



SURYA ROSHNI LIMITED

CIN - L31501HR1973PLC007543

2nd Floor, Padma Tower-1, Rajendra Place, New Delhi-110 008
Ph.: +91-11-25810093-96, 47108000 Fax : +91-11-25789560
E-mail : cs@surya.in Website : www.surya.co.in

SRL/21-22/57
August 21, 2021

The Secretary
The Stock Exchange, Mumbai
New Trading Ring, 14th Floor,
Rotunda Building, P.J.Towers,
Dalal Street, Fort,
MUMBAI - 400 001
Scrip Code: 500336

The Manager (Listing Department)
The National stock Exchange of India Ltd
Exchange Plaza, 5th floor
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
NSE Symbol: SURYAROSNI

Dear Sirs,

Report and Accounts for the financial year ended 31st March, 2021

We enclose, in terms of Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Report and Accounts of the Company for the financial year ended 31st March, 2021 together with the Notice dated 25th May, 2021 convening the 48th Annual General Meeting (AGM) of the Company on 16th September, 2021.

The aforesaid Report and Accounts and AGM Notice are also uploaded on the Company's website www.surya.co.in

Kindly take the same in your records. Assuring our best services always.

Thanking you,

Yours faithfully,
for Surya Roshni Limited

B B Singal
Sr. V.P & COMPANY SECRETARY



Encl.: as above.

SURYA

SURYA ROSHNI LIMITED

Regd. Office: Prakash Nagar, Sankhol, Bahadurgarh – 124507 (Haryana)

Corporate Identity Number (CIN) – L31501HR1973PLC007543

Phone: +91-1276- 241540 Fax No. +91-1276-241886

Website: www.surya.co.in, **Email id:** investorgrievances@sroshni.com

NOTICE

Notice is hereby given that the Forty Eighth (48th) Annual General Meeting of the members of **SURYA ROSHNI LIMITED** ("the Company") will be held on **Thursday, the 16th September, 2021 at 11.00 A.M.**, through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited standalone financial statement of the Company for the financial year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon and the audited consolidated financial statement of the Company for the financial year ended 31st March, 2021 and the report of Auditors thereon.
2. To declare final dividend of ₹ 1.50/- per equity share for the financial year ended 31st March, 2021.
3. To appoint Shri Vinay Surya (Director Identification No. – (00515803) who retires by rotation as a Director and, being eligible, offers himself for re-appointment 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 in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Vinay Surya (DIN: 00515803), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company or a committee of Directors authorised by the Board in this behalf for creating such mortgage and / or charge of all the immovable and movable properties of the Company where so ever situated, present and future and the

whole of the undertaking of the Company in favour of IDBI Bank Limited and / or Punjab National Bank, acting for itself and as an agent of Banks / Financial Institutions to secure:

- a) Term Loan of ₹ 5000 lakh (Rupees Five thousand lakh only) lent and advanced by Export – Import Bank of India (EXIM) to the Company.
- b) The Working Capital Limits including CEL Limits for forward cover of - ₹ 2,01,432 lakh, secured on Second Charge basis, lent and advanced / agreed to be lent and advanced by State Bank of India, Punjab National Bank, IDBI Bank Ltd., Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited and Union Bank of India to the Company, together with interest thereon at the respective agreed rates, interest tax, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to State Bank of India, Punjab National Bank, IDBI Bank Ltd., Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited, Union Bank of India and Export Import Bank of India under Loan Agreements entered into/to be entered into by the Company in respect of the aforesaid loans.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee of Directors authorised by the Board in this behalf be and is hereby authorised to finalise all agreement(s) for creating mortgage and/or charge as aforesaid and to do all such acts, deeds and matter as may be necessary or expedient for giving effect to the above resolution."

5. 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 148 and such other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or any amendment or any substitution or re-enactment thereof for the time being in force, the Cost Auditor M/s R J Goel & Co. (a Cost Audit firm FRN:000026) appointed by

the Board of directors of the Company to conduct the audit of its cost records for the financial year ending 31st March, 2022 at a remuneration of ₹ 5,25,000 (Rupees Five lakh twenty-five thousand only) be and is hereby ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters, things and take all such steps as may be necessary desirable or expedient to give effect to this resolution."

By order of the Board

Registered Office:

Prakash Nagar, Sankhol,
Bahadurgarh – 124 507 (Haryana)

Dated: 25th May, 2021

B. B. SINGAL

SR. V.P & COMPANY SECRETARY

Membership No. : A-10781

NOTES:

1. In view of the massive outbreak of Covid-19 pandemic, social distancing is a norm to be followed and pursuant to it the Ministry of Corporate Affairs ("MCA") has vide its general circular dated January 13, 2021 read together with circulars dated May 5, 2020, April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Generally, 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 the proxy need not be a member of the Company. Since this AGM is being held through VC pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.surya.co.in and also on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
6. **In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules), as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing its members facility to exercise their right to vote on the Items of Business given in the AGM Notice dated 25th May, 2021 proposed to be passed in the Annual General Meeting ("meeting") of the Company scheduled to**

be held on Thursday, 16th September, 2021 through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM"), The members may cast their votes using an electronic voting system from a place other than the venue of the meeting (remote e-voting). The Company has engaged National Securities Depository Limited (NSDL) to provide e-voting platform to members. The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL The process of remote e-voting shall be as follows:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Monday, 13th day of September, 2021 at 9:00 A.M. (IST) and ends on Wednesday, 15th day of September, 2021 at 5:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 09th September, 2021, may cast their vote electronically. The voting right of shareholders shall

be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 9th September, 2021.

