chairman & WTD
DIN: 00254292

Kunal T. Shah
Managing Director & CEO
DIN: 00254205

Maunish Gandhi
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ In Lakhs)

Particulars	Note No.	2017-18	2016-17
INCOME			
Revenue from operations	19	20,648.76	20,599.06
Other Income	20	25.48	33.10
Total Income		**20,674.24**	**20,632.16**
EXPENSES			
Cost of Raw Materials consumed	21	16,374.36	17,025.07
Changes in Inventories Finished Goods, Work -in-progress and stock-in-trade	22	(1,769.73)	(2,103.08)
Employee Benefits expenses	23	1,085.46	1,135.49
Finance Cost	24	950.19	933.71
Depreciation, amortization, impairment and obsolescence	5	639.33	628.26
Other Expenses	25	3,296.53	2,943.57
Total expenses		**20,576.14**	**20,563.02**
Profit /(loss) before exceptional items and tax		**98.10**	**69.14**
Exceptional item		-	-
Profit / (loss) before tax		**98.10**	**69.14**
Tax Expense			
Current Tax		80.29	64.26
Deferred Tax	13	(20.88)	(37.86)
Total Tax Expense		**59.41**	**26.40**
profit /(loss) for the period (PAT)		**38.69**	**42.74**
Other Comprehensive income (OCI)		(1.87)	0.41
Total Comprehensive Income for the period		**36.82**	**43.15**
Paid - up equity share capital (face value of share : ₹ 10 each)		1,926	1,926
Earnings per share (EPS)			
(a) Basic EPS (₹)		0.19	0.22
(b) Diluted EPS (₹)		0.19	0.22

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

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
April 26, 2018

For and on behalf of the Board

Ashok T. Shah
Chairman & CFO
DIN: 00254255

Gunvant T. Shah
Vice Chairman & WTD
DIN: 00254292

Kunal T. Shah
Managing Director & CEO
DIN: 00254205

Maunish Gandhi
Company Secretary

STANDALONE STATEMENT OF CHANGE IN EQUITY AS AT 31ST MARCH, 2018

A. Equity Share Capital (₹ In Lakhs)

Balance	Note
As at April 1, 2016	1926.41
Issue of Equity Share Capital	-
As at March 31, 2017	1926.41
Issue of Equity Share Capital	-
As at March 31, 2018	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, 2016	**2,189.56**	**244.74**	**328.83**	**3,782.27**	**6,545.40**
Profit for the year	-	-	-	42.50	42.50
Other Comprehensive income for the year				0.41	0.41
Adjustment during the year	-	-	-	0.23	0.23
Balance as at March 31,2017	**2,189.56**	**244.74**	**328.83**	**3,825.42**	**6,588.55**
Balnce 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)**
Balnce as at March 31, 2018	**2,189.56**	**244.74**	**328.83**	**3,862.24**	**6,625.38**

As per our report of even date
For RINKESH SHAH & Co.
Chartered Accountants
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STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018 (₹ In Lakhs)

	2017-18	2016-17
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	**98.10**	**69.14**
Adjusted for:	0.00	0.00
(Profit) / Loss on sale / Discard of Assets (Net)	0.00	0.86
Depreciation / Amortisation and Depletion Expense	639.33	628.26
Accounts Written off expense	45.24	(9.20)
Interest Income	(25.37)	(28.50)
Other Comprehensive Income	(1.87)	0.41
Finance Cost	950.19	782.09
Operating Profit before Working Capital Changes	**1,705.62**	**1,443.06**
Adjusted for:		
Trade and Other Receivables	12.84	(959.55)
Inventories	1,091.84	(114.88)
Other Current Assets	(173.60)	(616.89)
Other Finacial Assets - Non Current	52.67	(18.16)
Trade and Other Payables	(941.50)	1,554.47
Other Current Liabilities	(215.06)	312.75
Provisions - Current	60.08	13.72
Provisions - Non Current	(57.91)	2.23
Cash Generated from Operation	**1,534.98**	**1,616.73**
Tax Paid (Net)	(92.17)	(31.96)
Net Cash Flow from Operating Activities	**1,442.81**	**1,584.76**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(168.38)	(324.37)
Proceeds from disposal of tangible and intangible assets	0.00	2.64
Investments in subsidiaries	(0.29)	0.00
Net cash flow from other financial assets	0.00	53.01
Interest Income	25.37	28.50
Net Cash Flow (used in) Investing Activities	**(143.29)**	**(240.22)**
C: CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings (net)	(477.43)	(551.69)
Finance Cost paid	(950.19)	(782.09)
Net Cash Flow (used in) Financing Activities	**(1,427.62)**	**(1,333.78)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(128.10)**	**10.76**
Opening Balance of Cash and Cash Equivalents	**543.95**	**533.19**
Closing Balance of Cash and Cash Equivalents	**415.84**	**543.95**

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

CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
April 26, 2018

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Notes to Standalone Financial Statements For the year ended on 31st March, 2018

1 Corporate Information:

Suraj Limited ("The Company") is India's leading Manufaturer 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 financial statements of company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended 31st March, 2017 the company prepared its financial statements in accordance with Accounting standards notified under Section133 of the Companies Act, 2013("the Act") read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP"). These financial Statements for the year ended 31st March, 2018 are the first the company has prepared in accordance with IND AS. Refer note - 31 for the Information on how the company adopted IND AS.

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 26th April, 2018.

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

All other assets are classified as non-current.

A liability is 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 sell an asset or paid to transfer aliability 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.

The company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items, outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first IND AS financial statements i.e.31st March, 2017 and pertaining to the acquisition of a depreciable asset, to the cost of the asset and depreciates the same over the remaining life of the asset.

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 instrumentsat 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. Again 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 instrumentsat 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 instrumentsat 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 FVTOCI, 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 recognitionand 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 finacial 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 relatinig to interest, charges and processing fees recorded as finance cost in statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts:

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through statement of profit and loss(FVTPL),adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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 are 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.

3.11 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 is 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.

3.16 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.

3.17 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.

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.

Description of Assets	GROSS BLOCK							DEPRECIATION / AMORTISATION							NET BLOCK	
	As at 01.04.2016	Additions	Deduction	As at 31.03.2017	Addition	Deduction	As at 31.03.2018	As at 01.04.2016	For the year ending March 31,2017	Deduction	As at 31.03.2017	For the year ending March 31,2018	Deduction	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
6. PROPERTY, PLANT & EQUIPMENTS																
(A) Tangible Assets																
Land & Site Development	1,978.34	-	-	1,978.34	33.40	-	2,011.74	-	-	-	-	-	-	-	2,011.74	1,978.34
Factory Building	3,363.08	8.67	-	3,371.75	187.25	-	3,559.00	916.48	106.67	-	1,023.15	111.25	-	1,134.40	2,424.60	2,348.60
Office Premises	202.02	-	-	202.02	-	-	202.02	36.77	3.19	-	39.96	3.19	-	43.15	158.87	162.06
Plant & Machinery	8,438.68	46.61	6.19	8,479.11	205.82	-	8,684.93	6,393.39	493.78	-	6,887.16	504.51	-	7,391.67	1,293.26	1,591.95
Furniture Fixture	214.59	2.52	-	217.11	18.64	-	235.74	169.73	8.92	-	178.65	7.12	-	185.77	49.97	38.45
Computer	100.75	5.60	-	106.36	0.32	-	106.68	100.12	2.15	-	102.27	1.85	-	104.11	2.56	4.09
Vehide	297.24	10.18	13.71	293.63	4.18	-	297.80	182.59	12.53	-	184.92	10.38	-	195.30	102.50	108.79
Wind Mill	594.87	-	-	594.87	-	-	594.87	565.12	-	-	565.12	-	-	565.12	29.74	29.74
Sub-Total	**15,189.58**	**73.58**	**19.90**	**15,243.17**	**449.61**	**-**	**15,692.78**	**8,364.21**	**627.24**	**-**	**8,981.24**	**638.29**	**-**	**9,619.53**	**6,073.24**	**6,262.02**
Capital Work In Progress																
WIP -SMP	47.60	250.69	17.14	281.14	-	281.14	-	-	-	-	-	-	-	-	-	281.14
Total (A)	**15,237.17**	**324.27**	**37.04**	**15,524.32**	**449.61**	**281.14**	**15,692.78**	**8,364.21**	**627.24**	**-**	**8,981.24**	**638.29**	**-**	**9,619.53**	**6,073.24**	**6,543.16**
(B) Intangible Assets																
Software	6.44	0.10	-	6.54	-	-	6.54	3.05	1.02	-	4.07	1.03	-	5.11	1.43	2.46
Total (B)	**6.44**	**0.10**	**-**	**6.54**	**-**	**-**	**6.54**	**3.05**	**1.02**	**-**	**4.07**	**1.03**	**-**	**5.11**	**1.43**	**2.46**
Total (A+B)	**15,243.61**	**324.37**	**37.04**	**15,530.85**	**449.61**	**281.14**	**15,699.31**	**8,367.26**	**628.26**	**-**	**8,985.31**	**639.33**	**-**	**9,624.64**	**6,074.67**	**6,545.62**

