

26th ANNUAL REPORT

2018-19



SURAJ LIMITED

Progress is Life



**Manufacturers of Stainless Steel, Seamless Pipes,
Tubes, 'U' Tubes, Flanges & Fittings with Electropolishing**

26th ANNUAL REPORT 2018-2019

KEY MANAGERIAL PERSONNEL & BOARD OF DIRECTORS

| | |
|---------------------|-------------------------------------|
| ASHOK SHAH | CHAIRMAN & CFO |
| GUNVANT SHAH | VICE CHAIRMAN & WHOLE TIME DIRECTOR |
| KUNAL SHAH | MANAGING DIRECTOR & CEO |
| SHILPA PATEL | WHOLE TIME DIRECTOR |
| DIPAK SHAH | INDEPENDENT DIRECTOR |
| KETAN SHAH | INDEPENDENT DIRECTOR |
| HAREN DESAI | INDEPENDENT DIRECTOR |
| BHUPENDRASINH PATEL | INDEPENDENT DIRECTOR |

COMPANY SECRETARY : MAUNISH S. GANDHI

STATUTORY AUDITORS : RINKESH SHAH & CO. (CHARTERED ACCOUNTANTS)

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

REGISTRAR & SHARE TRANSFER AGENT : MCS SHARE TRANSFER AGENT LTD.
201, SHATDAL COMPLEX, 2ND FLOOR, OPP. BATA
SHOW ROOM, ASHRAM ROAD, AHMEDABAD - 380009.

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

26th ANNUAL GENERAL MEETING

Date : Thursday, 27th June, 2019
Venue : Conference Hall of
"The Ahmedabad Textile Mills Association", Near "Gurjari",
Ashram Road, Ahmedabad - 380009
Time : 10:30 A.M.

SURAJ

**India's Leading Manufacturers of
Stainless Steel
Seamless Pipes, Tubes, 'U' Tubes,
Flanges & Fittings with Electropolishing.**



**Fast response, Guaranteed Quality. In a large Stock & Production Range.
Deliver Customized Near Net Shape & Finish with Smaller to Large Quantity.**

All Required Testing Facility Available In-house.

We are Supplying under all Customer & Third Party Inspection Agencies.



SURAJ LIMITED

Serving World Wide Oil, Gas & Power Industries

**REGD OFFICE : "SURAJ HOUSE",
OPP, USHMANPURA GARDEN,
ASHRAM ROAD, AHMEDABAD - 380 014
GUJRAT (INDIA)
PHONE : 0091 - 79 27540720, 27540721
FAX NO : 0091 - 79 27540722
E-mail : suraj@surajgroup.com**

**MUMBAI OFFICE :
311/317, BLOCK NO 3, 1ST FLOOR,
KANJI MANSION, S.V.P ROAD,
MUMBAI - 400 004 (INDIA)
PHONE : 0091 - 22 23891649, 66362534
FAX NO : 0091 - 22 23854979
E-Mail : surajm@surajgroup.com**

**www.surajgroup.com
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Chairman's Speech to Shareholders

Respected Shareholders,

Good Morning. On my behalf and on behalf of the Board of Directors, I welcome you all to this 26th Annual General Meeting of Company.

I feel honoured and privileged once again to present you with the Annual Report for the F.Y. 2018-19. It gives me an opportunity to share my thoughts and the Company's progress during the year as well as the way forward. The financial year 2018-19 also was full of challenges and crucial commitments.

Discarding the global challenges, your company continued to carry on business cautiously which resulted in to turnover of ₹ 17,943.70 Lakh. On the mark of report that your Company sustained its profitability due to controlling expenses and finance cost and posted a total Comprehensive Income of ₹ 139.09 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 customer's changing choice and preference, need and extensive global presence.

