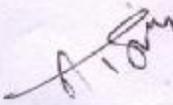
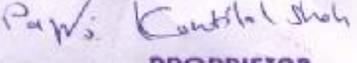
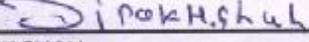


FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the company	SURAJ LIMITED
2	Annual financial statements for the year ended	31 <sup>st</sup> March 2015
3	Type of Audit Observation	Un-qualified/Matter of Emphasis
4	Frequency of observation	None
5	To be signed by-	
	Chairman and CFO	 <hr/> ASHOK SHAH
	Managing Director and CEO	 <hr/> KUNAL SHAH
	Auditor of the company	For PANKAJ K. SHAH ASSOCIATES CHARTERED ACCOUNTANTS  PROPRIETOR <hr/> PANKAJ K. SHAH ASSOCIATES PANKAJ K. SHAH (Proprietor) Membership No: 34603
Audit Committee Chairman	 <hr/> DIPAK SHAH	

# 22<sup>nd</sup> ANNUAL REPORT

2014-2015



**SURAJ** LIMITED

*Progress is Life*

**10 Years Overview**

(` .in Lacs)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Sales & Other Income	11693.12	23328.49	29223.09	23097.13	17687.13	23932.66	25031.46	26713.77	23901.15	25139.75
Profit before Finance	795.23	2107.68	3476.85	2193.84	2784.80	3399.21	3527.63	3702.79	2766.94	2680.72
Cost, Depreciation & Tax Depreciation	138.68	338.65	502.82	545.41	893.40	998.15	1015.26	1036.07	1073.01	731.98
Net Profit after tax for the year	295.89	833.82	1366.312	595.04	533.25	674.79	625.41	714.53	367.8	689.10
Share capital	515.47	566.97	1700.91	1700.91	1700.91	1926.41	1926.41	1926.41	1926.41	1926.41
Reserve & surplus	942.45	2995.29	2918.82	3200.23	5243.96	5581.79	5871.36	6247.82	6277.55	6605.54
Shareholders Funds	1457.92	3562.26	4619.73	4901.14	6944.87	7508.2	7797.77	8174.23	8203.96	8531.95
Gross Block	4031.95	5676.98	6465.42	7969.30	12951.26	13977.57	14157.50	14480.96	14883.77	15087.66
Net Block	3186.49	4495.20	4780.81	5743.49	9837.65	9865.82	9061.15	8357.41	7752.59	7402.80
Dividend	61.85	85.04	255.14	255.14	255.14	288.96	288.96	288.96	288.96	288.96
Rate of Dividend	12%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Book Value of share (in Rs.) (Face Value Rs.10/-)	28.28	62.83	27.16	28.81	40.83	38.98	40.48	42.43	42.59	44.29
Earnings per Share (in Rs.)	5.74	14.71	8.03	3.50	3.14	3.50	3.25	3.71	1.91	3.58
Yearly High & Low Share Price Rupees	80-27	250-56	421-108	222-47	147-61	97-53	69-47.25	61.50-40.30	64-13.85	103.80 - 40.55



CIN: L27100GJ1994PLCO21088

**Manufacturer, Exporter of Stainless Steel, Seamless Pipes,  
Tubes and 'U' Tubes**

**22nd ANNUAL REPORT 2014-2015**

**BOARD OF DIRECTORS** : ASHOK SHAH CHAIRMAN & CFO  
GUNVANT SHAH VICE CHAIRMAN &  
WHOLE TIME DIRECTOR  
KUNAL SHAH MANAGING DIRECTOR & CEO  
BIPIN PRAJAPATI WHOLE TIME DIRECTOR  
SHILPA PATEL WHOLE TIME DIRECTOR  
DIPAK SHAH INDEPENDENT DIRECTOR  
KETAN SHAH INDEPENDENT DIRECTOR  
HAREN DESAI INDEPENDENT DIRECTOR  
BHUPENDRASINH PATEL INDEPENDENT DIRECTOR

**COMPANY SECRETARY** : VATAN BRAHMBHATT

**AUDITORS** : PANKAJ K. SHAH ASSOCIATES (CHARTERED ACCOUNTANTS)

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

**PLANT LOCATION** : SURVEY NO. 779/A, VILLAGE-THOL, KADI-SANAND HIGHWAY,  
TAL. -KADI, DIST, MEHSANA. (GUJARAT)

**REGISTERED OFFICE** : "SURAJ HOUSE", OPP. USMANPURA GARDEN.  
ASHRAM ROAD, AHMEDABAD - 380 014. PH. : 0091-79-27540720 / 21  
E-MAIL : suraj@surajgroup.com • CIN : L27100GJ1994PLCO21088

**REGISTRAR & TRANSFER AGENT** : MCS LTD.  
101, SHATDAL COMPLEX, OPP. BATA SHOW ROOM,  
ASHRAM ROAD, AHMEDABAD - 380 009.

## **Chairman's Speech to Shareholders**

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**Respected Shareholders,**

The financial year 2014-15 also was full of challenges and crucial commitments. As the year progressed, business environment remained difficult and operation in such a critical environment found to be challenging.

Discarding the global challenges, your company continued to carry on business cautiously which resulted into turnover of Rs. 251.39 Crore, I am glad to report that your Company sustained its profitability due to controlling expenses and finance cost and posted a net profit of Rs. 6.89 crore.

We continued to reward our shareholders with regular dividend. This year dividend payout of Rs. 1.50 per share (15%) has been recommended by the Board of Directors of your Company.

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

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

**With best wishes,**

**Sincerely**

**Ashok Shah**

**Chairman & CFO**

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## NOTICE

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NOTICE IS HEREBY GIVEN THAT the 22<sup>nd</sup> Annual General Meeting of the Members of SURAJ LIMITED will be held on Tuesday, 21<sup>st</sup> July, 2015 at **10:30 am** at the Conference Hall of “The Ahmedabad Textile Mills Association”, Near “Gurjari”, Ashram Road, Ahmedabad - 380 009 to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the year ended on March 31, 2015, including the Balance Sheet, Profit and Loss Statement as at that date together with the Report of the Board of Directors (the Board) and Auditors thereon.
2. To Declare Dividend on equity shares for the financial year ended March 31, 2015.
3. To appoint a Director in place of Mr. Ashok T. Shah who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Gunvant T. Shah who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary resolution: **“RESOLVED THAT** pursuant to the provision of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time, Messrs Pankaj K. Shah Associates, Chartered Accountant, Ahmedabad having Firm Registration No. 107352W, be and is hereby ratified in this annual general meeting, til the Conclusion of 24<sup>th</sup> Annual General Meeting of the Company(subject to ratification of the appointment by the Members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, at such remuneration as shall be fixed by the Board of Directors of the Company.

### **SPECIAL BUSINESS:**

6. **To appoint Ms. Shilpa Patel (DIN: 07014883) as a Whole Time Director and in this regard to consider and if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualification of Directors) Rules, 2014 as amended from time to time, Ms. Shilpa Patel (DIN: 07014883), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13.11.2014, in terms of section 161(1), 149 of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting.

FURTHER RESOLVED THAT Ms. Shilpa Patel Regularise in this AGM, be and is hereby appointed as a Whole time Director of the Company who shall be liable to retire by rotation at the Annual General Meeting.”

**7. To approve the remuneration of the Cost Auditor for the financial year 2015-16 and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provision of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year 2015-16 be paid the remuneration as set out in the statement annexed to the notice convening this meeting;

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

**8. To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution.**

"RESOLVED THAT pursuant to the provisions of Section 5, 14 and any other applicable provisions, if any, of the Companies Act, 2013, approval of the shareholders be and is hereby accorded to the Company to amend the Articles of Association of the Company in the following manner:

To replace the relevant sections of the Companies Act, 1956 in various Articles by the corresponding sections of the Companies Act, 2013 and adopt the same.

"RESOLVED FURTHER that any of the Director of the Company be and is hereby authorised severally to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

**Registered Office:**

CIN NO: L27100GJ1994PLC021088

'Suraj House', Opp. Usmanpura Garden,

Ashram Road, Ahmedabad-380014

**By Order of the Board of Directors**

**Place: Ahmedabad**

**Date: 12.05. 2015**

**Vatan Brahmhatt**

Company Secretary

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## NOTES

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1. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking re-appointment for item no. 3 & 4, under Code of Corporate Governance and the relevant explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business for item no.6 to 8 to be transacted at the meeting, are annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him/her and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
5. The Company has notified of closure of Register of Members and Share Transfer Books from 13th July, 2015 to 21st July, 2015 (both days inclusive) for determining the names members eligible for dividend on Equity Shares, if declared at the Meeting.
6. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
7. Members, who hold shares in de-materialization form, are requested to bring their depository account number for identification.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, between 11:00 a.m. and 1:00 p.m. up to the date of Meeting.
10. Dividend on Equity Shares as recommended by the Directors for the financial year ended March 31, 2015 when declared at the meeting will be paid on or after 27th July, 2015.
  - (i) To those Members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company's Registrar & Share Transfer Agent on or before , 13th July 2015 or
  - (ii) In respect of shares held in electronic form, to those "Deemed Members" whose names appear in the Statement of Beneficial Ownership furnished by the National Securities

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Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as at the end of business hours on 13th July 2015.

11. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of Dividend. However, if members want to change/correct bank account details, they should communicate the same immediately to the concerned Depository Participant. Members are also requested to furnish their MICR code of their bank to their Depository Participant. The Company or its Registrar will not entertain any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrar and Share Transfer Agents, M/s MCS 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 -2B 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 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 2007-2008 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 20th August 2015. The last date for claiming the dividend is 19th August 2015. Members who have not encashed their above Dividend Warrants may approach to the Company/RTA immediately for re validation as otherwise no claim thereafter shall lie against the Fund or the Company in respect of such unclaimed Dividend Amount.
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. Voting for transaction of Business:

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

- (A) The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement.
- (B) The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through ballot paper.
- (C) The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again.

**The procedure and instructions for members for voting electronically are as under :**

The voting period begins at 9.00 A.M. on 14th July, 2015 and ends at 5 P.M. on 20th July, 2015. 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 12th June, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

- i) Open your web browser during the voting period and log on to the e-voting website [www.evoting.nsd.com](http://www.evoting.nsd.com)
- ii) Now click on "Shareholders" to cast your votes

lii) User-ID	For Members holding shares in Demat Form:- a) For CDSL:- 16 digits beneficiary ID b) For NSDL:- 8 Character DPID followed by 8 Digits Client ID
iv)	Next enter the Image Verification as displayed and Click on Login.
v)	If you are holding shares in demat form and had logged on to <a href="http://www.evoting.nsd.com">www.evoting.nsd.com</a> and voted on an earlier voting of any company, then your existing password is to be used.
vi)	If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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).</li> </ul>

- vii) After entering these details appropriately, click on "SUBMIT" tab
- viii) 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 NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evoting.nsdl.com](http://www.evoting.nsdl.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@nsdl.co.in](mailto:helpdesk.evoting@nsdl.co.in)
- 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 should be mailed to [helpdesk.evoting@nsdl.co.in](mailto:helpdesk.evoting@nsdl.co.in) 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.

xviii) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@nsdl.co.in](mailto:helpdesk.evoting@nsdl.co.in)

**(i) Other Instructions:**

- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the company as on 12.06.2015
- b) Mr. Bhavin Ratnaghayra, Practicing Company Secretary (Membership No. ACS 26151), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- c) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- d) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Bhavin Ratnagharia, Practicing Company Secretary, (Membership No. ACS 26151), at the Registered Office of the Company not later than 16.07.2015 (6.00 p.m. IST). Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [secretary@surajgroup.com](mailto:secretary@surajgroup.com) by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than 16.07.2015 (6.00 p.m. IST).

**Ballot Form received after this date will be treated as invalid.**

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- e) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.surajgroup.com](http://www.surajgroup.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the Twenty Second AGM of the Company on 21.07.2015 and communicated to the BSE Limited, where the shares of the Company are listed.

**Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

**EXPLANATORY STATEMENT****PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")****Item No. 6:**

The Board members appointed Ms. Shilpa Patel as a whole time director of the company w.e.f 13th November 2014 to 12th November 2017 compos the board in line with the listing agreement and to comply with the provision of clause 49 of the listing agreement and she is liable for retire by rotation.

Ms shilpa patel is possessed of wide and varied experience of around 18 years as an 31st March 2015 and she is experienced in the various sector of the industry like Purchase department, IT sector of the organization also handling the HR & administrative activities, also her valuable inputs in company marketing and commercial sector of the organization.