NOTES TO THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
6. INVESTMENT - NON CURRENT			
Investment in LLP			
Suraj Impex LLP (70% shares)	0.29	-	-
Total	**0.29**	**-**	**-**
Current	**-**	**-**	**-**
Non-Current	**0.29**	**-**	**-**
Total	**0.29**	**-**	**-**

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
7. INVENTORIES			
Raw materials	2,640.91	5,446.63	7,470.07
Work-in-progress	5,002.14	3,620.55	1,543.35
Finished goods	697.48	486.76	476.38
Scrap	378.32	253.79	203.61
Stores, Spares & Packing Material	101.65	104.60	69.36
Total	**8,820.50**	**9,912.33**	**9,762.77**

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
8. TRADE RECEIVABLES			
Trade receivables Unsecured, Considered Good	4,183.17	4,241.26	3,281.71
Total	**4,183.17**	**4,241.26**	**3,281.71**
Current	**4,183.17**	**4,241.26**	**3,281.71**
Non-Current	**-**	**-**	**-**
Total	**4,183.17**	**4,241.26**	**3,281.71**

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
9. CASH AND CASH EQUIVALENTS			
Cash on Hand	3.08	2.54	7.05
Balance with Bank			
Earmarked Accounts	7.69	11.93	11.94
Current Accounts	2.70	108.97	40.68
Fixed Deposits (Margin Money)			
(Maturity of three Months or less)	402.37	420.51	473.52
Total	**415.84**	**543.95**	**533.19**

(₹ In Lakhs)

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
10. OTHER CURRENT ASSETS			
Deposits	8.07	13.58	5.13
Balance with government authorities	511.05	175.28	170.18
Advance Tax and TDS	253.59	236.11	278.62
Prepaid Expenses	19.05	16.90	18.48
Others Loan and Advances	514.47	530.51	307.20
Export Incentives receivable	459.71	567.44	326.95
Advance to Suppliers	37.28	130.59	16.48
Total	**1,803.22**	**1,670.41**	**1,123.04**
Current	**1,803.22**	**1,617.74**	**1,080.10**
Non-Current	**-**	**52.67**	**42.94**
Total	**1,803.22**	**1,670.41**	**1,123.04**

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
11. SHARE CAPITAL			
Authorized Share Capital			
2325000 Equity Shares of ₹ 10 each	2,325.00	2,325.00	2,325.00
Issued, Subscribed and Paid Up			
19264100 Equity Shares of ₹ 10 each	1,926.41	1,926.41	1,926.41
Total	**1,926.41**	**1,926.41**	**1,926.41**

11.1 Reconciliation of Share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	₹ In Lakhs	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	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	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	1,92,64,100	1,926.41

Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
At the beginning of the year	1,92,64,100	1,926.41	1,92,64,100	1,926.41	1,92,64,100	1,926.41
Additions during the year	-	-	-	-	-	-
Outstanding at the end of the year	1,92,64,100	1,926.41	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, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs	No. of shares	₹ In Lakhs
SHAH GUNVANTKUMAR TARACHAND	9,91,420	5.15	9,91,373	5.15	9,91,600	5.15
ANILABEN ASHOKKUMAR SHAH	38,08,679	19.77	38,08,710	19.77	38,08,710	19.77
KUNAL TARACHAND SHAH	10,30,488	5.35	10,30,600	5.34	10,30,600	5.35
REKHABEN GUNVANTKUMAR SHAH	25,17,889	13.07	25,17,920	13.07	25,17,920	13.07
ASHOKKUMAR TARACHAND SHAH	10,77,662	5.59	10,77,700	5.59	10,77,700	5.59
CHANDRIKA KUNAL SHAH	31,03,839	16.11	31,03,870	16.11	31,03,870	16.11

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
12. OTHER EQUITY			
Securities Premium Account			
Balance per last Financial Statement	2,189.56	2,189.56	2,189.56
Balance at the end of the year	2,189.56	2,189.56	2,189.56
General Reserves			
Balance per last Financial Statement	244.74	244.74	244.74
Balance at the end of the year	244.74	244.74	244.74
Statutory Reserves			
Balance per last Financial Statement	328.83	328.83	328.83
Balance at the end of the year	328.83	328.83	328.83
Surplus in Statement of Profit and loss			
Balance per last Financial Statement	3,825.41	3,782.27	3,875.50
Add/(Less): Reinstatement effect due to Ind AS	0.00	0.23	(93.24)
Add: Profit for the year	36.82	42.91	0.00
Balance at the end of the year	3,862.24	3,825.41	3,782.27
Total Retained Earnings	**6,625.38**	**6,588.55**	**6,545.40**

(₹ In Lakhs)

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
13. DEFERRED TAX LIABILITIES (NET)			
As per last Balance Sheet	274.94	313.04	219.80
Charge / (Credit) to Statement of Profit & Loss (reinstated)	0.00	(0.23)	93.24
Charge / (Credit) to Statement of Profit & Loss	(20.88)	(37.86)	0.00
Total	**254.06**	**274.94**	**313.04**

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
14. BORROWINGS			
Secured borrowings			
From Banks			
Foreign Currency Loan	1,578.74	3,315.44	3,937.11
Rupee Loan	8,065.79	7,021.51	6,851.54
Unsecured borrowings			
Suraj Enterprise Private Limited	1,515.00	1,300.00	1,400.00
Total	**11,159.53**	**11,636.95**	**12,188.65**
Current	**11,159.53**	**11,636.95**	**12,188.65**
Non-Current	**-**	**-**	**-**
Total	**11,159.53**	**11,636.95**	**12,188.65**

The workinig capital limit from Punjab National Bank ₹ 5,674.22 Lakhs, Standard Chartered Bank ₹ 1,428.93 Lakhs and IDBI Bank ₹ 2,541.38 Lakhs is secured by the first charge on pari pasu basis over the curent assets of the company and second charge over the fixed assets of the company and guaranted 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,2018	As at 31st March,2017	As at 1st April,2016
15. TRADE PAYABLES			
Secured			
Due to Micro, Small and Medium Enterprise	0.00	0.00	0.00
Due to Others	793.51	1,735.01	180.54
Total	**793.51**	**1,735.01**	**180.54**
Current	**793.51**	**1,735.01**	**180.54**
Non-Current	**-**	**-**	**-**
Total	**793.51**	**1,735.01**	**180.54**

