

24th ANNUAL REPORT

2016-2017



SURAJ LIMITED

Progress is Life

10 Years Overview

(₹.in Lakh)

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


SURAJ LIMITED

CIN : L27100GJ1994PLC021088

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

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

Chairman's Speech to Shareholders

Respected Shareholders,

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

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

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

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

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

With best wishes,

Sincerely

Ashok Shah

Chairman & CFO

NOTICE

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

ORDINARY BUSINESS:

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

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

SPECIAL BUSINESS:

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

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

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

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

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

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

Registered Office:

By Order of the Board of Directors

CIN NO: L27100GJ1994PLC021088

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

Place: Ahmedabad

Vatan Brahmbhatt

Date: 26.04. 2017

Company Secretary

NOTES

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

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

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

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

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

The instructions for shareholders voting electronically are as under:

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu

wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN (Mentioned instructions point no. i) for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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