None of the Directors, except Ms. Shilpa Patel, is in any way concerned or interested in the aforesaid resolution and recommend your acceptance thereof in the interest of the company.

This statement containing following information is given as per Clause-A of Section II of part II of Schedule V of the Companies Act, 2013 :

<b>I. GENERAL INFORMATION :</b>		
(1) Nature of Industry	Manufacturing of all kinds of ferrous and non-ferrous stainless steel & seamless Pipes and tubes for industrial and non industrial use.	
(2) Date or expected date of commencement of commercial production.	Existing Company and hence not applicable.	
(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Existing Company and hence not applicable.	
(4) Financial Performance based on given indicators. ( As at 31st March 2011)	<b>Particulars</b>	<b>Rs. in Lacs</b>
	Turnover (Net Sales)	24,834.48
	Operating Profit	
	Net Profit Before Tax	934.53
	Debt Equity Ratio	1.46
	Current Ratio	1.09
	Net Worth	8531.95
(5) Export Performance	The Company has achieved export Turnover FOB value of Rs. 15,913.63 Lacs for the financial year ended on 31.03.2015	
(6) Foreign Investments or collaborators, if any.	None	

**Item No. 7:**

The audit committee has recommended to appoint M/s. Kiran J. Mehta & Co., Cost Accountant, Ahmedabad (Firm Registration Number 00025) at a remuneration of Rs. 1,50,000/- (Rupees one lakh fifth thousand only) plus service tax and Ten percent (10%) of fee as out-of pocket expenses" for the year 2015-16 the Board has also approved the same.

As per section 148 of the Companies Act, 2013 and the companies (Audit and Auditors) rules 2014 the remuneration payable to the Cost Auditor has to be approved/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. 7 of the Notice for ratification/approval of the remuneration payable to the Cost Auditors for the financial year 2015-16. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

**Item No. 8:**

With the introduction of Companies Act, 2013 which has been notified and became effective, all listed public limited companies, limited by shares need to adopt Table `F' in place of Table 'A' of erstwhile Companies Act, 1956.

To comply with the above provisions, it is proposed to adopt Table `F' as the Articles of Association of the Company. The shareholders approval is required to adopt Table `F' and authorise the Board of Directors to give effect to this and amend the Articles of Association of the Company accordingly.

Your Directors recommended the resolution for approval. None of the Directors and Key Managerial Personnel of the Company is interested in the resolution.

**Registered Office:**

CIN NO: L27100GJ1994PLC021088

'Suraj House', Opp. Usmanpura Garden,

Ashram Road, Ahmedabad-380014

**By Order of the Board of Directors****Place: Ahmedabad****Date: 12.05.2015****Vatan Brahmhatt**

Company Secretary

## DIRECTORS REPORT

### To the Members,

The Directors have pleasure in presenting before you the Twenty Ninth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

### FINANCIAL RESULTS:

The performance during the period ended 31st March, 2015 has been as under :

( ` . In Lakhs)

Particulars	2014-2015	2013-2014
Total Revenue (Net)	24834.48	23800.76
Other Income	305.27	100.39
Interest	822.06	982.01
Profit Before Depreciation	1666.51	1647.62
Depreciation	731.98	1073.01
Profit Before Tax	934.53	574.61
Taxation -Current Tax	282.03	313.56
-- Excess/Short provision for earlier years	0.54	15.82
-- Deferred Tax (Assets/Liability)	(37.14)	(122.57)
Net Profit After Tax	689.10	367.80
Balance of Profit brought forward	3529.80	3518.46
Amount available for appropriation	4218.90	3886.26
<b>Appropriations</b>		
Proposed Dividend on Equity Shares	288.96	288.96
Tax on proposed Dividend	59.16	49.11
Transfer to Statutory Reserve	34.40	18.39
Balance carried to Balance Sheet	3836.38	3529.80

### OPERATIONS:

The Company achieved a turnover of 24,834.48 Lacs during the current year as against 23,800.76 Lacs during the previous year, which shows increase of about 4.16% of turnover as compared to the previous financial year. The other income of the company for the said period stood at Rs. 305.27 Lacs as compared to Rs. 100.39 Lacs of previous financial year. The PAT levels were stood at Rs. 689.10 Lacs as compared to Rs. 367.80 Lacs previous financial year which shows increase of 46.63% as compared to last financial year.

### DIVIDEND:

Directors recommend a final dividend of 15% i.e. Rs. 1.50 for each Equity Shares of Rs. 10/- for the year ended March 31, 2015, subject to approval of shareholders at the ensuing general meeting.

### TRANSFER TO STATUTORY RESERVE:

The company proposes to transfer Rs. 34.40 Lacs to the statutory reserve out of the amount available for appropriation and an amount of Rs. 689.10 Lacs is proposed to be retaining in the statement of profit and loss account.

### DEPOSITS:

The company has not accepted any public deposit within the meaning of the provisions of Section 73 of companies act 2013 and rules made there under.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Clause 49 of the Listing Agreements with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

**CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Practising company secretary of the company M/s. RTBR & Associates, confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is included as a part of this report.

**LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2015-16 to BSE where the Company's Shares are listed.

**DEMATERIALISATION OF SHARES:**

99.29% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2015 and balance 0.71% is in physical form. The Company's Registrars are M/s MCS Ltd., having their office at 101, Shatdal Complex, 1st floor, Opp. Bata Show room, Ashram Road, Ahmedabad, Gujarat - 380009.

**Number of Board Meetings held :**

The Board of Directors duly met 4 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

21st May, 2014, 7th August, 2014, 13th November, 2014, 05th February, 2015.

**DIRECTORS :****Confirmation of Appointment :**

Pursuant to the provisions of the section 161(1) of the Companies Act, 2013 read with the Articles of Association of the company, Ms. Shilpa Patel is appointed as additional director, and to regularise her as director and she is liable to retire by rotation. Mr. Ashok T. Shah and Mr. Gunvant T. Shah are liable to retire by rotation and eligible themselves for re-appointment.

**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, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are Reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**AUDIT OBSERVATIONS :**

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

**AUDITORS :****i) Statutory Auditors:**

The Auditors, M/s. Pankaj K. Shah Associates, Chartered Accountants, Ahmedabad retire at this Annual General Meeting and being eligible, offer themselves for reappointment.

**ii) Cost Auditors:**

M/s. Kiran J. Mehta & Associates, Cost Accountants were appointed as Cost Auditors for auditing the cost accounts of Company for the year ended 31st March, 2016 by the Board of Directors.

**iii) Secretarial Audit:**

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

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

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

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

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

CSR Committee of the Board has developed a CSR Policy under Health Care and social welfare activity which is enclosed as part of this report Annexure-C.

**VIGIL MECHANISM:**

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

**RELATED PARTY TRANSACTIONS:**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure-D. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Agreement.

**EXTRACT OF ANNUAL RETURN:**

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

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

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

**EMPLOYEES:**

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

Sr. No.	Name	Designation	Remuneration paid FY 2014-15. Rs.in lakhs	Remuneration paid FY 2013-14. Rs.in lakhs	Increase in remuneration from previous year Rs.in lakhs
1	Mr. Ashok T. Shah	Chairman & CFO (ED)	51.60	49.00	2.6
2	Mr. Gunvant T. Shah	Vice Chairman (ED)	37.20	37.00	0.20
3	Mr. Kunal T. Shah	Managing Director	43.80	42.50	1.3
4	Mr. Bipin Prajapati	Whole Time Director	12.00	12.00	--
5	Ms. Shilpa Patel	Whole time Director	5.46	--	--

**DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:**

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

Key Risk	Impact to Suraj Ltd	Mitigation Plans
Foreign Exchange Risk	Company exports all the products to various countries. Any volatility in the currency market can impact the overall profitability	The Company commands excellent business relationship with the buyers. In case of major fluctuation either upwards or downwards, the matter will be mutually discussed and compensated both ways.
Human Resource Risk	Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Non-availability of the required talent resource can affect the overall performance of the Company.	By continuously benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent. By putting in place production incentives on time bound basis and evaluating the performance at each stage of work helps to mitigate this risk.

Competition Risk	Company is always exposed to competition Risk from various Countries. The increase in competition can create pressure on margins, market share etc.	By continuous efforts to enhance the brand image of the Company by focusing on quality, Cost, timely delivery and customer service to mitigate the risks so involved.
Compliance Risk - Increasing regulatory requirements	Any default can attract penal provisions.	By regularly monitoring and review of changes in regulatory framework and by monitoring of compliance through legal compliance Management tools and regular internal audit.
Industrial Safety	The industry is labour intensive and are exposed to accidents, health and injury risk due to machinery breakdown, human negligence etc.	By development and implementation of critical safety standards across the various departments of the factory, establishing training need identification at each level of employee helps to mitigate the risk so involved.

**ACKNOWLEDGEMENT:**

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Material Suppliers, Customers and Shareholders for their continued support and guidance.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

**For and on behalf of the Board**

**Place:** Ahmedabad

**Date :** 12.05.2015

**Ashok Shah**

**Chairman & CFO**

**DIN : 00254255**

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**ANNEXURE - A**

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

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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 **Company's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under except the following:
  - a) Official Website of the Company was not fully functional and various documents are not available on the website as required under listing agreement.
  - b) Managerial Remuneration paid by the company to the Managing Director, Whole-Time Directors is in excess of the limit specified under sections 196, 197, 198 and Schedule V and other applicable provisions of the Companies Act, 2013.
  - c) Various prosecutions are showing on MCA website, but as informed by the management of the company, all the prosecutions are settled by the company and complied with the same, and in absence of sufficient documents, we rely on management information.
- (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.
- (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.

- (c) 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.
- (vi) **We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following other laws applicable to the company:
- a) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  - b) Employees' State Insurance Act, 1948
  - c) The Factories Act, 1948
  - d) The Payment of Wages Act, 1936
  - e) The Air (Prevention and control of pollution) Act, 1981
  - f) The Environment (Protection) Act, 1986
  - g) The Minimum Wages Act, 1948
  - h) The Payment of Gratuity Act, 1972
  - i) The Industrial Dispute Act, 1947
  - j) The Payment of Bonus Act, 1965

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observation noted against each legislation.

In respect of other laws applicable to the Company, criminal cases filed against the company under the Factories Act and the penalty for the same anticipated by the company, Further we have relied on information/records produced by the Company during the course of our audit and the reporting is limited to that extent only.

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 the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 Meetings and Committee Meetings were unanimous and the same was captured and recorded as part of the minutes.

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

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

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

**Place: Ahmedabad**

**Date: 12.05.2015**

**RTBR & Associates  
Company Secretaries**

**Bhavin B. Ratnaghayra  
Partner**

**Mem. No :- ACS 26151**

**ANNEXURE - B**
**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO ETC:**

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

**(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 made to conserve and optimise use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.
(ii) the steps taken by the company for utilising alternate sources of energy	
(iii) the capital investment on energy conservation equipments	

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 31.03.2015	Year Ended 31.03.2014
<b>A. Power and Fuel Consumption Electricity</b>		
Purchase in Unit KWH	21,44,360	34,04,540
Total Amt. Rs.	1,82,48,387	2,59,20,234
Rate KWH Rs.	8.51	7.61
<b>B. Consumption per unit of production</b>		
Production (M.T)	89,60.430	9,872.580
Total Nos. of Unit (KWH)	21,44,360	34,04,540
Unit Per M.T.(KWH)	239.31	344.85
Cost per M.T. Rs.	2,036.55	2,625.47

**(B) Technology absorption:**

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

**Expenditure on R & D**

No research and development activities carried out by the company during the financial year ending on 31st March, 2015.

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

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

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

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

**3. Future plan of action**

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

**(C) Foreign exchange earnings and Outgo:**

The Foreign Exchange outgo and foreign exchange earned by the Company during the year are detailed in Note No. 15 of other Notes to the Financial Statements.

**ANNEXURE - C****CORPORATE SOCIAL RESPONSIBILITY**

During the year Company constituted Corporate Social Responsibility Committee (CSR) pursuant to provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below:

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be Undertaken and a reference to the web-link to the CSR Policy and projects or programs.	: The CSR Committee decided to spend amount under Healthcare & Sanitation, Social Welfare and education help activities, during the year 2014-15.
2. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	: 15,40,750/-
3. Details of CSR spent during the financial year 2014-15	: financial year 2014-15
(a) Total amount to be spent for the financial year 2014-15	: 15,40,750/-
-- Rs.6,00,750/- spent on construction of 267 toilets in thol village	
-- Rs. 2,00,000/- spent and donate in Society for training and vocational rehabilitation of the disabled.	
-- Rs. 7,40,000/- spent and donate in thol kelavni School at thol village.	