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, 2018.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,2018	As at 31st March,2017	As at 1st April,2016
16. OTHER CURRENT LIABILITIES			
Other Financial Liabilities			
Interest accrued but not due	8.26	11.24	17.83
Unpaid dividend (Not due for credit to Investor Education and Protection fund)	7.69	11.93	11.94
Other Current Liabilities			
Statutory Dues	6.96	10.82	7.65
Advance from Customers	217.52	490.62	181.68
Corporate Social Responsibility	16.96	16.96	16.96
Other Payables	73.81	22.54	15.29
Total	**331.20**	**564.10**	**251.35**

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
17. PROVISIONS			
Provision for Employee benefits	127.32	125.16	110.31
Total	**127.32**	**125.16**	**110.31**
Current	**127.32**	**67.25**	**54.62**
Non-Current	**-**	**57.91**	**55.68**
Total	**127.32**	**125.16**	**110.31**

Particulars	As at 31st March,2018	As at 31st March,2017	As at 1st April,2016
18. CURRENT TAX LIABILITIES			
Provision for income tax	80.29	62.45	61.36
Total	**80.29**	**62.45**	**61.36**

Particulars	2017-18	2016-17
19. REVENUE FORM OPERATION		
Sale of Stainless Steel Seamless Pipes, Tubes, U-Tubes, Flanges and Fittings	20,379.12	19,905.21
Sale of Power generated from Windmill	91.08	92.05
Other Operating Revenue		
Scrap and Waste Sales	7.14	28.49
Others	171.44	573.29
Total	**20,648.76**	**20,599.06**

Particulars	2017-18	2016-17
20. OTHER INCOME		
Interest Income - From Bank	25.37	28.50
Other Non-Operating Income	0.11	4.60
Total	**25.48**	**33.10**

(₹ In Lakhs)

Particulars	2017-18	2016-17
21. COST OF RAW MATERIAL CONSUMED		
Inventory at the beginning of the year	5,446.63	7,470.07
Add: Purchases during the year	13,568.64	15,001.63
	19,015.27	**22,471.70**
Less: Inventory at the end of the year	2,640.91	5,446.63
Total	**16,374.36**	**17,025.07**

Particulars	2017-18	2016-17
22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & SCRAP		
Inventories at the end of the year		
Finished Goods	697.48	486.76
Work In Progress	5,002.14	3,620.55
Scrap	378.32	253.79
Miscellaneous Others	340.19	287.30
	6,418.13	**4,648.40**
Inventories at the beginning of the year		
Finished Goods	486.76	476.38
Work In Progress	3,620.55	1,543.35
Scrap	253.79	203.61
Miscellaneous Others	287.30	321.98
	4,648.40	**2,545.32**
	(1,769.73)	**(2,103.08)**

Particulars	2017-18	2016-17
23. EMPLOYEE BENEFITS		
Salaries, Wages, Bonus etc.	999.14	1,030.83
Contribution to Provident and Other funds	34.16	25.16
Staff Welfare expenses	52.16	79.50
Total	**1,085.46**	**1,135.49**

Particulars	2017-18	2016-17
24. FINANCE COST		
Interest Expense	779.30	768.90
Bank Charges	170.89	151.62
Other Interest	-	13.19
Total	**950.19**	**933.71**

(₹ In Lakhs)

Particulars	2017-18	2016-17
25. OTHER EXPENSES		
Manufacturing Expenses		
Power and fuel	557.92	452.20
Consumption of stores and spares	434.14	272.53
Packing material	92.75	106.72
Job work charges	6.21	127.14
Transportation and freight	300.74	150.34
Clearing & Forwarding Exp.	97.37	384.64
Repairs and maintenance - Plant & Machinery	175.08	137.57
Repairs and maintenance - Building	0.77	2.10
	1,664.98	**1,633.24**
Excise Duty & Goods and Service Tax		
Excise Duty	207.42	972.69
Goods and Service Tax	1,421.63	0.00
	1,629.05	**972.69**
Selling and Distribution Expense		
Selling and marketing expenses	105.23	101.05
Sales Discount	-	4.75
	105.23	**105.80**
Administration Expense		
Audit Fees	5.00	5.00
Communication Exp.	15.60	21.09
Commission	0.16	13.94
Insurance	10.71	12.81
Legal & Professional Charges	36.73	54.75
Rates & Taxes	9.66	8.28
Traveling, Conveyance & Vehicle Exp.	44.01	66.12
Other Expenses	138.08	96.62
Exchange Rate Fluctuation (Net)	(362.68)	(46.77)
	(102.73)	**231.84**
Total	**3,296.53**	**2,943.57**

25.1 Payments to Auditors as:		
Particulars	**2017-18**	**2016-17**
a. Statutory Audit Fees	3.75	3.75
b. Tax Audit Fees	0.75	0.75
c. Review Reports Fees	0.50	0.50
	5.00	**5.00**

26. EARNING PER SHARE

Particulars		2017-18	2016-17
Earning per share (Basic and diluted)			
Profit attributable to ordinary equity holders	₹In Lakhs	36.82	43.15
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 ₹	0.19	0.22

27. DISLOSURE 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 Mangerial Personnel

Mr. Ashok T. Shah - Chairman & CFO

Mr. Gunvant T. Shah - Vice Chairman & Whole Time Director

Mr. Kunal T. Shah - Managing Director & CEO

Ms. Shilpa M. Patel - Whole Time Director

Company under the control of Key Managerial Personnel

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 31,2018	March 31,2017
Sales of goods and material		
TBS Metal Private Limited	1,502.09	584.87
Purchase of goods and material		
TBS Metal Private Limited	1,138.43	-
Net Borrowing received / (repaid)		
Suraj Enterprise Private Limited	215	(100)
Investment (Net)		
Suraj Impex LLP (70% Contribution)	0.29	-
Remunaration		
Ms. Shilpa Patel (Whole time director)	11.77	10.46
Sitting Fees		

Mr. Dipak Shah	0.15	0.15
Mr. Ketan Shah	0.05	0.20
Mr. Haren Desai	0.20	0.20
Mr. Bhupendra Patel	0.20	0.20
Professional Fees		
Mr. Dipak Shah	0.55	0.55

(₹ In Lakhs)

Particulars	**As at 31st March,2018**	**As at 31st March,2017**	**As at 1st April,2016**
28. CONTINGENT LIABILITIES			
Contingent liabilities not provide for			
a. Guarantees given by bank on behalf of the company	174.81	102.42	77.97
b. Disputed demands in respect of			
Excise / Custom duty	1,635.23	1,635.23	1,635.23
Sales tax	457.28	457.28	457.28
Income tax	4,112.53	4,449.58	4,512.33
Service tax	-	131.16	-
Total Retained Earnings	**6,379.85**	**6,775.66**	**6,682.81**

29. FOREIGN EXCHANGE DERIVATIVE AND EXPOSURES NOT HEDGED

29.1 Foreign Exchange Derivatives (₹ In Lakhs)

Nature of Insturments	**Currency**	**As at 31st March,2018**		**As at 31st March,2017**		**As at 1st April, 2016**	
		Foreign	**INR (Lakhs)**	**Foreign**	**INR (Lakhs)**	**Foreign**	**INR (Lakhs)**
Forward Contract	USD	19,533	12.68	36,46,474	3,315.39	20,22,861	1,331.43
		19,533	**12.68**	**36,46,474**	**3,315.39**	**20,22,861**	**1,331.43**

29.2 Exposure Not Hedged (₹ In Lakhs)

Nature of Insturments	**Currency**	**As at 31st March,2018**		**As at 31st March,2017**		**As at 1st April, 2016**	
		Foreign	**INR (Lakhs)**	**Foreign**	**INR (Lakhs)**	**Foreign**	**INR (Lakhs)**
Payable towards borrowings	USD	24,37,673	1,566.06	4,82,745	313.06	26,42,275	1,770.04
	AED	-	-	-	-	14,000	2.56
Receivables	USD	10,57,190	676.71	13,93,529	903.7	16,32,719	1,081.68
	EURO	31,01,684	2,482.97	43,35,655	3,004.28	20,35,804	1,535.00
	GBP	9,2365	83.78	-	-	70,236	66.96
Payable to Creditors	USD	1,200	0.77	600	0.39	91,020	60.33
	EURO	500	0.40	4,840	3.35	1,21,551	91.64
	GBP	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, 2018	As at March 31, 2017
Provident Fund	14.62	13.76
	14.62	**13.76**

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 recognised Trust.