Process to vote electronically using NSDL e-Voting system

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If members are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress
Individual Shareholders (holding securities in demat mode) login through their depository participants.	Members can also login using the login credentials of its demat account through their Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting.

For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Instructions:

- a) The remote e-voting period begins on Monday, 13th September, 2021 at 9.00 a.m (IST) and ends on Wednesday, 15th September, 2021 at 5.00 p.m (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 9th September, 2021, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- b) A person, whose name appears in the register of Members / Beneficial owners as on cut-off date i.e. 9th September, 2021, only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.
- c) The Board of Directors has appointed SGS Associates (Company Secretaries Firm) 14, First floor, Rani Jhansi Road, New Delhi – 110055 as scrutiniser for conducting the e-voting process.
- d) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF /JPG Format) of the Board Resolution /Authority Letter / Power of Attorney (POA) etc. together with attested specimen signature of the authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to sgsdel@gmail.com with a copy marked to evoting@nsdl.co.in
- e) Any person who becomes members of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 9th September, 2021, will follow the above stated procedure or obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company Registrar - MAS Services Limited at info@masserv.com.
- f) It is strongly recommended not to share your password with any other person and take utmost

care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password

- g) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in
- h) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date of 9th September, 2021.
- i) Members can also download the notice of the meeting at www.surya.co.in for exercising their e-voting rights.
- j) Members who have cast their vote through remote e-voting prior to the meeting may attend the meeting but shall not be allowed to cast their vote again.
- k) At the end of the Annual General Meeting voting exercise, Scrutinizer will download the entire voting data using its scrutinizer login.
- l) The Scrutinizer will submit his final report after the conclusion of voting at the Annual General Meeting but not later than closing of the business hours on 18th September, 2021.
- m) The Chairman of the meeting shall announce the result of voting on the resolutions taken up at the 48th Annual General Meeting on or after submission of final report by the Scrutinizer.
- n) The results along with the Scrutinizer's Report, will be placed on the Company's website at www.surya.co.in and the website of NSDL immediately after the result is declared. The results shall simultaneously be communicated to the Stock Exchange where the securities of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

The Instructions for Members for E-Voting on the day of the AGM are as under:

- i) The procedure for e-Voting on the day of the AGM is as per the instructions mentioned overleaf.
- ii) Only those Members/ shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions

through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

- iii) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for Members for Attending the AGM through VC / OAVM are as under:

- a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, members can see link of "VC/OAVM link" placed under "**Join Annual General meeting**" menu against company name. Members are requested to click on VC/OAVM link placed under Join Annual General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- b) Members are encouraged to join the Meeting through Laptops for better experience.
- c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investorgrievances@sroshni.com atleast 48 hours before the start of the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS OF SHAREHOLDERS AND GETTING COPY OF NOTICE OF ANNUAL GENERAL MEETING AND ANNUAL REPORT 2020-21

- i) Members, who are holding shares in physical/ electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report 2020-21 along with AGM Notice by email to info@masserv.com. Members holding shares in demat form can update their email address with their Depository Participants and send scan copy of client master to info@masserv.com.
- ii) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- iii) Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- iv) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their

demat account in order to access e-Voting facility.

- v) A member can also register his email address and contact details with us, by writing to us addressed to the Secretarial Department at our Corporate Office, or at our E-mail ID: investorgeivances@sroshni.com. This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.
7. A statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of item no. 4 to 5 are annexed hereto.
8. The recorded transcript of the forthcoming AGM on 16th September, 2021, shall also be made available on the website of the Company www.surya.co.in.
9. The dividend on Equity Shares, if declared at the Annual General Meeting, will be payable to those shareholders whose names appear on the Company's register of members on 3rd September, 2021 (record date). In respect of shares held in dematerialised form, the dividend shall be payable on the basis of beneficial ownership as on 3rd September, 2021, as per the details furnished by National Securities Depository Ltd./ Central Depository Services (India) Ltd. for the purpose, as on that date.
10. Pursuant to the provisions of Section 124(5) and (6) of the Companies Act, 2013, Ministry of Corporate Affairs (MCA) vide notification dated February 28, 2017 and 16th October, 2017 has notified Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2017 ('IEPF Rules') and inter-alia specified the manner for transfer of Unclaimed Dividend along with the shares, in respect of which dividend is unpaid or unclaimed for a period of seven years, to Investor Education and Protection Fund (IEPF) established by the Central Government. During the year, the Company has transferred 15,469 equity shares to IEPF Account as tabulated below in respect of which dividend stands unclaimed for a continuous period of seven years starting from 2013-14 onwards.