**Manner in which the amount spent during the financial year is detailed below :**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity Identified.	Sector In which The Project Is Covered.	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were Undertaken.	Amount outlay (budget) project or programs Wise.	Amount spent on the projects or programs Sub-heads : 1) Direct on projects or programs- 2) Overheads:	Cumulative Expenditure up to the reporting Period.	Amount spent Direct or through implementing Agency.
1	Healthcare & Sanitation, social welfare and education help Activity		Local / Others Thol Village/Kadi District/ Gujarat	15,40,750/-	15,40,750/-	15,40,750/-	Direct
<b>Total</b>				<b>15,40,750/-</b>	<b>15,40,750/-</b>	<b>15,40,750/-</b>	

**ANNEXURE - D**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

**1. Details of contracts or arrangements or transactions not at Arm's length basis:**

Si. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Associate Company
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements /transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

**2. Details of contracts or arrangements or transactions at Arm's length basis:**

SI. No	Particulars	Details
a)	Name (s) of the related party	Suraj Enterprise Private Limited
b)	Nature of Relation ship	Three of the Directors are interested
c)	Nature of contracts / arrangements /transaction	NA
d)	Duration of the contracts/ arrangements/transaction	NA
e)	Salient terms of the contracts or arrangements or transaction	Unsecured Loan
f)	Justification for entering into such contracts or arrangements or transactions	NA
g)	Date of approval by the Board	NA
h)	Amount incurred during the year (In lakhs)	2,048.00

**ANNEXURE - E****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 31.03.2015

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: 040-2475 9299
vi	Whether listed company : Yes (Listed in BSE)
vii	Name , Address & contact details Of the Registrar & Transfer Agent, if any. : MCS LIMITED, 101, Shatdal Complex, 1st Floor, Opp. BATA Showroom, Ashram Road, Ahmedabad - 380009 Phone: 040 - 2354 5913 Email: xlfield@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	7304 910	95%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:**

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

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

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

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	Demat	Physical	Total	
<b>B. PUBLIC SHAREHOLDING</b>							
(1) Institutions							
a) Mutual Funds	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0
i) Others (specify)							
<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0
(2) Non Institutions							
a) Bodies corporates	11,30,076	0	11,30,076	11,01,801	0	11,01,801	5.72
b) Individuals							(0.14)
i) Individual shareholders holding nominal share capital upto ` .1 lakhs	7,82,701	1,38,533	9,21,234	6,90,842	1,36,433	8,27,275	4.29
ii) Individuals shareholders holding nominal share capital in excess of ` .1 lakhs	2,633,984	0	2,633,984	27,30,198	0	3,285,198	14.17
c) Any Other (specify) NRIs							
HUF	1,81,481	0	1,81,481	1,94,100	0	1,94,100	1.00
NRI	6,925	0	6,925	20,326	0	20,326	0.11
d) Foreign Bodies Corporate							
<b>SUB TOTAL (B)(2):</b>	47,35,167	1,38,533	48,73,700	47,37,267	1,36,433	48,73,700	25.29
Total Public Shareholding							0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	1,91,25,567	1,38,533	1,92,64,100	1,91,27,667	1,36,433	1,92,64,100	100.00

**(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
		No of shares	% of total shares of the company to total shares	No of shares	% of total shares of the company	
1	Anilaben Ashokkumar Shah	38,08,710	19.7710	38,08,710	19.7710	0
2	Chandrika Kunal Shah	31,03,870	16.1122	31,03,870	16.1122	0
3	Rekhaben Gunvantkumar Shah	25,17,920	13.0705	25,17,920	13.0705	0
4	Ashokkumar Tarachand Shah	10,77,700	5.5943	10,77,700	5.5943	0
5	Kunal Tarachand Shah	10,30,600	5.3498	10,30,600	5.3498	0
6	Gunvantkumar Tarachand Shah	9,91,600	5.1474	9,91,600	5.1474	0
7	Dishant Kunalbhai Shah	5,55,000	2.8810	5,55,000	2.8810	0
8	Dixit Ashokkumar Shah	2,92,500	1.5184	2,92,500	1.5184	0
9	Chirag Ashokbhai Shah	2,92,500	1.5184	2,92,500	1.5184	0
10	Minor Kapil Gunvant kumar Shah	2,70,000	1.4016	2,70,000	1.4016	0
11	Minor Abhay Gunvantkumar Shah	2,70,000	1.4016	2,70,000	1.4016	0
12	Nisha Maheshkumar Jain	1,80,000	0.9344	1,80,000	0.9344	0
	<b>Total</b>	<b>1,43,90,400</b>	<b>74.7007</b>	<b>1,43,90,400</b>	<b>74.7007</b>	<b>0</b>

**(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 company	% of total shares of the	No. of Shares company	% of total shares of the
1	At the beginning of the year	No changes in Promoters shareholding during the year			
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.)	No changes in Promoters shareholding during the year			
3	At the end of the year	No changes in Promoters shareholding during the year			

**(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 company	% of total shares of the
1	DINESH STAINLESS PRIVATE LTD	5,00,760	2.5994
2	FRONTLINE BIOSYSTEMS PRIVATE LIMITED	3,04,223	1.5792
3	MUKESH RAGHUNATHMAL CHANDAN	2,20,409	1.1441
4	HITESH BHANWARLAL SANGHVI	1,85,618	0.9635
5	PARASMAL JAIN	1,81,000	0.9396
6	PAWANDEV P. JAIN	1,67,000	0.8669
7	RAMESH KUMAR JAIN	1,64,500	0.8539
8	MANUSI SECURITIES PVT. LTD	1,50,542	0.7815
9	MUKESHKUMAR AMRATLAL SHAH	1,35,575	0.7038
10	LALITA BHANSALI	1,24,237	0.6449

**(v) Shareholding of Directors and Key Managerial Personnel :**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year	
		No. of Shares company	% of total shares of the
	Shareholding of Key Managerial Personnel :		
1	Bipin Prajapati	500	0.026
2	Shilpa Patel	940	0.049
3	Kunal Shah	10,30,600	5.3498

4	Ashok T. Shah Shareholding of Directors:	10,77,700	5.5943
5	Gunvant Shah	9,91,600	5.1474
6	Dipak Shah	1,200	0.062
7	Ketan Shah	NIL	NIL
8	Haren Desai	NIL	NIL
9	Bhupendra PAtel	NIL	NIL

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9147.45	423.50	NIL	9570.95
ii) Interest due but not paid	NIL	NA	NA	NIL
iii) Interest accrued but not due	12.68	NA	NA	12.68
<b>Total (i+ii+iii)</b>	<b>9160.13</b>	<b>423.50</b>	<b>--</b>	<b>9583.63</b>
Change in Indebtedness during the financial year				
• Addition	65636.18	2048.00	NIL	67684.18
• Reduction	62586.26	2234.50	NA	64820.76
Net Change	128222.44	4282.5	--	132504.94
Indebtedness at the end of the financial year				
i) Principal Amount	12197.37	237.00	NIL	12434.37
ii) Interest due but not paid	NIL	NA	NA	NIL
iii) Interest accrued but not due	12.68	NA	NA	12.68
<b>Total (i+ii+iii)</b>	<b>12210.05</b>	<b>237.00</b>		<b>12447.05</b>

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Mr. Ashok Shah	Mr. Gunvant Shah	Mr. Kunal Shah	Ms. Shilpa Patel	Mr. Bipin Prajapati	
1.	Gross salary	51.60	37.20	43.80	5.46	12.00	150.06
	(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						
2.	Stock Option	-	-	-			-
3.	Sweat Equity	-	-	-			-
4.	Commission - as % of profit - others, specify(PF)	-	-	-	0.108	0.165	0.273
5.	Others, please specify(Bonus)	0.0350	0.0350	0.0350	0.0350	0.0350	0.175
	<b>Total (A)</b>	<b>51.635</b>	<b>37.235</b>	<b>43.835</b>	<b>5.603</b>	<b>12.2</b>	<b>150.508</b>

**B) Remuneration to other directors :**

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

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
				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	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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)
<b>A. COMPANY</b>					
Penalty Punishment Compounding	None				
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding	None				
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding	None				

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

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

**Financial Performance:**

The company's overall operational performance has been Excellent during the financial year 2014-15; it achieved sale and other income of Rs. 25,139.75 Lacs As against last year's Rs. 23,901.15 Lacs registering the excess of about 4.93%. Profit before interest and increase from Rs. 1,647.62 Lacs to Rs.1, 666.51 Lacs registering the excess of Rs.1.13%. Profit before tax increase from Rs.574.61 Lacs to Rs.934.53 Lacs registering the excess of 38.51%. Net Profit increase by about 46.43% from Rs 367.80 Lacs to Rs. 689.10 Lacs Reserve and Surplus stood at Rs. 6605.54 Lacs.

**Opportunities, Threats, Risks and Concerns:**

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

**Internal Control Systems and their Adequacy:**

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

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

**Key elements of the Internal Control Systems are as follows:**

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

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

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

**Human Resource/Industrial Relations:**

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

**Business outlook:**

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

**Cautionary Statement:**

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

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**APPENDIX - I**

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**REPORT ON CORPORATE GOVERNANCE**

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**(Pursuant to clause 49 of the Listing Agreement)**

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

**1. Company's Philosophy on Corporate Governance:**

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

**2. Board of Directors:**

Composition & size of the Board. The present strength of the Board is nine 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, Labour Welfare etc.

Number of Board Meeting held during the year along with the dates of Meeting.

Four Board Meetings were held during the year 2014-15 the dates on which the said meetings were held are as follows:

- |                       |                       |
|-----------------------|-----------------------|
| 1) 21st May 2014      | 2) 07th August 2014   |
| 3) 13th November 2014 | 4) 05th February 2015 |

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

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

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

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

Name Of Director	PD/NPD	Ed/NED/ID/WTD	No. Of Board Meeting attended	Attendance at the last AGM	NO. Of Directorship in other co. (Excluding private company.)	NO. of Committees (Other than Suraj Ltd)	
						Chairman	Member
Mr. Ashok Shah	PD	ED	4	YES	-	-	-
Mr. Kunal Shah	PD	ED	4	YES	-	-	-
Mr. Gunvant Shah	PD	ED	4	YES	-	-	-
Mr. Bipin Prajapati	NPD	ED	4	YES	-	-	-
Mr. Dipak ShahN	PD	NED/ID	3	YES	-	-	-
Mr. Ketan ShahN	PD	NED/ID	4	YES	-	-	-
Mr. Haren Desai	NPD	NED/ID	4	YES	-	-	-
Mr. Bhupendra Patel	NPD	NED/ID	4	YES	-	-	-
Ms. Shilpa Patel	NPD	WTD	2	YES	-	-	-

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

- The committees mentioned above include Audit Committee and Share holders Investors' Grievance Committee and Remuneration Committee
- None of the Directors of the Company was a member of more than ten Committees of Boards as stipulated under Clause 49 of the Listing Agreement nor was a Chairman of more than five such committees across all companies in which he was a director.

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

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

**Information about Directors seeking appointment and re-appointment:****Details of Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company; (pursuant to Clause 49 of the Listing Agreement with the Stock Exchange)**

Name Of	Mr. Ashok T. Shah	Mr. Gunvant Shah	Ms. Shilpa Patel
Date of Birth	29/05/1966	25/03/1971	08/04/1972
Date of Appointment	20/01/1994	20/01/1994	13/11/2014
Qualifications	Graduate	Graduate	M.A., B.P.ed.
Expertise in specific functional areas	Finance	Marketing	Commercial
List of Companies in which outside Directorship held as on 31.03.2015 (Excluding private & Foreign companies)	Nil	Nil	Nil
Chairman/Member of the *Committees of other Companies on which he/she is a Member as on 31.03.2015	Nil	Nil	Nil
Number of equity shares held in the Company	10,77,700	9,91,600	940

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

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

Name Of the Member	Designation	No. of meeting Held	No. of meeting attended
Mr. Dipak Shah	Chairman	4	3
Mr. Ketan Shah	Member	4	4
Mr. Haren Desai	Member	4	4

The audit committee meetings were held on 21st May 2014, 7th August 2014, 13th November 2014 and 5th February 2015. The power and role of the Audit Committee are as per Guidelines set out in Clause 49 of the Listing Agreement with the Stock Exchange.