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)	-	-	-	(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**

March 31, 2017 : Changes in defined benefit obligation and plan assets

Particulars	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 31,2017
	April 1,2016	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)	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	49.24	3.86	3.94	7.80	(6.22)			1.85	(1.96)	(0.11)		50.71
Fair value of plan assets	42.94	-	3.44	3.44	(6.22)	0.30				0.30	4.01	44.47
Benefit liability / (Assets)	**6.29**	**3.86**	**0.50**	**4.36**	**-**	**(0.30)**	**-**	**1.85**	**(1.96)**	**(0.41)**	**(4.01)**	**6.23**
Total benefit liability / (Assets)	**6.29**	**3.86**	**0.50**	**4.36**	**-**	**(0.30)**	**-**	**1.85**	**(1.96)**	**(0.41)**	**(4.01)**	**6.23**

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, 2018 (%) of total plan assets	Year ended March 31, 2017 (%) of total plan assets	Year ended March 31, 2016 (%) of total plan assets
Insurance fund	100.00%	100.00%	100.00%
(%) of total plan assets	100.00%	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, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Discount rate	7.82%	7.66%	8.01%
Future salary increase	6.00%	6.00%	6.00%
Expected rate of return on plan assets	7.82%	7.66%	8.01%
Employees Turnover rate	7.00%	2.00%	2.00%
Mortality rate during employment	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.	N.A.

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

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact)	
		Year ended March 31, 2018	Year ended March 31, 2017
Gratuity		67.17	50.71
Discount rate	1% increase	(3.97)	(5.03)
	1% decrease	4.45	5.88
Salary increase	1% increase	2.61	5.92
	1% decrease	(2.36)	(5.15)
Employees Turnover rate	1% increase	1.08	0.69
	1% decrease	(1.18)	(0.79)

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

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Gratuity		
Within the next 12 months (next annual reporting period)	1.30	6.53
Between 2 and 5 years	7.20	24.06
Beyond 5 years	129.27	93.67
Total expected payments	**137.77**	**124.27**

31 FIRST TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note1 have been applied in preparing the financial statements for the year ended 31 March 2018,the comparative information presented in these financial statements for the year ended 31March 2017 and in the preparation of an opening Ind AS balance sheet at 1April 2016 (the Company's date of transition).In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards)Rules,2006(as amended)and other relevant provisions of the Act (previous GAAP or Indian GAAP).An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance is set out in the following tables and notes.

(₹ In Lakhs)

Nature of adjustments	Net Profit	Other Equity	
	2016-17	As at 31st March,2017	As at 1st April,2016
Net Profit / Other Equity as per previous Indian GAAP	**42.92**	**6,681.55**	**6,638.63**
Actuarial (Gain) / Loss on employee defined benefit plan	(0.41)	-	-
Deferred Tax impact due to balance sheet approach	0.23	(93.00)	(93.24)
Net Profit before OCI / Other Equity as per Ind AS	**42.74**	**6,588.55**	**6,545.39**
Actuarial (Gain) / Loss on employee defined benefit plan regrouped under other comprehensive income	0.41	-	-
Net Profit / Other Equity as per Ind AS	**43.15**	**6,588.55**	**6,545.39**

Exemption and exceptions availed:

Ind AS optional exemptions

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

IND AS mandatory exceptions:

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Explanatory Notes to the transaction from previous GAAP to Ind AS:

1. Re-measurement cost of net defined liability:

Both under Indian GAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses,are charged to statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses,the effect of the asset selling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI.

2. Excise duty:

Under previous GAAP, revenue from sale of goods was presented net of excise duty whereas under Ind AS the revenue from sale of goods is presented inclusive of excise duty. The excise duty is presented on the face of the statement of Profit and Loss as part of expenses.

3. Other comprehensive income:

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately.

Hence, it has reconciled Indian GAAP Statement of Profit and loss to Statement of Profit and loss as per Ind AS. Further, Indian GAAP Statement of Profit and loss is reconciled to total comprehensive income as per Ind AS.

4. Deferred tax adjustments:

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in co-relation to the underlying transaction either in retained earnings or a separate component of equity.

5. Statement of cash flow:

The transaction from Indian GAAP to Ind AS does not have material impact on the Statement of Cash Flow.

32 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.

33 FINANCIAL INSTRUMENTS, RISK MANAGEMENT, OBJECTIVES AND POLICIES

33.1 - 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 analyse 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.

33.2 - 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, 2018**	**Year ended March 31, 2017**	**Year ended March 31, 2016**
Up to 3 months	2,575.91	2,266.90	2,349.66
3 to 6 months	392.97	3.95	12.18
6 to 12 months	1,214.30	1,970.41	919.87
Beyond 12 months	-	-	-
Gross Carrying Amount	**4,183.18**	**4,241.26**	**3,281.71**
Expected Credit Losses	-	-	-
Net Carrying Amount	**4,183.18**	**4,241.26**	**3,281.71**

(b) Details of single customer accounted for more than 10% of the accounts receivable as at 31st March 2018, 31st March 2017 and 31st March 2016 :

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**	**Year ended March 31, 2016**
Srinox Bvba	2,405.80	2,292.31	1,535.00

(c) Details of single customer accounted for more than 10% of revenue for the year ended at 31st March 2018, 31st March 2017 and 31st March, 2016 :

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**	**Year ended March 31, 2016**
Maruti Inox (India) Pvt. Ltd.	3,006.59	-	-
Srinox Bvba	2,872.04	3,444.02	2,039.65

33.3 - 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 31-03-2018**			**As at 31-03-2017**		
	Less than 1 year	**1 to 5 years**	**Total**	**Less than 1 year**	**1 to 5 years**	**Total**
Borrowings including interest	11,159.53	-	11,159.53	11,636.95	-	11,636.95
Trade Payables	793.51	-	793.51	1,735.01	-	1,735.01
Other Financial Liabilities	-	-	-	-	-	-
Total	**11,953.04**	**-**	**11,953.04**	**13,371.96**	**-**	**13,371.96**

33.4 - 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 it 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 31-03-2018	As at 31-03-2017	As at 01/04/2016
Working Capital Facilities from Bank	0.50	48.22	51.68	53.94
	(0.50)	(48.22)	(51.68)	(53.94)

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 appropratе 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	
	2017-18	2016-17
Rs. 0.50 increase in price of Raw Material	35.16	50.53
Rs. 0.50 decrease in price of Raw Material	(35.16)	(50.53)

34 - 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 31-03-2018	As at 31-03-2017	As at 01-04-2016
Borrowings	11,159.53	11,636.95	12,188.65
Less : Cash & Cash Equivalents	415.84	543.95	533.19
Net Debt (A)	10,743.69	11,093.00	11,655.46
Total Equity	8,551.79	8,514.96	8,471.81
Equity and Net Debt (B)	19,295.48	19,607.96	20,127.27
Gearing Ratio (A/B)	0.56	0.57	0.58

35.

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

36.

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

37.

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.

38.

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.

39. 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 April 26, 2018, there were no subsequent events to be recognized or reported that are not already previously disclosed.

INDEPENDENT AUDITORS' REPORT

The Members,

SURAJ LIMITED

Ahmedabad.

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS 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, 2018, 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 Ind AS financial statements").

