



To
The Board of Directors
Suraj Limited
Suraj House,
Opp. Usmanpura Garden,
Usmanpura Ahmedabad,
Gujarat 380014 India

Auditors' Report on Buy Back of Shares pursuant to the requirement of Section 68 and Section 70 of the Companies Act, 2013 (the "Act") and Companies (Share Capital and Debentures) Rules, 2014 and the regulations as specified in the 'Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018' ("the Buy-back Regulations").

1. This report is issued in accordance with our agreement dated August 08, 2022.
2. The Board of Directors of the Company have approved a proposal for buy-back of equity shares of the Company at its meeting held on August 08, 2022, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buy-back Regulations. We have been requested by the Management of the Company to provide a report on the accompanying "Computation of amount of permissible capital payment towards buy-back of equity shares of Suraj Limited in compliance with Section 68(2)(c) of the Act and provisions under the Buy-back Regulations, based on annual audited financial statements as at March 31, 2022." ('Annexure A') (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management.

Management's Responsibility

3. The preparation of the Statement in compliance with Section 68(2)(c) of the Act, Regulation 4(i) of the Buy-back Regulations and the proviso to Regulation 5(i)(b) of the Buy-back Regulations and in compliance with the Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment (including premium), the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. The Board of Directors of the Company, at their meeting held on August 08, 2022, have formed the opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date with regard to the proposed buy-back is declared.

Auditor's Responsibility

4. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide a reasonable assurance that:
 - (i) We have inquired into the state of affairs of the Company in relation to the annual audited financial statements as at March 31, 2022 which were approved by the Board of Directors and shareholders of the Company at their meeting held on May 03, 2022 and June 14, 2022, respectively;
 - (ii) the amount of permissible capital payment as stated in Annexure A, has been determined considering the annual audited financial statements as at March 31, 2022 in accordance with Section 68(2)(c) of the Act, Regulation 4(i) of the Buy-back Regulations and the proviso to Regulation 5(i)(b) of the Buy-back Regulations; and
 - (iii) the Board of Directors of the Company, at their meeting held on August 08, 2022, have formed the opinion as specified in Clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date with regard to the proposed buy-back is declared.
5. The annual financial statements referred to in paragraph 4 above, have been audited by us. We conducted our audit of the annual financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this report. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.



7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid buy-back.

Opinion

8. Based on inquiries conducted and our examination as above, we report that:
- We have inquired into the state of affairs of the Company in relation to its annual audited financial statements as at March 31, 2022, which have been approved by the Board of Directors and shareholders of the Company at their meeting held on May 03, 2022 and June 14, 2022, respectively.
 - The amount of permissible capital payment (including premium) towards the proposed buy-back of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68 (2)(c) of the Act, Regulation 4(i) of the Buy-back Regulations and the proviso to Regulation 5(i)(b) of the Buy-back Regulations.
 - The Board of Directors of the Company, at their meeting held on August 08, 2022, have formed the opinion as specified in clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board Resolution dated August 08, 2022.

Restriction on Use

9. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buy-back of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buy-back to be sent to the shareholders of the Company or to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchange(s) and any other regulatory authority as per applicable law in India and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) can be shared with the merchant banker(s) involved in connection with the proposed buy-back of equity shares of the Company for onward submission to SEBI, stock exchange(s) and / or any other regulatory authority as required under the law in India, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.



Date: August 08, 2022

Place: Ahmedabad

For RINKESH SHAH & Co.
Chartered Accountants
FRN 129690W

CA RINKESH SHAH
Partner
M.No. 131783
UDIN: 22131783AOSYCY5880

ANNEXURE A - STATEMENT OF PERMISSIBLE CAPITAL PAYMENT

Computation of amount of permissible capital payment towards buyback of equity shares of Suraj Limited in accordance with the requirements of Section 68(2)(c) of the Companies Act, 2013, as amended and Regulation 4(i) of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended based on audited financial statements for the year ended March 31, 2022:

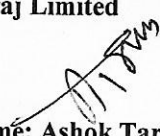
(₹ in Lakh)

Particulars		Amount
Paid-up Equity capital as at March 31, 2022	(A)	1,926.41
Free Reserves as at March 31, 2022:		
- Securities Premium Reserve		2,189.56
- General reserve		244.74
- Retained Earnings		4,527.49
Total Free Reserves	(B)	6,961.79
Total paid-up Equity Share capital and free reserves	C = (A)+(B)	8,888.20
Maximum amount permissible for buyback under Section 68 of the Act and Regulation 4(i) of the Buyback Regulations, i.e., 25% of the aggregate total paid up capital and free reserves.	C*25%	2,222.05
Maximum amount permissible for buyback under the proviso to Regulation 5(i)(b) of the Buyback Regulations, i.e., 10% of the total paid-up capital and free reserves	C*10%	888.82

Free reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013, as amended.

The above calculation of the total paid-up equity shares capital and free reserves as at March 31, 2022 for buy-back of equity shares is based on the amounts appearing in the audited financial statements of the Company for the year ended March 31, 2022. These financial statements are prepared and presented in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rules made thereunder, each as amended from time to time.

For & behalf of Board of Directors of
Suraj Limited


Name: Ashok Tarachand Shah
Designation: Chairman & CFO]
Place: Ahmedabad
Date: August 08, 2022