The Terms of the reference of the Audit Committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines. The Audit Committee met prior to the finalization of Accounts for the year ended 31st March 2015.

The Chairman of the Audit Committee was present at 21st Annual General Meeting of the Company held on 21st August 2014.

**4. Remuneration Committee:**

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

Name	Designation
Mr. Bhupendra Patel	Member
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.
- iii) The Chairman of the Remuneration Committee was present at the Last Annual General Meeting of the Company held on 21st August 2014.
- iv) The Company does not have any ESOP Scheme.
- v) Remuneration Policy:

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

The Company pays Sitting Fees of Rs. 5000/-with effect from 01/04/2014 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 2014-15 are as follows:

Name Of Director	Mr. Ashok Shah	Mr. Kunal Shah	Mr. Guntant Shah	Mr. Bipin Prajapati	Ms. Shilpa Patel
Designation	Chairman (CFO)	Managing Director	Vice Chairman	Whole time director	
Salary	51.60	43.80	37.20	12.00	5.46
Perquisites	0.0350	0.0350	0.0350	0.0350	0.0350
Special Allowance	-	-	-	-	-
Variable component	-	-	-	-	-
Contribution to PF And super annotation fund	-	-	-	0.165	0.108
<b>Total</b>	<b>51.635</b>	<b>43.835</b>	<b>37.235</b>	<b>12.2</b>	<b>5.603</b>

Company has not issued any convertible instrument. However, the details of the Shares held by Non-Executive Directors as at 31st March 2015 and sitting fees paid for various meetings attended during the F.Y. 2014-15 are as follows :

Sr. No.	Name OF non-executive director	No. of shares held	Sitting fees paid during the year
1	Mr. Dipak Shah	1200	Rs. 15,000/-
2	Mr. Ketan Shah	-	Rs. 20,000/-
3	Mr.Haren Desai	-	Rs. 20,000/-
4	Mr. Bhupendra Patel	-	Rs. 20,000/-

**4. Corporate Social Responsibility Committee (CSR) :**

## i) Terms of reference:

The Committee formulates and recommend to the Board, a CSR Policy and recommend the amount of expenditure to be incurred on CSR activities. Committee framed a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitors CSR policy from time to time.

## ii) Composition:

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

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

**5. Shareholders/Investors' Grievance Committee:**

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

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

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

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

The number of shareholder's complaints received through Stock Exchange or SEBI during the year 2014-15 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 31.03.2015
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.

**6. 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
2013-14	Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.	21/08/2014 10.30 AM	Re-Appointment of Mr. Kunal Shah as a Managing Director of the company.  Increase in borrowing limits Power to create charges

2012-13	Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.	31/08/2013 10.30 AM	Increase in sitting fees for NED from Rs.2500/- to Rs. 5000/- per meeting attended.
2011-12	Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.	24/09/2012 10.00 AM	Re-Appointment of Mr. Kunal Shah as a Managing Director of the company.  Re-appointment of Mr. Bipin Prajapati as a Whole Time Director of the company.

**(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
2013-14	NONE	NONE	NONE
2012-13	NONE	NONE	NONE
2011-12	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 2014-2015
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 of the listing agreement. Quarterly results are normally published in english and gujarati newspapers.

- ii) Website : www.suraj group.com
- iii) Whether it also : Press release, if any made by the company are also displayed.  
Displays official  
News releases
- iv) The presentation : No such preparation has been made during the year.  
Made to the institutional  
Investors or to the analysts
- v) Whether MD&A is : Yes  
Part of Annual  
Report

**11. General Shareholders information**

- i) Annual General Meeting : Date: 21st July, 2015  
Time : 10.30am  
Venue : Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009

## ii) Financial Calendar (Tentative)

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

iii) Book Closure dates: The date of Book Closure is from Tuesday 13/07/2015 to Tuesday, 21/07/2015 (Both days Inclusive) to determine the members entitled to the dividend for 2014-15

iv) Dividend Payment Date: Within 30 days from the date of AGM to be held on 21/07/2015

v) 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 2015-16 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 Hig]h (Rs.)	BSE Low (Rs.)
April 14	51.45	43.50
May 14	65.00	40.55
June 14	65.00	50.00
July 14	59.50	42.55
August 14	56.50	42.30
September 14	56.70	45.40
October 14	99.00	50.00
November 14	103.80	70.60
December 14	87.50	51.30

January 14		86.00	61.15
February 14		78.00	61.15
March 14		68.00	50.00

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

(ix) Share Transfer System :

1. The share transfer activities under physical mode are carried out by RTA. Shares in physical mode which are lodged for transfer are processed and returned within the stipulated time.
2. Physical shares received in dematerialization are processed and completed within a period of 15 days from the date of receipt. Bad deliveries are promptly returned to Depository Participants (DPs) under the advice to the shareholders.
3. As required under clause 47-C 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 2015

No of Equity Shares Held	No. of Share	% of Share holders Holders	No. of Shares held	% of shares holding
From To				
1 - 5000	1865	94.9593	7,52,081	3.9041
5001 - 10000	27	1.3747	1,93,944	1.0068
10001 - 20000	23	1.1711	3,11,481	1.6169
20001 - 30000	9	0.4582	2,31,030	1.1993
30001 - 50000	5	0.2546	2,10,060	1.0904
50001 - 100000	10	0.5092	7,04,100	3.6550
100001 - 1000000	20	1.0183	53,22,604	27.6297
1000001 - Above	5	0.2546	1,15,38,800	59.8979
<b>Total</b>	<b>1964</b>	<b>100</b>	<b>1,92,64,100</b>	<b>100</b>

b. Shareholding pattern as on 31<sup>st</sup> March 2015

Sr. No.	Category	No. of Shares Held	% of total Shares
1	Promoters	1,43,90,400	74.70%
2	Mutual Funds/UTI	NIL	NIL
3	Private Corporate Bodies	11,01,801	5.7199%
4	Public including HUF	37,51,573	19.4746%
5	NRIs/Foreign Companies/OCBs	20,326	0.1055%
	<b>TOTAL</b>	<b>1,92,64,100</b>	<b>100.00%</b>

(xi) Dematerialization of Shares and Liquidity:

Number of shares held in dematerialized and physical mode as on 31st March 2015

Particulars	No. of Equity Shares	% to Share Capital
NSDL	26,04,737	13.52%
CDSL	1,65,22,930	85.77%
Physical	1,36,433	0.71%
<b>TOTAL</b>	<b>1,92,64,100</b>	<b>100.00%</b>

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. : Survey No. 779/A, Thol, Kadi - Sanand Highway, Tal. - Kadi, Dist. Mehsana, Gujarat, Pin Code: 382 729
(xiii) Plant Locations	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
(xiv) Address for Correspondence	Transfer Agents at the address mentioned above. Sr.No. (VIII)

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

## DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with Suraj Limited code of Business conduct and Ethics for the year ended March 31, 2015

**For and on behalf of the Board of Directors**

**Place: Ahmedabad**  
**Date: 12.05.2015**

**Ashok Shah**  
(Chairman & CFO)

**DIN : 00254255**

## CEO AND CFO CERTIFICATION

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

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2015 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, 2015 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  
DIN : 00254255

**Kunal Shah**  
Managing Director & CEO  
DIN : 00254205

Place : Ahmedabad  
Date: 12.05.2015

CIN No. : L27100GJ1994PLC021088

Nominal Capital : Rs. 23,25,00,000/-

## CERTIFICATE ON CORPORATE GOVERNANCE

The Members of  
Suraj Limited

We have examined the compliance of conditions of Corporate Governance by Suraj Limited., for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s). The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We state that in respect of investor grievances received during the year ended 31st March, 2015, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Committee.

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.

**For , RTBR & ASSOCIATES**  
Company Secretaries  
**Bhavin Ratnaghayra**  
Membership No. : ACS 26151  
CP No. : 9399

Place : Ahmedabad  
Date: 12.05.2015

CIN No. : L27100GJ1994PLC021088

Nominal Capital : Rs. 23,25,00,000/-

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**INDEPENDENT AUDITORS' REPORT**

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The Members,  
**SURAJ LIMITED**  
Ahmedabad.

**Report on the Financial Statements :**

We have audited the accompanying Financial Statements of M/s. SURAJ LIMITED, (the "Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit & Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements :**

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

**Auditors' Responsibility :**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Emphasis of Matter :**

We draw attention to ;

Note - 26(II)(1)(b) to the financial statements, relating to Survey Conducted by excise department in connection with ascertainment of evasion of central excise duty by the company.

Note - 26(II)(1)(c) to the financial statements regarding audit of xerox copies of certain records.

Note - 26(II)(4) to the financial statements, relating to remuneration paid in respect of the Chairman & C.F.O., Vice Chairman & Whole Time Director and Managing Director & C.E.O., of the Company for the financial year 2014-15 which is in excess of the limits prescribed under Section 197 read with Schedule - V of the Companies Act, 2013

Our opinion is not qualified in respect of this matter.

**Opinion :**

In our opinion and to the best of our information and according to the explanations given to us, the accompanying 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.

- i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March 2015
- ii) In the case of Statement of Profit & Loss, of the Profit for the year ended on that date; and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on other Legal and Regulatory Requirements :**

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far it appears from our examination of those books.
  - c) The Balance Sheet and Statement of Profit & Loss dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the Directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015, from being appointed as a Director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), Rules 2014, in our opinion and to the best of our information and according to the explanations given to us;
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Nore 26(II) (1) & (4) to Financial Statements.
    - ii) In our opinion and as per the information and explanations provided to us, the company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
    - iii) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Place : Ahmedabad

Date : 12.05.2015

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

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**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

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Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date.

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets on the basis of available information.  
(b) A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. The discrepancies noticed on physical verification were not material and properly dealt with in the books of account.
2. (a) The Inventories has been physically verified at reasonable intervals by the management. In our opinion, the frequency of such verification is reasonable.  
(b) In our opinion and according to information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) On the basis of our examination of the inventory records, in our opinion the company has maintained proper records of inventory and according to the records of the company, the discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt within the books of account.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firm and other parties covered in the Register maintained under Section 189 of the Companies Act. Accordingly, the sub-clauses (a) and (b) are not applicable to the Company.
4. In our opinion and on the basis of test checks carried out by us, it appears that there are adequate internal control procedures commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination of the books of account and records of the company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanation given to us, the Company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules framed there under.
6. We have broadly reviewed the books of account maintained by the Company pursuant to sub-section (1) of Section 148 of the Companies Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. The company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and we have been informed that there are no arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.  
(a) According to the information and explanations given to us and record of the Company disputed amount payable in respect of Income tax and sales tax not deposited with the appropriate authorities are as under :

Name of Statute	Nature of Dues	Disputed Amount Rs.	Period to which the amount Relates	Forum where dispute is pending
Sales Tax Act	Sales Tax	2,24,379/-	2003-04	Sales Tax Appellate Commissioner Ahmedabad.
Sales Tax Act	Sales Tax	1,40,975/-	2004-05	Jt. Commissioner of Commercial Taxes Ahmedabad.
Sales Tax Act Central Sales Tax Act	Sales Tax Central Sales Tax	1,02,99,133/- 2,15,448/-	2008-09	VAT Tribunal
Sales Tax Act Central Sales Tax Act	Sales Tax Central Sales Tax	1,60,08,820/- 19,27,163/-	2009-10	VAT Tribunal
Sales Tax Act Central Sales Tax Act	Sales Tax Central Sales Tax	1,60,15,517/- 8,96,163/-	2010-11	VAT Tribunal
Income Tax Act	Income Tax	2,18,750/-	A.Y. 2010-11	Before ITAT
Income Tax Act	Income Tax	9,17,386/-	A.Y. 2001-02	Before A.O. u/s. 154
Income Tax Act	Penalty	73,62,856/-	A.Y. 2009-10	CIT (Appeal), Ahmedabad

- (b) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and Rules made there under.
8. The Company has no accumulated losses at the end of the financial year under audit. The company has not incurred any cash losses during the financial year covered under audit, and also during immediately preceding financial year.
  9. According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank.
  10. In our opinion, and according to information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
  11. According to the information and explanations given to us, no term loans were obtained during the year under audit.
  12. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