Management responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Director is responsible for the preparation of this consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") and rules made there under that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statements of changes in equity of the Group in accordance of the accounting principles generally accepted in India, including the accounting standards specified in section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance of the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accountingpolicies; making judgments and estimates that are reasonable and prudent; and the 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 free from the material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

While conducting an audit we have taken into account the provisions of the act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the standards of Auditing, issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those standards require that we compare with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in consolidated financial statements. The procedure selected depends on the Auditors judgment, including the assessment of the risk of the material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments the auditors considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding company's Board of Director's , as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtain by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub paragraph (a) of the Other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanation given to us and based on the consideration of the report of S.S. Gandhi & Associates on separate financial statements and on the other financial information of the subsidiary-Suraj Impex LLP, the consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements and other financial information, in respect to Suraj Impex LLP whose Ind AS Financial statements include total assets of ₹ 51.72 Lakhs and net assets of ₹ (0.51) Lakhs as at March 31, 2018, and total revenues of ₹ 30.02 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 Ind AS 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 other auditors.

Our opinion above on the consolidated Ind AS Financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

As required by section 143(3) of the Act, based on our audit and on the consideration of report of the S.S Gandhi & Associates on separate financial statements and the other financial information of Suraj Impex LLP as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

a) We / the other auditors whose reports we have relied upon 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 Ind AS financial statements;

b) In our opinion proper books of account as required by law relating to the preparation of the aforesaid consolidation of the financial statements have been kept so far as appears from our examination of those books and reports of the other auditors;

c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of other comprehensive income, the consolidated cash Flow Statement, and the consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d) In our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the accounting standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on the record by the Board of Directors of the Holding Company, none of the Directors of the Holding Company is disqualified as on March 31, 2018 from being appointed as a director in terms of section 164 (2) of the Act.

f) With respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, refer to our separate report in "Annexure 1" to this report;

g) With respect to the other matters to be included in the Auditor's report in accordance of the 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 and based on the consideration of the report of S.S Gandhi & Associates on separate financial statements as also the other financial information of Subsidiary Suraj Impex LLP, as noted in the 'Other Matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group - refer note-28 to the consolidated Ind AS financial statements;

ii. The group did not have any material foreseeable losses in long term contracts including derivative contracts during the year ended March 31, 2018.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018.

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

Place: Ahmedabad
Date: April 26,2018

CA Rinkesh Shah
Membership No: 131783

ANNEXURE TO INDEPENDENT AUDITORS' 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 31,2018

Referred to in paragraph (f) of the Independent Auditors Report of even date to the members of SURAJ Limited on the consolidated financial statements for the year ended March 31, 2018

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, 2018, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained 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

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

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, 2018, 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.

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

Place: Ahmedabad
Date: April 26,2018

CA Rinkesh Shah
Membership No: 131783

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH,2018

(₹ In Lakhs)

	Note	As at 31st March,2018
ASSETS		
Non- Current Assets		
a. Propert, Plant and Equipment	5	6,073.24
b. Capital Work-in-progress		-
c. Intangible Assets	5	1.43
d. Financial Assets		-
i. Investment		
iii. Other financial assets	9	-
Total Non- Current Assets		**6,074.67**
Current Assets		
a. Inventories	6	8,833.83
b. Financial Assets		
ii. Trade Receivables	7	4,183.31
iii. Cash and Cash Equivalents	8	416.14
C. Other Current Assets	9	1,841.17
Total Current Assets		**15,274.45**
Total Assets		**21,349.12**
EQUITY AND LIABILITIES		
EQUITY		
Equity Share Capital	10	1,926.41
Other Equity	11	6,622.80
Total Equity		**8,549.21**
Non-controlling interest		**1.78**
LIABILITIES		
I. Non-Current Liabilities		**-**
a. Provision		
b. Deffered Tax Liabilities (Net)	12	254.06
c. Other Non-Current Liabilities		-
Total Non- Current Liabilities		**254.06**
II. Current Liabilities		**-**
a. Financial Liabilities		-
i. Borrowings	13	11,211.33
ii. Trade Payables	14	793.51
b. Other Current Liabilities	15	331.62
c. Provisions	16	127.32
d. Current Tax Liabilities	17	80.29
Total Current Liabilities		**12,544.07**
Total Equity and Liabilities		**21,349.12**

As per our report of even date

For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W
CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
April 26, 2018

For and on behalf of the Board

Ashok T. Shah
Chairman & CFO
DIN: 00254255

Gunvant T. Shah
Vice Chairman & WTD
DIN: 00254292

Kunal T. Shah
Managing Director & CEO
DIN: 00254205

Maunish Gandhi
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ In Lakhs)

Particulars	Note No.	2017-18
INCOME		
Revenue from operations	18	20,678.69
Other Income	19	25.57
Total Income		**20,704.26**
EXPENSES		
Cost of Raw Materials consumed	20	16,374.36
Purchase of Stock-in-trade	21	45.82
Changes in Inventories Finished Goods, Work -in-progress and stock-in-trade	22	(1,783.07)
Employee Benefits expenses	23	1,085.46
Finance Cost	24	950.19
Depreciation, amortization, impairment and obsolescence	5	639.33
Other Expenses	25	3,297.74
Total expenses		**20,609.83**
Profit /(loss) before exceptional items and tax (1A - 2A)		94.43
Exceptional item		-
Profit / (loss) before tax (3-4)		**94.43**
Tax Expense		
Current Tax		80.29
Deferred Tax	12	(20.88)
Total Tax Expense		**59.41**
profit /(loss) for the period (PAT) (5-6)		**35.02**
Other Comprehensive income (OCI)		(1.87)
Total Comprehensive Income for the period (7+8)		**33.15**
Profit for the year attributable to :		
Equity holders of the parent		36.12
Non - Controlling interest		(1.10)
Total Comprehensive income attributable to :		
Equity holders of the parent		(1.87)
Non - Controlling interest		-
Paid - up equity share capital (face value of share : ₹ 10 each)		1,926.41
Earnings per share (EPS) of ₹ 10 each (Not annualised) :		
(a) Basic EPS (₹)		0.17
(b) Diluted EPS (₹)		0.17

As per our report of even date

For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W
CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
April 26, 2018

For and on behalf of the Board

Ashok T. Shah
Chairman & CFO
DIN: 00254255

Gunvant T. Shah
Vice Chairman & WTD
DIN: 00254292

Kunal T. Shah
Managing Director & CEO
DIN: 00254205

Maunish Gandhi
Company Secretary

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS AT 31ST MARCH, 2018

A. Equity Share Capital (₹ In Lakhs)

Balance	Note
As at March 31, 2017	**1,926**
Issue of Equity Share Capital	-
As at March 31, 2018	**1,926**

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**
					-
Balnce 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)
Balnce as at March 31, 2018	**2,189.56**	**244.74**	**328.83**	**3,859.67**	**6,622.80**

As per our report of even date

For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W
CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
April 26, 2018

For and on behalf of the Board

Ashok T. Shah
Chairman & CFO
DIN: 00254255

Gunvant T. Shah
Vice Chairman & WTD
DIN: 00254292

Kunal T. Shah
Managing Director & CEO
DIN: 00254205

Maunish Gandhi
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018 (₹ In Lakhs)

	2017-18
A: CASH FLOW FROM OPRETING ACTIVITIES	
Net Profit Before Tax	**94.43**
Adjusted for:	0.00
(Profit) / Loss on sale / Discard of Assets (Net)	0.00
Depreciation / Amortisation and Depletion Expense	639.33
Accounts Written off expense	45.24
Interest Income	(25.37)
Other Comprehensive Income	(1.87)
Finance Cost	950.19
Operating Profit before Working Capital Changes	**1,701.94**
Adjusted for:	
Trade and Other Receivables	12.71
Inventories	1,078.50
Other Current Assets	(208.67)
Other Finacial Assets - Non Current	52.67
Trade and Other Payables	(941.50)
Other Current Liabilities	(214.64)
Provisions - Current	60.08
Provisions - Non Current	(57.91)
Cash Generated from Operation	**1,483.18**
Tax Paid (Net)	(92.17)
Net Cash Flow form Operating Activities	**1,391.01**
B: CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of tangible and intangible assets	(168.38)
Proceeds from disposal of tangible and intangible assets	-
Interest Income	25.37
Net Cash Flow (used in) Investing Activities	**(143.01)**
C: CASH FLOW FROM FINANCING ACTIVITIES	
Short term borrowings (net)	(425.63)
Finance Cost paid	(950.19)
Net Cash Flow (used in) Financing Activities	**(1,375.82)**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(127.81)**
Opening Balance of Cash and Cash Equivalents	**543.95**
Closing Balance of Cash and Cash Equivalents	**416.14**

As per our report of even date

For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W
CA Rinkesh Shah
Partner
M.No.131783

Ahmedabad
April 26, 2018

For and on behalf of the Board

Ashok T. Shah
Chairman & CFO
DIN: 00254255

Gunvant T. Shah
Vice Chairman & WTD
DIN: 00254292

Kunal T. Shah
Managing Director & CEO
DIN: 00254205

Maunish Gandhi
Company Secretary

Notes to Consolidated Financial Statements For the year ended on 31st March, 2018

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 Manufaturer 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.