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

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

**With best wishes,
Sincerely**

**Ashok Shah
Chairman & CFO**

NOTICE

NOTICE IS HEREBY GIVEN THAT the 26th Annual General Meeting of the Members of **SURAJ LIMITED** will be held on **Thursday, 27th June, 2019** at 10:30 a.m. at the Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380009 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a) The Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon and
 - b) The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2019 and the reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Shah (DIN: 00254255) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gunvant Shah (DIN: 00254292) who retires by rotation and being eligible offers himself for re-appointment.
4. To partially modify the resolution related to appointment of Statutory Auditors and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013, as amended by the Companies (Amendment) Act 2017, effective from May 7, 2018, the consent of the members of the Company be and is hereby accorded to delete the requirement of seeking ratification of appointment of Statutory Auditors, M/s. Rinkesh Shah & Co., Chartered Accountants at every Annual General Meeting, from the resolution passed at the 24th Annual General Meeting of the Company held on 20th June, 2017."

SPECIAL BUSINESS:

5. **To approve the remuneration to M/s Kiran J. Mehta & Co., Cost Accountant, Ahmedabad (FRN:00025), the Cost Auditors of the Company for the Financial year 2019-2020:**

To consider and, if thought fit, to pass 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), **M/s Kiran J. Mehta & Co.,** Cost Accountant, Ahmedabad (FRN:00025) appointed as a Cost Auditor by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year 2019-20 be paid the remuneration of ₹ 1,00,000/-(Rupees One Lakh only) plus GST for the year 2019-20 the Board has also approved the same.

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

6. **To 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 ₹ 1,68,00,000/- p.a (Rupees One Crore Sixty eight Lacs Only) as per MCA Notification dated 12th September, 2018."

"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."

7. To approve material related party transactions:-

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution;

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the prevailing provisions of the Companies Act, 2013 read with rules made there under, consent of the members of the Company be and is hereby accorded to Material Related Party Transactions with TBS Metal Private Limited for a period of three years from FY-2018-19 and such approval is further accorded to an increase of up to 25% over and above the consolidated value of transactions in the previous financial year.

RESOLVED FURTHER THAT the Key Managerial Personnel of the Company be and are hereby severally authorised to take necessary actions and complete all the legal formalities related thereto."

Date: 02.05.2019

Place: Ahmedabad

Registered Office:

'Suraj House',

Opp. Usmanpura Garden,

Ashram Road, Ahmedabad-380014

CIN NO: L27100GJ1994PLC021088

By the order of the Board

SURAJ LIMITED

Maunish Gandhi

Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable, issued on behalf of the nominating organization.

2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
3. Details under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, form integral part of the notice. The Directors have furnished the requisite declarations for their appointment/reappointment.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Brief profile of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Corporate Governance Report forming part of the Annual Report.
6. The Company has notified of closure of register of members and share transfer books from 14th June 2019 to 27th June 2019 (Both days inclusive) for the purpose of annual general meeting.
7. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
8. Members who hold shares in de-materialization form are requested to bring their depository account number for identification.
9. In case of joint holders attending the Meeting only such joint holder who is higher in the order of names will be entitled to vote.
10. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered office of the Company on all working days, between 11:00 a.m. and 1:00 p.m. up to the date of meeting.
11. If members want to change/correct bank account details, they should communicate the same immediately to the concerned Depository Participant. Members are also requested to furnish their MICR code of their bank to their 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.

12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form-SH 13 prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Department of Company Affairs.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to MCS share transfer agent Limited, for consolidation into a single folio.
14. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
15. Non-Resident Indian Members are requested to inform MCS Share Transfer Agent Limited, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
16. Pursuant to Sections 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to Investor Education and Protection Fund ("IEPF") established by the Central Government. The Company during the year has transferred a sum of ₹2,29,859/- being unclaimed dividend amount for the financial year 2010-11 to the Investor Education and Protection Fund of the Central Government. The shareholders who have not claimed their dividend for the financial year 2011-12 are requested to claim their dividend on or before 29th October, 2019, failing which it would be transferred to IEPF after 30th October, 2019 and no claim shall lay against the Company for the said amount of unclaimed dividend so transferred. The details of unclaimed dividends are available on the Company's website at www.surajgroup.com.

Further, pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF. The Company timely sent individual intimation to all such shareholders. All such Shareholders are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to Demat Account of IEPF and no claim shall lay against the Company. The Shareholders thereafter need to claim their shares from IEPF Authority by filing E-Form-5 and by following such procedures as prescribed in the IEPF Rules (as may be amended from time to time).
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