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

Place : Ahmedabad  
Date : 12.05.2015

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

**BALANCE SHEET AS AT 31ST MARCH, 2015**

(Amount in `)

<u>Particulars</u>	<u>Note No.</u>	<u>As at 31/03/2015</u>	<u>As at 31/03/2014</u>
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	19,26,41,000.00	19,26,41,000.00
(b) Reserves and Surplus	2	66,05,53,961.00	62,77,55,161.00
<b>2 Non-current Liabilities</b>			
(a) Long-term Borrowings	3	--	5,17,19,530.00
(b) Long-term Provisions	4	5,09,390.00	4,86,516.00
(c) Deferred Tax Liabilities	5	2,59,24,754.00	2,96,39,077.00
<b>3 Current Liabilities</b>			
(a) Short-term Borrowings	6	124,34,38,327.00	105,42,42,731.00
(b) Trade Payables	7	7,89,14,055.00	5,96,39,200.00
(c) Other Current Liabilities	8	7,32,94,405.00	15,60,39,482.00
(d) Short-term Provisions	9	7,10,61,955.00	7,47,01,159.00
<b>TOTAL Rs.</b>		<b>234,63,37,847.00</b>	<b>224,68,63,856.00</b>
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Fixed Assets	10		
i) Tangible Assets		74,13,82,777.00	77,48,80,300.00
ii) Intangible Assets		4,40,274.00	3,78,269.00
(b) Long-term Loans and Advances	11	44,99,885.00	63,63,572.00
(c) Other non-current assets	12	--	85,148.00
<b>2 Current Assets</b>			
(a) Inventories	13	112,13,12,465.00	103,32,80,025.00
(b) Trade Receivables	14	27,03,03,527.00	20,46,96,420.00
(c) Cash and Bank Balances	15	10,70,08,217.00	8,77,96,567.00
(d) Short-term Loans and Advances	16	10,05,42,123.00	13,41,54,230.00
(e) Other Current Assets	17	8,48,579.00	52,29,325.00
<b>TOTAL RS.</b>		<b>234,63,37,847.00</b>	<b>224,68,63,856.00</b>
The notes form an integral part of these financial statements	26	-	-

As per our report of even date attached

For PANKAJ K. SHAH ASSOCIATES

Firm Registration No. 107352W

CHARTERED ACCOUNTANTS

(CA.PANKAJ K. SHAH)

PROPRIETOR

M. No. 34603

PLACE: AHMEDABAD

DATE : 12.05.2015

For &amp; ON BEHALF OF BOARD OF DIRECTORS

Ashok T. Shah Chairman &amp; C.F.O.

DIN : 00254255

Guntant T. Shah Vice Chairman &amp; Whole Time Director

DIN : 00254292

Kunal T. Shah Managing Director &amp; C.E.O.

DIN : 00254205

Vatan Brahmhatt Company Secretary

PLACE: AHMEDABAD

DATE : 12.05.2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

(Amount in `)

<u>Particulars</u>	<u>Note No.</u>	<u>As at 31/03/2015</u>	<u>Year ended 31/03/2014</u>
<b>I. INCOME</b>			
Revenue from operations (gross)		<b>257,80,44,795.00</b>	<b>254,93,65,619.00</b>
Less: Excise duty		9,45,96,640.00	16,92,89,889.00
Revenue from operations (Net)	<b>18</b>	<b>248,34,48,155.00</b>	<b>238,00,75,730.00</b>
<b>II Other Income</b>	19	3,05,26,768.00	1,00,38,937.00
<b>III Total Revenue (I + II)</b>		<b>251,39,74,923.00</b>	<b>239,01,14,667.00</b>
<b>IV Expenses</b>			
- Cost of materials consumed	20	156,04,65,754.00	163,87,93,094.00
- Purchase of Stock in Trade	21	14,20,97,709.00	--
- Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade	22	22,69,97,898.00	3,65,37,871.00
- Employee benefits expenses	23	9,94,03,747.00	11,55,25,125.00
- Finance Costs	24	10,14,21,803.00	11,19,32,238.00
- Depreciation and amortization expense		7,31,97,576.00	10,73,01,026.00
- Other Expenses	25	21,69,37,416.00	32,25,64,274.00
<b>Total Expenses</b>		<b>242,05,21,903.00</b>	<b>233,26,53,628.00</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		<b>9,34,53,020.00</b>	<b>5,74,61,039.00</b>
<b>VI Exceptional items</b>		--	--
<b>VII Profit/(Loss) before tax (V - VI)</b>		<b>9,34,53,020.00</b>	<b>5,74,61,039.00</b>
<b>VIII Tax Expense :</b>			
(1) Current Tax		2,82,03,011.00	3,13,55,600.00
(2) Deferred Tax Assets/Liabilities		(37,14,323.00)	(1,22,57,229.00)
(3) (Excess)/Short provision of earlier years		53,969.00	15,82,406.00
		<b>2,45,42,657.00</b>	<b>2,06,80,777.00</b>
<b>IX Profit / (Loss) for the year (VII - VIII)</b>		<b>6,89,10,363.00</b>	<b>3,67,80,262.00</b>
<b>X Earnings per Equity Share of Rs. 10 each</b>			
-- Basic & Diluted		<b>3.58</b>	<b>1.91</b>
The notes form an integral part of these financial statements	26		

As per our report of even date attached

For PANKAJ K. SHAH ASSOCIATES

Firm Registration No. 107352W

CHARTERED ACCOUNTANTS

(CA.PANKAJ K. SHAH)

PROPRIETOR

M. No. 34603

PLACE: AHMEDABAD

DATE : 12.05.2015

For &amp; ON BEHALF OF BOARD OF DIRECTORS

Ashok T. Shah Chairman &amp; C.F.O.

DIN : 00254255

Gunvant T. Shah Vice Chairman &amp; Whole Time Director

DIN : 00254292

Kunal T. Shah Managing Director &amp; C.E.O.

DIN : 00254205

Vatan Brahmhatt Company Secretary

PLACE: AHMEDABAD

DATE : 12.05.2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015**

	Year Ended 31/03/2015 (Amount in ` )	Year Ended 31/03/2014 (Amount in ` )
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX	9,34,53,020.00	5,74,61,039.00
<b>NON CASH ADJUSTMENT FOR-</b>		
DEPRECIATION AND AMORTIZATION EXPENSES	7,31,97,576.00	10,73,01,025.51
(PROFIT)/LOSS ON SALE OF FIXED ASSETS	(1,97,89,620.00)	13,16,150.00
ACCOUNT /EXPENSES WRITTEN OFF	(6,99,228.00)	11,22,371.90
INTEREST ON INCOME TAX	2,12,436.00	0.00
INTEREST INCOME	(96,74,090.00)	(99,37,239.00)
INTEREST EXPENSES	8,22,05,604.00	9,82,01,426.00
PRELIMINARY EXPENSES WRITTEN OFF	85,148.00	1,51,048.00
DIVIDEND INCOME	(1,44,455.00)	-
<b>Operating Profit/(Loss) before working capital changes</b>	<b>21,88,46,391.00</b>	<b>25,56,15,821.41</b>
Adjustments for (Increase) / Decrease in operating Assests		
INVENTORIES	(8,80,32,440.00)	(3,38,60,786.00)
TRADE RECEIVABLES	(6,57,54,991.00)	8,86,39,889.00
SHORT TERM LOANS AND ADVANCES	3,46,12,107.00	(3,34,31,119.00)
OTHER CURRENT ASSESTS	43,80,746.00	3,17,83,158.00
LONG TERM LOANS AND ADVANCES	18,63,687.00	16,25,639.00
OTHER NON CURRENT ASSESTS	-	-
Adjustments for Increase / (Decrease) in operating Liabilities		
LONG TERM PROVISIONS	22,874.00	2,46,376.00
TRADE PAYABLE	1,92,74,855.00	1,22,77,895.90
OTHER CURRENT LIBILITIES	(8,27,45,077.00)	35,54,518.00
SHORT TERM PROVISIONS	(14,92,105.00)	12,73,978.00
<b>Cash generated from operations</b>	<b>4,09,76,047.00</b>	<b>32,77,25,370.31</b>
DIRECT TAX PAID (NET OF REFUND)	(3,11,72,585.00)	(2,77,36,751.31)
<b>[ A ] Net cash flow from operating activities</b>	<b>98,03,462.00</b>	<b>29,99,88,619.00</b>
<b>Cash Flow from Investing activity</b>		
PURCHASE OF FIXED ASSETS	(4,33,00,318.00)	(5,23,32,507.00)
PROCEEDS FROM SALE OF FIXED ASSETS	2,14,26,550.00	41,98,160.00
DIVIDEND INCOME	1,44,455.00	-
DEPOSITE MADE DURING THE PERIOD	(4,97,83,229.00)	-
INTEREST INCOME	9,674,090.00	99,37,239.00
<b>[ B ] Net Cash from Investing activity</b>	<b>(6,18,38,452.00)</b>	<b>(3,81,97,108.00)</b>
<b>Cash Flow from Finance activity</b>		
AVIALMENT/REPAYMENT OF LONG TERM BORROWING	(5,17,19,530.00)	(11,25,29,117.00)
AVIALMENT/REPAYMENT OF SHORT TERM BORROWING	18,91,95,596.00	693,425.00
INTEREST EXPENSES	(8,22,05,604.00)	(9,82,01,426.00)
DIVIDEND PAID	(2,88,96,150.00)	(2,88,96,150.00)
DIVIDEND TAX PAID	(49,10,901.00)	(46,87,678.00)
<b>[ C ] Net Cash used in Financing activity</b>	<b>2,14,63,411.00</b>	<b>(24,36,20,946.00)</b>
<b>NET INCREASE(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>3,05,71,579.00</b>	<b>1,81,70,565.00</b>
<b>OPENING CASH AND BANK BALANCE</b>	<b>3,29,34,050.00</b>	<b>1,47,63,485.00</b>
<b>CLOSING CASH AND BANK BALANCE (*)</b>	<b>23,62,471.00</b>	<b>3,29,34,050.00</b>
<b>(*) CLOSING CASH AND BANK BALANCE</b>	10,70,08,217.00	8,77,96,567.00
Less :Fixed deposits with maturity greater than three months	10,46,45,746.00	5,48,62,517.00
<b>CLOSING CASH AND BANK BALANCE</b>	<b>23,62,471.00</b>	<b>3,29,34,050.00</b>

As per our report of even date attached

For PANKAJ K. SHAH ASSOCIATES

Firm Registration No. 107352W

CHARTERED ACCOUNTANTS

(CA.PANKAJ K. SHAH)

PROPRIETOR

M. No. 34603

PLACE: AHMEDABAD

DATE : 12.05.2015

For & ON BEHALF OF BOARD OF DIRECTORS

Ashok T. Shah

Chairman & C.F.O.

DIN : 00254255

Gunvant T. Shah

Vice Chairman & Whole Time Director

DIN : 00254292

Kunal T. Shah

Managing Director & C.E.O.