For all periods up to and including the year ended March31, 2017,the Group prepared its financial statements in accordance with Accounting standards notified under Section 133 of the Companies Act, 2013("The Act") read together with paragraph 7 of the Companies(Accounts) Rules,2014("Indian GAAP").These financial Statements for the year ended March31, 2018 are the first the company has prepared in accordance with IND AS.

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 April 26, 2018.

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, 2018. So financial statements for the year ending 31st March, 2018 prescribed as Consolidated financial statements.

The consolidatedfinancial 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 Principles of Consolidation

The consolidated financial statements comprises the financial statements of the Company and its subsidiary,SurajImpex LLP for the year ended March 31,2018.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')".Consolidated financial statements 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-currentclassification.

An asset is treated as current whenitis:

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

All other assets are classified as non-current.

A liability is 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 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 aliability 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.

The Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items, outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first IND AS financial statements i.e.31st March 2017 and pertaining to the acquisition of a depreciable asset, to the cost of the asset and depreciates the same over the remaining life of the asset.

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 Groupcalculates 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 instrumentsat 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. Again 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 instrumentsat 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 instrumentsat 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 s FVTOCI, 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 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 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 Grouphas 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 lossallowance 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 recognitionand 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 finacial 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 relatinig to interest, charges and processing fees recorded as finance cost in statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through statement of profit and loss(FVTPL),adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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 are 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 ornot. 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 whenthesignificant risks and rewards of ownership of the goodshave 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 taxabletemporary 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 forwardof 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 interestsin 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 is to be utilised.Unrecognizeddeferred 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 accountedfor 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/ lossfor 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.

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.

Description of Assets	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As at 31.03.2017	Addition	Deduction	As at 31.03.2018	As at 31.03.2017	For the year ending March 31,2018	Deduction	As at 31.03.2018	As at 31.03.2018
6. PROPERTY, PLANT & EQUIPMENTS									
(A) Tangible Assets									
Land & Site Development	1,978.34	33.40	-	2,011.74	-	-	-	-	2,011.74
Factory Building	3,371.75	187.25	-	3,559.00	1,023.15	111.25	-	1,134.40	2,424.60
Office Premises	202.02	-	-	202.02	39.96	3.19	-	43.15	158.87
Plant & Machinery	8,479.11	205.82	-	8,684.93	6,887.16	504.51	-	7,391.67	1,293.26
Furnitue Fixture	217.11	18.64	-	235.74	178.65	7.12	-	185.77	49.97
Computer	106.36	0.32	-	106.68	102.27	1.85	-	104.11	2.56
Vehicle	293.63	4.18	-	297.80	184.92	10.38	-	195.30	102.50
Wind Mill	594.87	-	-	594.87	565.12	-	-	565.12	29.74
Sub-Total	**15,243.17**	**449.61**	**-**	**15,692.78**	**8,981.24**	**638.29**	**-**	**9,619.53**	**6,073.24**
Capital Work In Progress									
WIP -SMP	281.14	-	281.14	-	-	-	-	-	-
Total (A)	**15,524.32**	**449.61**	**281.14**	**15,692.78**	**8,981.24**	**638.29**	**-**	**9,619.53**	**6,073.24**
(B) Intangible Assets									
Software	6.54	-	-	6.54	4.07	1.03	-	5.11	1.43
Total (B)	**6.54**	**-**	**-**	**6.54**	**4.07**	**1.03**	**-**	**5.11**	**1.43**
Total (A+B)	**15,530.85**	**449.61**	**281.14**	**15,699.31**	**8,985.31**	**639.33**	**-**	**9,624.64**	**6,074.67**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

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

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

Particulars	As at 31st March,2018
8. CASH AND CASH EQUIVALENTS	
Cash on Hand	3.09
Balance with Bank	
Earmarked Accounts	7.69
Current Accounts	2.99
Fixed Deposits (Margin Money)(Maturity of three months or less)	402.37
Total	**416.14**

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

(₹ In Lakhs)

Particulars	As at 31st March, 2018
10. SHARE CAPITAL	
Authorized Share Capital	
23250000 Equity Shares of ₹ 10 each	2,325.00
Issued, Subscribed and Paid Up	**-**
19264100 Equity Shares of ₹ 10 each	1,926.41
Total	**1,926.41**

10.1 Reconciliation of Share capital

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

Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

Particulars	As at March 31, 2018	
	No. of shares	₹ In Lakhs
At the beginning of the year	1,92,64,100	1,926.41
Add :	-	-
Outstanding at the end of the year	**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, 2018	
	No. of shares	% of shareholding
SHAH GUNVANTKUMAR TARACHAND	9,91,420	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, 2018
11. OTHER EQUITY	
Securities Premium Account	
Balance per last Financial Statement	2,189.56
Balance at the end of the year	2,189.56
General Reserves	
Balance per last Financial Statement	244.74
Balance at the end of the year	244.74
Statutory Reserves	
Balance per last Financial Statement	328.83
Balance at the end of the year	328.83
Surplus in Statement of Profit and loss	
Balance per last Financial Statement	3,825.42
Add/(Less): Reinstatement effect due to Ind AS	
Add: Profit for the year	34.25
Balance at the end of the year	3,859.67
Total Retained Earnings	**6,622.80**

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

Particulars	As at 31st March, 2018
13. BORROWINGS	
Secured borrowings	
From Banks	
Foreign Currency Loan (Buyers Credit)	1,578.74
Rupee Loan (Working Capital)	8,065.79
Unsecured borrowings	
Suraj Enterprise Private Limited	1,566.80
Total	**11,211.33**
Current	**11,211.33**
Non-Current	
Total	**11,211.33**

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

The group does not have suppliers who are registered as micro or small enterprise under the Micro,Small and Medium Enterprises Development Act,2006 as at March 31,2018.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, 2018**
15. OTHER CURRENT LIABILITIES	
Other Financial Liabilities	
Interest accrued but not due	8.26
Unpaid dividend (Not due for credit to Investor Education and Protection fund)	7.69
Other Current Liabilities	
Statutory Dues	6.96
Advance from Customers	217.52
Corporate Social Responsibility	16.96
Other Payables	**74.23**
Total	**331.62**

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

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

Particulars	**2017-18**
18. REVENUE FORM OPERATION	
Sale of Stainless Steel Seamless Pipes, Tubes, U-Tubes, Flanges and Fittings	20,379.12
Sale of Power generated from Windmill	91.08
Trading of shares	29.93
Other Operating Revenue	
Scrap and Waste Sales	7.14
Others	171.42
Total	**20,678.69**

Particulars	**2017-18**
19. OTHER INCOME	
Interest Income - From Bank	25.37
Other Non-Operating Income	0.20
Total	**25.57**

(₹ In Lakhs)

