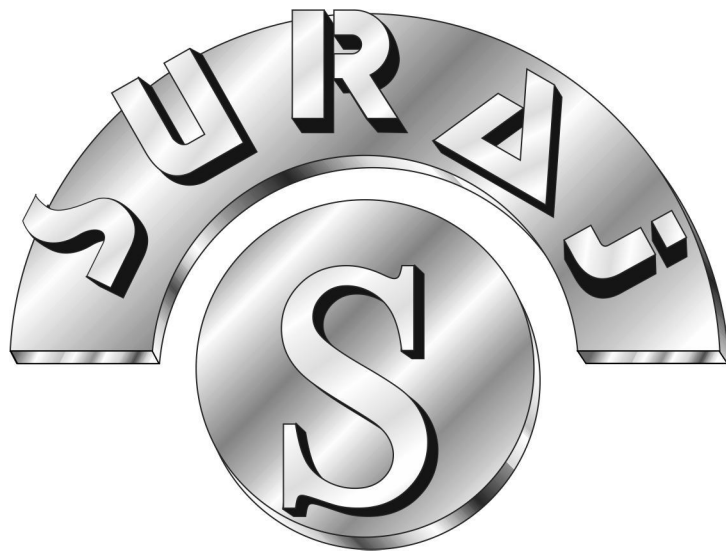


# 22<sup>nd</sup> ANNUAL REPORT

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

<b>BOARD OF DIRECTORS</b>	:	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
<b>COMPANY SECRETARY</b>	:	VATAN BRAHMBHATT	
<b>AUDITORS</b>	:	PANKAJ K. SHAH ASSOCIATES (CHARTERED ACCOUNTANTS)	
<b>BANKERS</b>	:	PUNJAB NATIONAL BANK	
		STANDARD CHARTERED BANK	
		IDBI BANK LTD.	
<b>PLANT LOCATION</b>	:	SURVEY NO. 779/A, VILLAGE-THOL, KADI-SANAND HIGHWAY, TAL. -KADI, DIST, MEHSANA. (GUJARAT)	
<b>REGISTERED OFFICE</b>	:	"SURAJ HOUSE", OPP. USMANPURA GARDEN.	
		ASHRAM ROAD, AHMEDABAD - 380 014. PH. : 0091-79-27540720 / 21	
		E-MAIL : suraj@surajgroup.com • CIN : L27100GJ1994PLC021088	
<b>REGISTRAR &amp; TRANSFER AGENT</b>	:	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

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.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
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.nsdl.com">www.evoting.nsdl.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	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	<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