DIN : 00254205

Vatan Brahmhatt Company Secretary

PLACE: AHMEDABAD

DATE : 12.05.2015

**NOTES TO THE FINANCIAL STATEMENTS****Note - 1 : SHARE CAPITAL**

(Amount in `)

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
<b>1. AUTHORISED CAPITAL</b>		
2,32,50,000 Equity Shares of Rs. 10/- each.	23,25,00,000.00	23,25,00,000.00
<b>2. ISSUED, SUBSCRIBED &amp; PAID UP</b>		
1,92,64,100 Equity Shares of Rs.10/- each, fully paid.	19,26,41,000.00	19,26,41,000.00
	<b>19,26,41,000.00</b>	<b>19,26,41,000.00</b>

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

<u>Particulars</u>	As at 31/03/2015		As at 31/03/2014	
	No. of Shares	Value `	No. of Shares	Value `
-- At the beginning of the year	1,92,64,100.00	19,26,41,000.00	1,92,64,100.00	19,26,41,000.00
-- Movement during the period	--	--	--	--
-- Outstanding at the end of the year	1,92,64,100.00	1,926,41,000.00	1,92,64,100.00	19,26,41,000.00

4. The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

5. Company has not bought back any equity shares during the period of five years immediately preceding the Balance sheet date. However the Company has allotted 1,13,39,400 equity shares as bonus shares during F.Y. 2007-2008 and also allotted 22,55,000 equity shares for consideration other than cash pursuant to the scheme of amalgamation during F.Y. 2009-2010

**6. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

<u>Particulars</u>	As at 31/03/2015		As at 31/03/2014	
	No. of Shares	Value `	No. of Shares	Value `
Anilaben Ashokkumar Shah	38,08,710.00	19.7710	38,08,710.00	19.7710
Chandrika Kunal Shah	31,03,870.00	16.1122	31,03,870.00	16.1122
Rekhaben Gunwantkumar Shah	25,17,920.00	13.0705	25,17,920.00	13.0705
Ashokkumar Tarachand Shah	10,77,700.00	5.5943	10,77,700.00	5.5943
Kunal Tarachand Shah	10,30,600.00	5.3498	10,30,600.00	5.3498
Gunwant Tarachand Shah	9,91,600.00	5.1474	9,91,600.00	5.1474

**Note - 2 : RESERVES & SURPLUS**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>1 Securities Premium Account</b>		
Balance as per last Balance Sheet	21,89,56,000.00	21,89,56,000.00
<b>2 General Reserve</b>		
Balance as per last Balance Sheet	2,63,75,485.00	2,63,75,485.00
Less : Transitional provision for Depreciation	19,01,330.00	--
	<b>2,44,74,155.00</b>	<b>2,63,75,485.00</b>
<b>3 Statutory Reserve</b>		
Opening Balance	2,94,43,767.00	2,76,04,754.00
Add: Transferred from Profit & Loss Account	34,39,693.00	18,39,013.00
	<b>3,28,83,460.00</b>	<b>2,94,43,767.00</b>
<b>4 Corporate Social Responsibilities</b>	<b>6,02,306.00</b>	--
<b>5 Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	35,29,79,911.00	35,18,45,711.00
Add: Profit for the year	6,89,10,363.00	3,67,80,262.00
Less: Transfer to statutory reserve	34,39,693.00	18,39,013.00
Proposed Dividend	2,88,96,150.00	2,88,96,150.00
Tax on dividend	59,16,391.00	49,10,901.00
Closing Balance	<b>38,36,38,040.0</b>	<b>35,29,79,909.00</b>
	<b>66,05,53,961.00</b>	<b>62,77,55,161.00</b>

**Note - 3 : LONG TERM BORROWINGS**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>I) Term Loans</b>		
<b>1 From Banks and Others</b>		
Secured	5,25,94,583.00	15,59,53,630.00
Less: Current maturities of Long-term debt	(5,25,94,583.00)	(10,42,34,100.00)
	--	<b>5,17,19,530.00</b>

**Nature of Security and term of Repayment for Long Term Secured borrowings**

Corporate Loan from Punjab National Bank of Rs.15 Crore and Other Term Loan aggregating to Rs.37.50 Crores are Secured by equitable mortgage on Immovable Properties of the company situated at Survey No.771,772,773,774,769,779,779/A at village - Thol, Taluka Kadi Dist.Mehsana, & land of Wind mill at survey no.367/2 Village - Vanku, Taluka Abdasa, District Kutch, Gujarat and property of the company situated at " Suraj House", Vidhyanagar Soc, Usmanpura, Ahmedabad on first charge basis and personal guarantees of the Directors of the Company viz. Ashok T. Shah, Gunvant T. Shah, Kunal T. Shah and Corporate guarantee of M/s. Suraj Impex Pvt. Ltd.

Term Loan of Rs.37.50 Crore is repayable in 22 equal Quarterly installment of Rs.1,70,50,000/- starting from June 2010 and last installment due on September 2015 and Corporate Loan of Rs.15 Crore is repayable in 17 equal Quarterly installment of Rs.88,23,530/- starting from June 2011 and last installment due on Sep.2015

**Note - 4 : LONG TERM PROVISIONS**

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
(a) Provision for Employee benefits	5,09,390.00	4,86,516.00
	<b>5,09,390.00</b>	<b>4,86,516.00</b>

**Note - 5 : DEFERRED TAX LIABILITIES (NET)**

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
Balance as per last Financial Statement	2,96,39,077.00	4,18,96,306.00
Less: Deferred tax asset on account of timing difference of depreciation	37,14,323.00	1,22,57,229.00
	<b>2,59,24,754.00</b>	<b>2,96,39,077.00</b>

**Note - 6 : SHORT TERM BORROWINGS**

(Amount in `)

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
I. SECURED		
(a) Working Capital loans		
- From Bank	68,08,13,248.00	78,54,89,089.00
(b) Buyers credit arrangements	53,89,25,079.00	22,64,03,642.00

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

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
II. UNSECURED		
(a) Loan from related party	2,37,00,000.00	4,23,50,000.00
	<b>124,34,38,327.00</b>	<b>105,42,42,731.00</b>

<b>Note - 7 : TRADE PAYABLES</b>		
<u>Particulars</u>	<b>As at</b>	<b>As at</b>
	<b>31st March, 2015</b>	<b>31st March, 2014</b>
Trade Payables	7,89,14,055.00	5,96,39,200.00
	<b>7,89,14,055.00</b>	<b>5,96,39,200.00</b>

**Note - 8 : OTHER CURRENT LIABILITIES**

<u>Particulars</u>	<b>As at</b>	<b>As at</b>
	<b>31st March, 2015</b>	<b>31st March, 2014</b>
1 Current maturities of Long-term debt	5,25,94,583.00	10,42,34,100.00
2 Interest accrued and due on borrowings	--	21,82,703.00
3 Interest accrued but not due on borrowings	12,68,473.00	20,28,335.00
4 Income received in advance	--	12,35,507.00
5 Statutory Dues	6,55,066.00	9,56,568.00
6 Advance from Customers	1,51,94,119.00	4,21,10,438.00
7 Unpaid dividend	14,04,762.00	13,05,150.00
8 Other Payables	21,77,402.00	19,86,681.00
	<b>7,32,94,405.00</b>	<b>15,60,39,482.00</b>

**Note - 9 : SHORT TERM PROVISIONS**

<u>Particulars</u>	<b>As at</b>	<b>As at</b>
	<b>31st March, 2015</b>	<b>31st March, 2014</b>
(a) Provision for Employee benefits	80,46,403.00	95,38,508.00
(b) Provision for income tax	2,82,03,011.00	3,13,55,600.00
(c) Proposed dividend	2,88,96,150.00	2,88,96,150.00
(d) Dividend tax	59,16,391.00	49,10,901.00
	<b>7,10,61,955.00</b>	<b>7,47,01,159.00</b>

## Note - 10 : Fixed Assets

Particulars	Gross Block			Accumulated Depreciation				Net Block		
	As At 01-04-14	Additions	Deductions	As at 31-03-15	As at 01-04-14	For the Year Earnings	Deductions During the year	Upto 31-03-15	As at 31-03-15	As at 31-03-14
<b>A. Tangible Assets</b>										
Land & Site Development	19,38,01,162	3,44,180	0	19,41,45,342	0	0	0	0	19,41,45,342	19,38,01,162
Factory Building	31,67,00,781	1,51,51,318	0	33,18,52,099	6,58,45,272	1,51,78,920	0	8,10,24,192	25,08,27,907	25,08,55,509
Office Premises	2,02,01,995	0	0	2,02,01,995	30,92,539	2,65,067	0	33,57,606	1,68,44,389	1,71,09,456
Plant & Machinery	83,83,48,596	2,31,45,657	1,98,59,948	84,16,34,305	56,78,06,791	3,80,66,930	0	58,60,13,773	25,56,20,532	27,05,41,805
Furniture Fixture	1,84,96,011	15,80,145		2,00,76,156	93,03,242	49,13,195	7,95,152	0	50,64,567	91,92,769
Office Equipment Computer	96,90,665	3,84,730		1,00,75,395	92,19,712	-2,13,950	3,94,518	0	6,75,115	4,70,953
Vehicle	3,12,09,618	9,53,717	30,56,554	2,91,06,781	85,63,530	75,63,758	14,19,624	1,54,19,324	1,36,87,457	2,26,46,088
Wind Mill	5,94,86,722	0	0	5,94,86,722	4,92,24,164	72,88,222		5,65,12,386	29,74,336	1,02,62,558
<b>(A)</b>	<b>148,79,35,550</b>	<b>4,15,59,747</b>	<b>2,29,16,502</b>	<b>150,65,78,795</b>	<b>71,30,55,250</b>	<b>7,30,62,142</b>	<b>2,12,79,572</b>	<b>76,67,39,150</b>	<b>73,98,39,645</b>	<b>77,48,80,300</b>
<b>B. Intangible Assets</b>										
Software	4,46,259	1,97,439	0	6,43,698	67,990	1,35,434	0	2,03,424	4,40,274	3,78,269
<b>(B)</b>	<b>4,46,259</b>	<b>1,97,439</b>	<b>0</b>	<b>6,43,698</b>	<b>67,990</b>	<b>1,35,434</b>	<b>0</b>	<b>2,03,424</b>	<b>4,40,274</b>	<b>3,78,269</b>
<b>C. Work in Progress (SMP)</b>	<b>0</b>	<b>15,43,132</b>	<b>0</b>	<b>15,43,132</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,43,132</b>	<b>0</b>
<b>Total :- (A+B+C)</b>	<b>148,83,81,809</b>	<b>4,33,00,318</b>	<b>2,29,16,502</b>	<b>150,87,65,625</b>	<b>71,31,23,240</b>	<b>7,31,97,576</b>	<b>2,12,79,572</b>	<b>76,69,42,574</b>	<b>74,02,79,919</b>	<b>77,52,58,569</b>

**Note - 11 : LONG TERM LOANS AND ADVANCES**

(Amount in `)

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
A) Deposits Unsecured, Considered good	3,04,890.00	3,04,890.00
B) Other Loans and Advances Unsecured, Considered good	41,94,995.00	60,58,682.00
	<b>44,99,885.00</b>	<b>63,63,572.00</b>

**Note - 12: OTHER NON-CURRENT ASSETS**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
a. Preliminary Expenses	--	85,148.00
	<b>--</b>	<b>85,148.00</b>

**Note - 13 INVENTORIES**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
a. Raw material	92,62,06,660.00	62,38,27,162.00
b. Work-in-progress	3,66,62,251.00	31,39,58,525.00
c. Finished goods	7,50,59,800.00	3,74,26,151.00
d. Scrap	2,76,00,537.00	1,19,78,550.00
e. Advance Licence	3,60,16,317.00	3,89,73,577.00
f. Stores , Spares & Packing Material	82,22,011.00	71,16,060.00
g. Share Stock	1,15,44,889.00	--
	<b>112,13,12,465.00</b>	<b>103,32,80,025.00</b>

**Note - 14 : TRADE RECEIVABLES**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
A) Trade receivables outstanding for a period exceeding Six months from the date they are due for payment 1 Unsecured, considered good	13,87,277.00	7,23,572.00
B) Trade receivables outstanding for a period less than Six months from the date they are due for payment 1 Unsecured, considered good	26,89,16,250.00	20,39,72,848.00
	<b>27,03,03,527.00</b>	<b>20,46,96,420.00</b>

**Note - 15 : CASH AND CASH EQUIVALENTS**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>I. Cash and bank balance</b>		
a. Balances with Banks		
- in Current account	2,91,724.00	3,08,02,878.00
- in earmarked account		
-Unpaid dividend account	14,04,763.00	13,05,151.00
b. Cash on hand	6,65,984.00	8,26,021.00
<b>II Other Bank Balances</b>		
In Fixed Deposits held as Margin Money		
- Maturity Period - Less than 12 Months	10,46,45,746.00	5,48,62,517.00
	<b>10,70,08,217.00</b>	<b>8,77,96,567.00</b>

**Note - 16 : SHORT TERM LOANS AND ADVANCES**

(Amount in `)

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>Other short term loans and advances</b>		
<b>Unsecured, considered good</b>		
1 Balance With Excise and custom authorities	4,15,00,521.00	7,76,24,608.00
2 Advance Tax and TDS	4,43,09,669.00	4,34,29,545.00
3 Prepaid Expenses	15,95,733.00	38,32,813.00
4 Others	1,31,36,200.00	92,67,264.00
	<b>10,05,42,123.00</b>	<b>13,41,54,230.00</b>

**Note - 17 : OTHER CURRENT ASSETS**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
1 Interest receivable	1,83,240.00	4,41,567.00
2 Export Incentives receivable	1,38,867.00	22,50,453.00
3 Advance to Suppliers	5,26,472.00	25,37,305.00
	<b>8,48,579.00</b>	<b>52,29,325.00</b>