Particulars	2017-18
20. COST OF RAW MATERIAL CONSUMED	
Inventory at the beginning of the year	5,446.63
Add: Purchases	**13,568.64**
	19,015.27
Less: Inventory at the end of the year	2,640.91
Total	**16,374.36**

Particulars	2017-18
21. Purchase of Stock in Trade	
Purchase of Stock in Trade	45.82
Total	**45.82**

Particulars	2017-18
22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & SCRAP	
Inventories at the end of the year	
Finished Goods	697.48
Work In Progress	5,002.14
Scrap	378.32
Stock in Trade	13.34
Miscellaneous Others	340.19
	6,431.47
Inventories at the beginning of the year	**-**
Finished Goods	486.76
Work In Progress	3,620.55
Scrap	253.79
Stock in Trade	-
Miscellaneous Others	287.30
	-
	4,648.40
Total	**(1,783.07)**

Particulars	2017-18
23. EMPLOYEE BENEFITS	
Salaries, Wages, Bonus etc.	999.15
Contribution to Provident and Other funds	34.16
Staff Welfare expenses	52.15
Total	**1,085.46**

Particulars	2017-18
24. FINCANCE COST	
Interest Expense	779.31
Bank Charges	170.88
Total	**950.19**

(₹ In Lakhs)

Particulars	2017-18
25.OTHER EXPENSES	
Manufacturing Expenses	
Power and fuel	557.91
Consumption of stores and spares	434.14
Packing material	92.76
Job work charges	6.21
Transportation and freight	300.74
Clearing & Forwarding Exp.	97.37
Repairs and maintenance - Plant & Machinery	175.08
Repairs and maintenance - Building	0.77
	1,664.98
Excise Duty & Goods and Service Tax	
Excise Duty	207.42
Goods and Service Tax	1,421.63
	1,629.05
Selling and Distribution Expense	
Selling and marketing expenses	105.23
Sales Discount	-
	105.23
Administration Expense	
Audit Fees	5.12
Communication Exp.	15.60
Commission	0.16
Insurance	10.71
Legal & Professional Charges	36.97
Rates & Taxes	9.88
Traveling, Conveyance & Vehicle Exp.	44.01
Other Expenses	138.11
Director Sitting fees	0.60
Exchange Rate Fluctuation (Net)	(362.68)
	(101.52)
Total	**3,297.74**

25.1 Payments to Auditors as:	
Particulars	**2017-18**
a. Statutory Audit Fees	3.87
b. Tax Audit Fees	0.75
c. Review Reports Fees	0.50
	5.12

26. EARNING PER SHARE

Particulars		2017-18
Earning per share (Basic and diluted)		
Profit attributable to ordinary equity holders	₹ In Lakhs	33.15
Total no. of equity shares at the end of the year	**Nos.**	**19264100**
Weighted average number of equity shares For Basic and Diluted	Nos.	19264100
Nominal Value of equity share	In ₹	10
Basic earning per share	In ₹	0.17

27. DISLOSURE 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 Mangerial Personnel
Mr. Ashok T. Shah - Chairman and CFO
Mr. Gunvant T. Shah - Vice chairman and Whole-time Director
Mr. Kunal T. Shah - Managing Director and CEO
Ms. Shilpa M. Patel - Whole-time Director
Company under the control of Key Managerial Personnel
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, 2018
Sales of goods and material	
TBS Metal Private Limited	1,502.09
Purchase of goods and material	
TBS Metal Private Limited	1,138.43
Net Borrowings received / (re-payment)	
Suraj Enterprise Private Limited	266.80
Investment (Net)	
Suraj Impex LLP (70% Contribution)	0.29
Remunaration	
Ms. Shilpa Patel (Whole time director)	11.77
Sitting Fees	
Mr. Dipak Shah	0.15
Mr. Ketan Shah	0.05
Mr. Haren Desai	0.20
Mr. Bhupendrasinh Patel	0.20
Professional Charges	
Mr. Dipak Shah	0.55

Particulars	**As at 31st March, 2018**
28. CONTINGENT LIABILITIES	
Contingent liabilities not provide for	
a. Guarantees given by bank on behalf of the company	174.82
b. Disputed demands in respect of	
Excise / Custom duty	1,635.23
Sales tax	457.28
Income tax	4,112.53
Total Retained Earnings	**6,379.86**

29. DISLOSURE PURSUANT TO FOREIGN EXCHANGE EXPOSURE

(₹ In Lakhs)

29.1 Foreign Exchange Derivatives

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

29.2 Foreign Exposure Not Hedged

Nature of Insturments	Currency	As at 31st March,2018	
		Foreign	INR (Lakhs)
Payable towards borrowings	USD	24,37,673	1,566.06
	AED	-	-
Receivables	USD	10,57,190	676.71
	EURO	31,01,684	2,482.97
	GBP	92,365	83.78
Payable to Creditors	USD	1,200	0.77
	EURO	500	0.40
	GBP	446	0.41

Note 30 : Disclosure pursuant to Employee benefits

30.1 Defined contribution plans:

Expenses are included in Note No. 24 “Employee benefit expense”

Particulars	As at March 31, 2018
Provident Fund	14.62
	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 bya Trust and the Company makes contributions to recognised Trust.

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

(₹ In Lakhs)

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)	-	-	-	(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**

March 31, 2017 : Changes in defined benefit obligation and plan assets

(₹ In Lakhs)

Particulars	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 31,2017
	April 1,2016	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)	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	49.24	3.86	3.94	7.80	(6.22)			1.85	(1.96)	(0.11)		50.71
Fair value of plan assets	42.94	-	3.44	3.44	(6.22)	0.30				0.30	4.01	44.47
Benefit liability / (Assets)	**6.29**	**3.86**	**0.50**	**4.36**	**-**	**(0.30)**	**-**	**1.85**	**(1.96)**	**(0.41)**	**(4.01)**	**6.23**
Total benefit liability / (Assets)	**6.29**	**3.86**	**0.50**	**4.36**	**-**	**(0.30)**	**-**	**1.85**	**(1.96)**	**(0.41)**	**(4.01)**	**6.23**

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, 2018 (%) of total plan assets
Insurance fund	100.00%
(%) of total plan assets	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, 2018
Expected rate of return on plan assets	7.82%
Discount rate	7.82%
Future salary increase	6.00%
Employees Turnover rate	7.00%
Mortality rate during employment	Indian assured lives Mortality (2006-08)
Mortality rate after employment	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, 2018
Gratuity		67.17
Discount rate	1% increase	(3.97)
	1% decrease	4.45
Salary increase	1% increase	2.61
	1% decrease	(2.36)
Employees Turnover rate	1% increase	1.08
	1% decrease	(1.18)

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

Particulars		Year ended March 31, 2018
Gratuity		
Within the next 12 months (next annual reporting period)		1.30
Between 2 and 5 years		7.20
Beyond 5 years		129.27
Total expected payments		**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 analyse 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, 2018**
Up to 3 months	2,575.91
3 to 6 months	392.97
6 to 12 months	1,214.30
Beyond 12 months	-
Gross Carrying Amount	**4,183.18**
Expected Credit Losses	-
Net Carrying Amount	**4,183.18**

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

Particulars	**Year ended March 31, 2018**
Srinox Bvba	2,405.80

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

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

31.3 - Liquidity Risk

Liquidity Risk is defined as the risk that the group 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 31-03-2018		
	Less than 1 year	1 to 5 years	Total
Borrowings including interest	11,159.53	-	11,159.53
Trade Payables	793.51	-	793.51
Other Financial Liabilities	-	-	-
Total	**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 it 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 31-03-2018
Working Capital Facilities from Bank	0.50	48.22
	(0.50)	(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 appropraте 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
	2017-18
Rs. 0.50 increase in price of Raw Material	35.16
Rs. 0.50 decrease in price of Raw Material	(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 31-03-2018
Borrowings	11,159.53
Less : Cash & Cash Equivalents	415.84
Net Debt (A)	10,743.69
Total Equity	8,551.79
Equity and Net Debt (B)	19,295.48
Gearing Ratio (A/B)	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 April 26, 2018, 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]

25th Annual General Meeting - 21st day of June, 2018, at 10.30 A.M.