**Note - 18 : REVENUE FROM OPERATIONS**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>A) Sale of Products</b>		
1 Manufactured goods - Domestic Sales	81,04,45,305.00	107,02,16,593.00
2 Manufactured goods - Exports	161,14,68,668.00	144,32,07,461.00
3 Trading -Share	14,25,48,464.00	--
	<b>256,44,62,437.00</b>	<b>251,34,24,054.00</b>
<b>B) Sale of Services</b>		
1 Job Work	--	9,67,540.00
<b>C) Other operating revenues</b>		
1 Power generation income	81,39,691.00	73,07,300.00
2 Export incentives	8,94,473.00	2,26,71,531.00
3 Scrap and Waste Sales	45,48,194.00	49,95,194.00
<b>Revenue from Operations (gross)</b>	<b>257,80,44,795.00</b>	<b>254,93,65,619.00</b>
Less :- Excise Duty	9,45,96,640.00	16,92,89,889.00
<b>Revenue from Operations (Net)</b>	<b>248,34,48,155.00</b>	<b>238,00,75,730.00</b>
<b>Tax deducted at source on Job Work</b>	-	<b>18,952.00</b>

**Note - 19 : OTHER INCOME**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
1 Interest income	96,74,090.00	99,37,239.00
2 Divident Income	1,44,455.00	--
3 Kasar / Vatav Expenses	8,50,673.00	3,838.00
4 Misc.Income	--	6,237.00
5 Profit on sale of Machinery	1,98,57,550.00	--
6 Interest on Income Tax	--	91,623.00
	<b>3,05,26,768.00</b>	<b>1,00,38,937.00</b>
<b>Tax deducted at source on Interest Income</b>	<b>5,76,826.00</b>	<b>6,77,750.00</b>

**Note - 20 : COST OF MATERIALS CONSUMED**

(Amount in `)

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
Raw Material		
Opening Stock	62,38,27,162.00	55,24,21,018.00
Add : Purchases - Import	129,17,65,049.00	64,23,68,494.00
: Purchases - Domestic	57,10,80,203.00	106,78,30,744.00
	<b>248,66,72,414.00</b>	<b>226,26,20,256.00</b>
Less : Closing Stock	92,62,06,660.00	62,38,27,162.00
	<b>156,04,65,754.00</b>	<b>163,87,93,094.00</b>

**Note - 21 : PURCHASE OF STOCK IN TRADE**

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
Purchase of Shares	15,36,42,598.00	--
<b>Less - Stock of Shares</b>	1,15,44,889.00	--
	<b>14,20,97,709.00</b>	--

**Note - 22 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
<b>A. OPENING STOCK</b>		
Finished Goods	3,74,26,151.00	4,25,96,525.00
Work in progress	31,39,58,525.00	35,51,03,401.00
Advance License	3,89,73,577.00	2,28,35,352.00
Scrap	1,19,78,550.00	1,83,39,396.00
	<b>40,23,36,803.00</b>	<b>43,88,74,674.00</b>
<b>B. CLOSING STOCK</b>		
Finished Goods	7,50,59,800.00	3,74,26,151.00
Work in progress	3,66,62,251.00	31,39,58,525.00
Advance License	3,60,16,317.00	3,89,73,577.00
Scrap	2,76,00,537.00	1,19,78,550.00
	<b>17,53,38,905.00</b>	<b>40,23,36,803.00</b>
	<b>22,69,97,898.00</b>	<b>3,65,37,871.00</b>

**Note - 23 : EMPLOYEE BENEFITS EXPENSE**

<u>Particulars</u>	As at	As at
	31st March, 2015	31st March, 2014
1 Salaries, Wages, Bonus etc	9,02,41,253.00	10,54,87,035.00
2 Contribution to Provident and Other funds	28,10,913.00	24,97,186.00
3 Staff Welfare expenses	63,51,581.00	75,40,904.00
	<b>9,94,03,747.00</b>	<b>11,55,25,125.00</b>

**Note - 24 : FINANCE COSTS**

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
1 Interest Expenses	8,22,05,604.00	9,82,01,426.00
2 Exchange Fluctuation on Loans	--	(6,84,210.00)
3 Other Bank Charges	1,92,16,199.00	1,44,15,022.00
	<b>10,14,21,803.00</b>	<b>11,19,32,238.00</b>

**Note - 25 : OTHER EXPENSES**

(Amount in ` )

<u>Particulars</u>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>A) Manufacturing Expenses</b>		
1 Power and fuel	3,42,85,061.00	6,26,28,494.00
2 Consumption of stores and spares	2,81,27,748.00	4,17,75,999.00
4 Packing material	1,06,37,310.00	1,06,94,004.00
5 Job work charges	5,44,732.00	14,21,996.00
6 Transportation and freight	2,05,61,001.00	2,01,03,853.00
7 Clearing & Forwarding Exp.	5,47,25,961.00	3,95,71,811.00
8 Repairs and maintenance:		
- Plant and machinery	1,01,40,424.00	1,48,60,753.00
- Building	27,290.00	1,53,222.00
	<b>15,90,49,527.00</b>	<b>19,12,10,132.00</b>
<b>B) Administrative Expenses</b>		
1 Audit Fees	5,00,000.00	5,00,000.00
2 Bad Debts Written off	1,47,884.00	11,23,086.00
3 Account Written off	3,561.00	3,124.00
4 Profit and Loss on Sales of Vehicle	67,930.00	13,16,150.00
5 Communication Exp.	17,76,547.00	18,08,017.00
6 Commission	3,05,996.00	25,35,847.00
7 Donation	47,766.00	22,601.00
8 Insurance	14,63,837.00	17,42,680.00
9 Legal & Professional Charges	36,04,090.00	24,19,796.00
10 Rates & Taxes	6,09,784.00	9,65,637.00
11 Selling and marketing expenses	1,04,59,682.00	1,12,65,921.00
12 Sales tax/VAT	11,22,778.00	19,15,903.00
13 Traveling, Conveyance & Vehicle Exp.	82,49,217.00	88,32,161.00
14 Miscellaneous Expenses	87,17,929.00	76,82,881.00
15 C.S.R.Expenses	15,42,306.00	--
16 Prior Period Exp.	--	2,916.00
17 Wealth Tax Exp.	1,55,297.00	1,74,423.00
18 Interest on Income Tax	2,12,436.00	--
19 Exchange Rate Fluctuation (Net)	1,89,00,849.00	8,90,42,999.00
	<b>5,78,87,889.00</b>	<b>13,13,54,142.00</b>
	<b>21,69,37,416.00</b>	<b>32,25,64,274.00</b>

**Note - 26****I. Significant Accounting Policies:****A) Basis of Preparation:**

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

**B) USE OF ESTIMATES:**

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialised

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

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

**(ii) Depreciation:**

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

Depreciation on Plant & Machinery of the Company is charged for Double Shift.

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

**D) Borrowing Costs:**

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

**E) Inventories:**

- a) Raw Materials: Valued at cost or Market Value whichever is Lower.
- b) Work-in-Progress is valued at cost plus direct cost, manufacturing overheads and other related cost or market value whichever is lower.
- c) Finished goods are valued at cost or net realizable value whichever is lower. The cost includes cost of production and other appropriate overheads.
- d) Goods in Transits: At Cost.
- e) Stores and Spares are valued at cost or market value whichever is lower basis.
- f) Scrap is valued at estimated realisable value.
- g) Share Stock is valued at cost or market value whichever is lower basis.

**F) Revenue Recognition:**

- (a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The company collects sales tax and value added tax (VAT) on behalf of Government and therefore these are not economic benefit flowing to the company. Hence they are excluded from revenue.
- (b) Sales:  
Sales of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.
- (c) Export Benefits :  
"Export incentives under the "Duty Entitlement pass Book Scheme", "Duty Draw back Scheme", etc, is accounted in the year of export."
- (d) Sale of Shares:  
Sales and purchase of shares are accounted net of expenses charged such as stamp duty, service tax, STT etc.

**G) CENVAT Credit:**

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

**H) Employee Benefits:**

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

**I) Foreign Exchange Transactions:**

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

**J) Amortization of Miscellaneous Expenditure:**

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

**K) Income Tax Expenses:**

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

**- Current Tax**

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

**- Deferred tax**

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

**L) Impairment of assets:**

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

**M) Prior Period Adjustment :**

Expenses and income pertaining to earlier/previous years are accounted as prior period items.

**N) Earning Per Share:**

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

**O) Provisions, Contingent Liabilities and Contingent Assts:**

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

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

(a) Demand of Rs. 2,24,379/- for the accounting year 2003-04, Demand of Rs. 1,40,975/- for the accounting year 2004-05, Demand of Rs. 1,05,14,581/- for the accounting year 2008-09, Demand of Rs. 1,79,35,983/- for the accounting year 2009-10 and Rs. 1,69,11,583/- for the accounting year 2010-11 raised by Sales Tax authorities, which is disputed by the Company.

Demand of Rs. 4,57,300/- raised by Income Tax authorities, for Assessment year 2010-11 which is disputed by the Company.

Demand of Rs. 9,17,386/- raised by Income Tax authorities, for Assessment year 2001-02 which is disputed by the Company.

Penalty of Rs. 73,62,856/- raised by Income Tax authorities, for Assessment year 2009-10 which is disputed by the Company.

For Criminal Cases filed under Factory Act against the Company maximum Penalty of Rs. 5,25,000/- can be anticipated.

(b) During the year Preventing and Investigation Wing, Ahmedabad - III of Excise Department had filed a Criminal Case for Excise evasion of Rs. 3,51,62,064/- which is contested by the Company and ad-hoc amount of Rs. 85 Lacs has been deposited with Central Excise Department by the company and shown under the group "Short Term Loans & Advances" in the Balance Sheet.

(c) Since the statutory records of inventory had been seized by Excise Authority in connection with Search conducted on 06.12.2014 under the Provision of Central Excise Act, 1944, we have examined Xerox copies of such records for the period April' 2014 to December' 2014 for the purpose of our Audit.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for in the Accounts (net of advances) **NIL**

3. In terms of accounting policy (E) for the accounting of export incentives, estimated benefit of Rs 360.16 Lacs have been taken in to account under DES Scheme. Steps are being taken to import raw materials and utilize the same.

4. **Payment of Managerial Remuneration :** In view of inadequacy of profit for the year 2014-15, remuneration paid by the company to the Chairman & C.F.O., Vice Chairman & Whole Time Director and Managing Director & C.E.O., is in excess of the limit prescribed u/s 197 read with Schedule - V to the Companies Act, 2013.

**5. Amount Paid / Payable to Auditors :**

(Amount in `)

No.	Particulars	2014-15	2013-14
a)	Audit Fees	3,75,000	3,75,000
b)	Tax Audit Fees	75,000	75,000
c)	For Review Reports	50,000	50,000
	<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>

**6. Prior Period Expenditure:**

(Amount in `)

No.	Particulars	2014-15	2013-14
1	Telephone Exp.	--	2,916
	<b>Total</b>	<b>--</b>	<b>2,916</b>

7. In the opinion of the Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and provision for all known and determined liabilities (except wherever otherwise stated) are adequate and not in excess of the amount reasonably necessary.
8. Balances under Sundry Debtors, Sundry Creditors, Loans & Advances are subject to confirmation and reconciliation with the respective parties/ concerns. Necessary adjustment if any, thereon having an importance of revenue nature, will be made in the year of such confirmation / reconciliation.
9. **Employee Benefits**  
As per Accounting Standard 15 "Employee Benefits", the disclosure of Employee benefits as defined in the Accounting Standard are given below. :
- a) Gratuity ( (defined benefits plans)**  
The Company has defined gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.
- b) Leave wages (long term employment benefit)**  
The leave wages are payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

<b>Particulars</b>	<b>Privilege Leave (non Funded)</b>	<b>Gratuity (funded)</b>
<b>Change in the present value of the defined benefit obligation.</b>		
Opening defined benefit obligation	5,49,086	45,10,109
Interest cost	51,120	4,19,891
Current service cost	3,69,924	4,34,953
Benefits paid	(2,50,429)	(6,45,045)
Actuarial (gain) / Losses on obligation	(1,56,916)	93,394
Closing defined obligation	5,62,785	48,13,302
<b>Change in the fair Value plan asset</b>		
Opening fair value of plan asset	--	42,54,882
Expected return on plan asset	--	3,70,175
Contribution by employer	--	2,90,845
Benefits paid	--	(6,45,045)
Actuarial gain / (Losses)	--	(75,862)
Closing balance of fair value of plan assets	--	41,94,995
<b>Amount recognized in the balance sheet</b>		
(Assets)/Liability at the end of the year	(5,62,785)	(48,13,302)
Fair value of plan assets at the end of the year	--	41,94,995
Funded Status	(5,62,785)	(6,18,307)
Unrecognized past service cost	--	--
(Assets)/Liability recognized in the balance sheet	(5,62,785)	(6,18,307)
<b>Income/expense recognized in the profit and loss account statement</b>		
Current service cost	3,69,924	4,34,953
Interest cost on benefit obligation	51,120	49,716
Expected return on plan assets	--	--
Net actuarial (gain) / loss in the period	(1,56,916)	1,69,256

Net Expenses	2,64,128	6,53,925
<b>Movement in net liability recognized in balance sheet</b>		
Opening net liability	5,49,086	2,55,227
Expenses as above (P/L Charge)	2,64,128	6,53,925
Employers contribution	(2,50,429)	(2,90,845)
(Assets)/Liability recognized in the balance sheet	5,62,785	6,18,307
<b>Principal actuarial assumption as at balance sheet date</b>		
Discount rate	7.96%	7.96%
Expected rate of return on the plan assets	--	7.96%
Annual increase in salary cost	6.00%	6.00%
Attrition Rate	2.00%	2.00%
The categories of plan assets as % of total plan assets are with insurance company	100.00%	100.00%

**10. Segment Reporting :**
**a) Primary Segment :**

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

**b) Secondary Segment:**

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

Sales	F.Y. 2014-15	F.Y. 2013-14
<b>Domestic Sales</b>		
Sale of S. S. Pipes & Tubes	8,104.45	10,702.17
Sale of Shares	1,425.48	--
	-----	-----
	<b>9,529.94</b>	<b>10,702.17</b>
Export Sales	16,114.69	14,432.07
<b>Total</b>	<b>25,644.62</b>	<b>25,134.24</b>

in Lakhs

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

**11. Earning per share (EPS) :**

Sr. No.	Particulars	2014-15	2013-14
a)	Net Profit after Tax available for Equity Shareholders (Rs.)	6,89,10,363	3,67,80,262
b)	Weighted average number of Shares at beginning	1,92,64,100	1,92,64,100
c)	Basic and Diluted Earning per Share (Rs.)	<b>3.58</b>	<b>1.91</b>

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

**a) Related parties and nature of relationship**
**\* Directors of the Company :**

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

**\* Associate Companies :**

- 1 Suraj Enterprise Pvt. Ltd.

b) Transactions that have taken place during the period April 1, 2014 to March 31, 2015 with related parties by the company.

Amount in Lakhs

Name of the Related Parties with whom the transaction have been made	Description of Relationship with the party	Nature of Transaction	F.Y. 2014-15		F.Y. 2013-14	
			During the year	Amount Out-standing	During the year	Amount Out-standing
Suraj Enterprise Pvt. Ltd.	Associate Company	Temporary Adv. Taken Temporary Adv. Given	2048.00 2234.50	237.00	2968.00 2614.00	423.50
Shri Ashok T. Shah	Chief Financial Officer	Remuneration P.F. Contribution Bonus	51.60 -- 0.0350	3.10	49.000 -- 0.0350	3.10
Shri Guntant T. Shah	Vice Chairman & Whole Time Director	Remuneration P.F. Contribution Bonus	37.20 -- 0.0350	2.30	37.000 -- 0.0350	2.35
Shri. Kunal T. Shah	Managing Director	Remuneration P.F. Contribution Bonus	43.80 -- 0.0350	2.65	42.50 -- 0.0350	2.70
Shri Bipin K. Prajapati	Whole Time Director	Remuneration P.F. Bonus	12.000 0.165 0.0350	--	12.000 0.0936 0.0350	0.81
Shrimati Shilpaben M Patel	Woman Director	Remuneration P.F. Bonus	5.46 0.108 0.0350	1.11	--	--
Shri Dipak H. Shah	Non Executive Director	Sitting Fees	0.150	--	0.125	--
Shri Ketan R. Shah	Non Executive Director	Sitting Fees	0.200	--	0.125	--
Shri Haren R. Desai	Non Executive Director	Sitting Fees	0.200	--	0.150	--
Shri Bhupendrasinh B Patel	Non Executive Director	Sitting Fees	0.200	--	0.175	--

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

### 13. Inventory related details :

#### a. Consumption of Raw materials

In Lakhs

Particulars	2014-15	2013-14
S.S. Seamless Pipes	9651.19	4278.50
S.S. Coil	353.65	5325.87
S.S. Round Bar	5599.82	6783.57
<b>Total</b>	<b>15604.66</b>	<b>16387.94</b>

**b. Composition of Raw Materials :**

In Lakhs

Particulars	2014-15		2013-14	
	Value Rs.	% age	Value Rs.	% age
Indigenous	5809.79	37.23	10394.34	63.43
Imported	9794.87	62.77	5993.60	36.57
<b>Total</b>	<b>15604.66</b>	<b>100.00</b>	<b>16387.94</b>	<b>100.00</b>

**c. Composition of Stores & Consumable:**

In Lakhs

Particulars	2014-15		2013-14	
	Value Rs.	% age	Value Rs.	% age
Indigenous	235.95	83.88	345.53	82.71
Imported	45.33	16.12	72.23	17.29
<b>Total</b>	<b>281.28</b>	<b>100</b>	<b>417.76</b>	<b>100</b>

**d. Finished Goods**

Particulars	Turnover	Closing Inventory	Opening Inventory
<b>A) Manufactured goods</b>			
- S. S. Pipes & Tubes	20582.56 (20422.62)	750.60 (374.26)	3 74.26 (425.97)
- S. S. Scrap	2690.61 (3018.72)	276.00 (119.79)	119.79 (183.39)
<b>B) Trading</b>			
- Shares	1425.48 ( -- )	115.45 ( -- )	-- ( -- )
<b>Total</b>	<b>24698.66</b> <b>(23441.34)</b>	<b>1142.05</b> <b>(494.05)</b>	<b>494.05</b> <b>(609.36)</b>

**e. Closing stock of WIP**

Particulars	2014-15	2013-14
S.S. Pipes & Tubes	1,29,84,190	25,22,69,876
Round Bar	2,36,78,061	6,16,88,649
<b>Total</b>	<b>3,66,62,251</b>	<b>31,39,58,525</b>

**14. Value of Imports on C.I.F. Basis**

Particulars	2014-15	2013-14
Raw Material	129,17,65,049.00	64,23,68,494.00
Capital Goods	1,29,77,396.00	95,42,883.00
Stores	45,32,570.00	59,56,641.00

**15. Expenditure in Foreign Exchange :**

Particulars	2014-15	2013-14
Traveling Expenses	47,09,299.00	36,89,490.00
Sales Commission	3,05,996.00	25,35,847.00
Advertisement	23,93,748.00	41,62,035.00
Business Development	44,02,262.00	45,93,144.00
Capital goods	1,29,77,396.00	95,42,883.00
Stores & Spares	45,32,570.00	59,56,641.00
Bank Interest	2,37,29,032.00	2.86.38,263.00

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

Particulars	Currency	Amount in foreign currency	Equivalent Indian currency
<b>As at 31st March 2015</b>			
Receivables	EURO	19,95,655.10	13,37,88,717.90
	USD	13,32,319.07	8,31,50,033.16
Payables	EURO	11,827.82	7,92,937.00
	USD	1,69,648.11	1,05,87,738.00
Buyer's Credit payable	USD	46,48,979	54,02,25,978
<b>As at 31st March 2014</b>			
Receivable	EURO	66,713.56	54,31,151.00
	USD	18,62,799.55	11,08,17,945.00
Payables	EURO	2,28,853.19	1,86,30,938.00
	USD	3,28,760.33	1,95,57,952.00
Buyer's Credit payable	USD	3,30,417.96	1,99,01,073.00

**17. Earning in Foreign Exchange**

Particulars	2014-15	2013-14
Export Sales on F.O.B. (including deemed exports]	159,13,63,123	134,41,71,229

**18.** The Company has initiated the process of identifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2015, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

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

**Signature to Notes 1 to 26**

As per our report of even date attached

For PANKAJ K. SHAH ASSOCIATES

Firm Registration No. 107352W

CHARTERED ACCOUNTANTS

(CA.PANKAJ K. SHAH)

PROPRIETOR

M. No. 34603

PLACE: AHMEDABAD

DATE : 12.05.2015

For & ON BEHALF OF BOARD OF DIRECTORS

Ashok T. Shah Chairman & C.F.O.

DIN : 00254255

Gunvant T. Shah Vice Chairman & Whole Time Director

DIN : 00254292

Kunal T. Shah Managing Director & C.E.O.

DIN : 00254205

Vatan Brahmabhatt Company Secretary

PLACE: AHMEDABAD

DATE : 12.05.2015

**Form MGT-11****Proxy form**

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



CIN: L27100GJ1994PLCO21088

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

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

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

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

1. Name &amp; Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

2. Name &amp; Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

3. Name &amp; Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him/her

and whose signatures are appended below as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company, to be held on Tuesday, the 21<sup>st</sup> day of July, 2015 at 10.30 a.m. and at Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009 any adjournment thereof in respect of resolutions are indicated below

Sr. No.	Resolution(s)	Vote	
		For	Against
1	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2015		
2	To Declare 15% Dividend on equity shares for the financial year ended March 31, 2015.		
3	To re-appoint of Mr. Ashok T. Shah as Director		
4	To re-appoint of Mr. Gunvant T. Shah as Director		
5	Re-appointment of M/s.Pankaj K. Shah Associates, Chartered Accountants as Statutory Auditors & fixing their remuneration		
6	Appointment of Ms. Shilpa Patel as Whole Time Director		
7	To approve the remuneration paid to M/s. Kiran J. Mehta & Co, Cost Auditors for the year 2015-16		
8	To consider and amend the article of association as per companies act 2013.		

\* Applicable for investors holding shares in Electronic form.

Signed \_\_\_\_\_ this day of \_\_\_\_\_ 2015

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Revenue Stamp Re. 1/-
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Signature of the shareholder  
across Revenue Stamp

Note: 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.  
2) The proxy need not be a member of the company



CIN: L27100GJ1994PLCO21088

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

Email: [suraj@surajgroup.com](mailto:suraj@surajgroup.com), website:[www.surajgroup.com](http://www.surajgroup.com)

### ATTENDANCE SLIP

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

Full name of the member attending \_\_\_\_\_

Member's Folio No/ Client ID : \_\_\_\_\_ No. Of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_ (To be filled in, if the Proxy attends instead of the member)

I hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the Suraj Limited, at Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.on Tuesday, the 21<sup>st</sup> day of July, 2015 at 10.30 a.m.

Member's / Proxy's Signature

#### Note:

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



CIN: L27100GJ1994PLCO21088

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

**22nd 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 22nd Annual General Meeting to be held on Tuesday, the 21st July, 2015. 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 procedure and instructions for members for voting electronically are as under:

The voting period begins at 9.00 A.M. on 14th July, 2015 and ends at 5 P.M. on 20th July, 2015. 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 12th June, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

- i) Open your web browser during the voting period and log on to the e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- ii) Now click on "Shareholders" to cast your votes

iii) User-ID	For Members holding shares in Demat Form:- a) For CDSL:- 16 digits beneficiary ID b) For NSDL:- 8 Character DPID followed by 8 Digits Client ID For Members holding shares in Physical Form:- a) Folio Number registered with the Company
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iv) Next enter the Image Verification as displayed and Click on Login.

v) If you are holding shares in demat form and had logged on to [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

**For Members holding shares in Demat Form and Physical 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 first two letters of their name and the 8 digits of the sequence number in the PAN field. -- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. -- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- Vii) After entering these details appropriately, click on "SUBMIT" tab
- viii) Members holding shares in physical form will then 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 NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii) Note for Non - Individual Shareholders and Custodians  
 -- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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@nsdl.co.in](mailto:helpdesk.evoting@nsdl.co.in).  
 -- 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 should be mailed to [helpdesk.evoting@nsdl.co.in](mailto:helpdesk.evoting@nsdl.co.in) 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.
- xviii) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@nsdl.co.in](mailto:helpdesk.evoting@nsdl.co.in)

Yours Sincerely,  
For, Suraj Ltd

Vatan Brahmhatt  
Company Secretary



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