SURAJ LIMITED

CIN: L27100GJ1994PLCO21088

Registered Ofice: "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) of ……….…....................shares 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 25th Annual general meeting of the company, to be held on the 21st day of June, 2018 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 31st March, 2018 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, 2018 and the reports of the Auditors thereon.		
2	To appoint a Director in place of Mr. Kunal Tarachand Shah (DIN:00254205) who retires by rotation and being eligible offers himself for re-appointment.		
3	To appoint a Director in place of Ms. Shilpa Mangaldas Patel (DIN: 07014883) who retires by rotation and being eligible offers himself for re-appointment		
4	To ratify the appointment of M/s. Rinkesh Shah & Co.,(FRN: 129690W) Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration		
5	To approve the remuneration of the Cost Auditor for the financial year 2018-19		
6	To re appointment of Mr. Kunal Tarachand Shah (DIN:00254205) as a Managing Director & Chief Executive Officer of the Company who shall be liable to retire by rotation		
7	To re appointment of Ms. Shilpa Mangaldas Patel (DIN: 07014883) as a Whole time Director of the company who shall be liable to retire by rotation		
8	To approve material related party transactions		

Signed _____________ this day of _________ 2018

Signature of shareholder: ____________________

Signature of Proxy holder(s): __________________

Affix Revenue Stamp Re. 1/-

Signature of the shareholder across Revenue Stamp

SURAJ LIMITED
CIN: L27100GJ1994PLCO21088
Registered Ofice: "Suraj House" Opp.Usmanpura Garden, Ashram Road,Ahmedabad, Gujarat -380014
Email: suraj@surajgroup.com, website:www.surajgroup.com

25th 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 25th Annual General Meeting to be held on Thursday, the 21st June, 2018. Members of the Company can transact all the items of the business through electronic voting system, provided by Central Depository Services Limited, as contained in the Notice of the Meeting.

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

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

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 18/06/2018 on 9.00 AM and ends on 20/06/2018 on 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 13/06/2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) 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.

(v) Next enter the Image Verification as displayed and Click on Login.

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

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

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - - Members who have not updated their PA N with the C ompany/Depos itory P ar tic ipant are r equested to us e the sequence number which is pr inted on P os tal Ballot / A ttendanc e Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	E nter the Dividend B ank Details or D ate of Bir th (in dd/mm/yyyy for mat) asr ec orded in your demat account or in the company records in order to login. -- If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

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

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this

Notice.

(xi) Click on the EVSN (Mentioned instructions point no. i) for the relevant <Company Name> on which you choose to vote.

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

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non - Individual Shareholders and Custodians

- Non-Individual shar eholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

Yours Sincerely,
For, Suraj Ltd

Place : Ahmedabad | **Maunish Gandhi**
Date : 26/04/2018 | **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 31st March, 2018 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, 2018 and the reports of the Auditors thereon.			
2	To appoint a Director in place of Mr. Kunal Tarachand Shah (DIN:00254205) who retires by rotation and being eligible offers himself for re-appointment.			
3	To appoint a Director in place of Ms. Shilpa Mangaldas Patel (DIN: 07014883) who retires by rotation and being eligible offers himself for re-appointment			
4	To ratify the appointment of M/s. Rinkesh Shah & Co. (FRN: 129690W) Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration			
5	To approve the remuneration of the Cost Auditor for the financial year 2018-19			
6	To re appointment of Mr. Kunal Tarachand Shah (DIN:00254205) as a Managing Director & Chief Executive Officer of the Company who shall be liable to retire by rotation			
7	To re appointment of Ms. Shilpa Mangaldas Patel (DIN: 07014883) as a Whole time Director of the company who shall be liable to retire by rotation			
8	To approve material related party transactions			

Notes

Notes

SURAJ LIMITED

CIN: L27100GJ1994PLCO21088

Registered Ofice: “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 25th 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 21st day of June, 2018 at 10.30 a.m.

____

Member’s / Proxy’s Signature

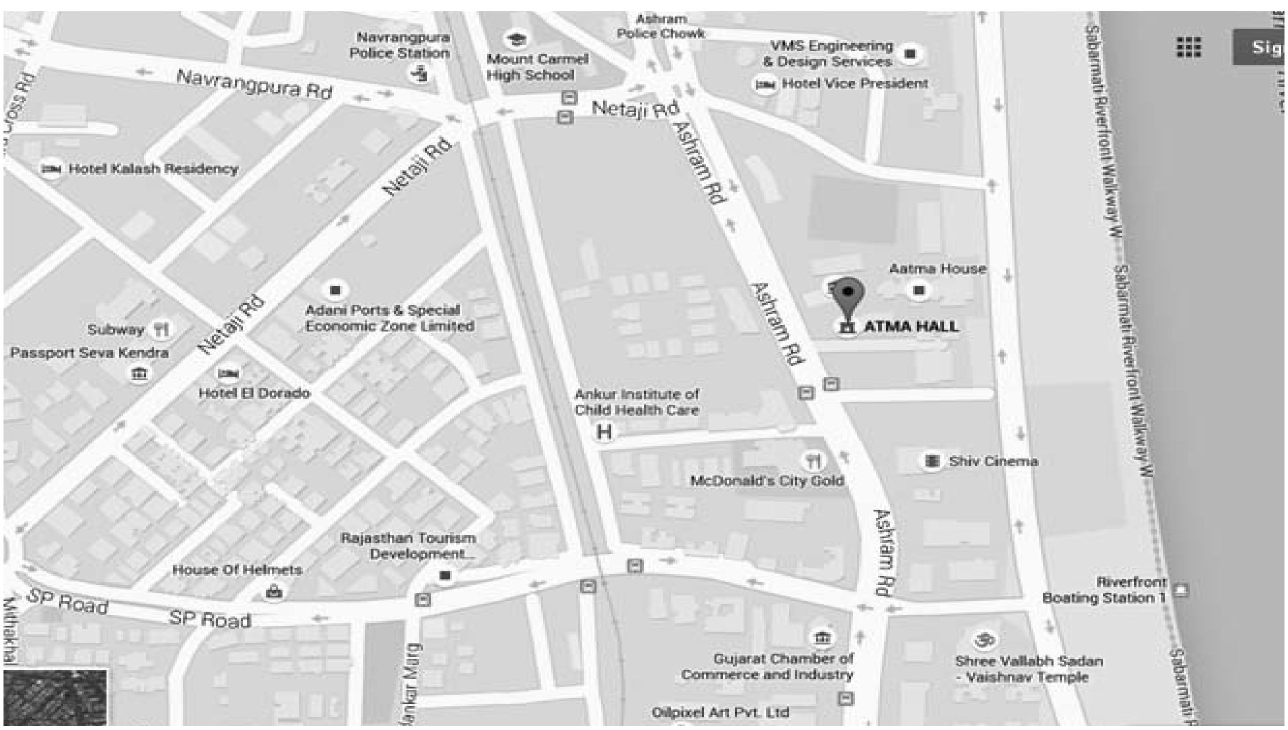
(To be signed at the time of handling over the slip)

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..

Rout Map of AGM Venue of:
Suraj Limited
25th Annual General Meeting,
Thursday, 21st June 2018
At 10.30 Am



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

BOOK-POST

To, ______________________

If undelivered please return to :

SURAJ LIMITED

REGD. OFFICE :
'Suraj House' Opp. Usmanpura Garden,
Ashram Road, Ahmedabad - 380 014. Gujarat (INDIA)
Phone : (079) 27540720
www.surajgroup.com, E-Mail : suraj@surajgroup.com
CIN : L27100GJ1994PLC021088