Disclosure with respect to transfer of shares to IEPF account as per the provisions of section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Year	Total No. of Shareholders at the beginning of the year	Outstanding Shares in IEPF demat suspense account at the beginning of the year	Total No. of Shareholders whose shares are transferred to IEPF demat suspense account during the year	Total No. of Shares transferred to IEPF suspense account during the year	Total No. of Shareholders who approached the company for transfer of shares from IEPF suspense account during the year	No. of Shares Transferred from IEPF Suspense Account during the year	Outstanding Shares in demat suspense account lying at the end of the year.	Voting Rights Frozen
2013-14	1747	1,98,192	108	15,469	1	262	2,13,399	Yes

The Company has uploaded full details of such shareholders and shares transferred to IEPF Account on its website www.surya.co.in. Any future dividend / benefits, if any, in respect of shares so transferred shall also be credited to the IEPF Fund. After the shares are transferred to the IEPF Account, the claimant can claim those shares in accordance with the procedure and on submission of necessary forms and documents to the IEPF Authority.

11. Pursuant to the provisions of Section 125 of the Companies Act, 2013, dividend, which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education & Protection Fund of the Central Govt. Members who have not encashed their dividend warrant so far for the financial year ended 31st March, 2014, or any subsequent financial year(s), the details of which are available at the following link-Unclaimed Dividend are requested to address their claim with supporting documents to Registrar & Transfer Agent - MAS Services Limited (Unit Surya Roshni Limited) T- 34, 2nd floor, Okhla Industrial Area, Phase II, New Delhi – 110 020 or to the Company at 2nd floor, Padma Tower-I, 5 Rajendra Place, New Delhi - 110 008.
12. Pursuant to Regulation 39(4) read with Schedule VI of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, and in compliance with the provisions of Section 124(5) and (6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2017 ('IEPF Rules') the Company out of unclaimed equity shares of 2 shareholders comprising 175 equity shares lying in the escrow account titled "Surya Roshni Limited – Unclaimed Suspense Account" maintained with National Securities Depository Limited has transferred their 175 equity shares to IEPF Authority Account and no balance stands in the Unclaimed suspense account as on date of this Notice. No shareholders whose shares are lying in the above mentioned escrow unclaimed suspense account have claimed their shares during the Financial Year 2020-21 Members who have not claimed their shares lying in Unclaimed Suspense Account are requested to address their claim with supporting documents to Registrar & Transfer Agent - MAS Services Limited (Unit Surya Roshni Limited) T- 34, 2nd floor, Okhla

Industrial Area, Phase II, New Delhi – 110 020 or to the Company at 2nd floor, Padma Tower-I, 5 Rajendra Place, New Delhi - 110 008.

13. Pursuant to SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 in regard to Strengthening the guidelines and Raising Industry Standards for RTA, Issuer Companies and Bankers to an Issue, the provision has been made with regard to payment of Dividend through electronic channels. Members are requested to update their KYC details along with ECS Mandate holding shares in physical form in the form appended below with the Company Registrar (RTA) MAS Services Ltd, T-32, 2nd floor, Okhla Industrial Area, Phase-II, New Delhi – 110020 India or with their concerned depository (if shares are held in demat form).
14. The SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent MAS Services Limited, T-34, 2nd floor, Okhla Industrial Area, Phase – II, New Delhi -110020.
15. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the certificates from the Statutory Auditors in respect of the Company's Employees Stock Option Scheme(s) will remain available for inspection through electronic mode during the AGM and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All relevant documents referred to in the Notice or in the accompanying Statement can be obtained for inspection by writing to the Company at its email ID investorgrievances@sroshni.com on all working days till the date of AGM.

17. Information provided as per Secretarial Standards on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as the "Listing Regulations".

Shri Vinay Kumar Surya (DIN - 00515803)

Age	48 Years
Qualification	MBA from Swinburn University, Australia
Experience	Possess Experience of 22 years in the field of exports, domestic marketing, commercial and Operations. His effective leadership creates mass-improvement in operational efficiencies & marketing and brings synergy in Steel Operations of the Company.
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Shri Vinay Surya who was appointed as a Whole-time Director by passing an Ordinary resolution at the 45th Annual General Meeting held on 28th September, 2018, is liable to retire by rotation.
Remuneration last drawn (FY- 2020-21)	₹ 1.80 crore
Remuneration proposed to be paid	As per existing approved terms of appointment.
Date of first Appointment on the Board	18th May, 2018
Shareholding in the Company as on March 31, 2021	2,60,786
Relationship with Other Directors / Key Managerial personnel	Not related to any Director except Shri Jai Prakash Agarwal and Smt. Urmil Agarwal and has no inter-relationship with any Key Managerial Personnels.
Number of Meetings of the Board attended during the Financial Year (2020-21)	4
Directorships of other Boards as on March 31, 2021	1. Apple Agro Products Private Limited 2. J.J. Buildcon Private Limited 3. Galaxy Pipes Limited and 4. Pankaj Investments Limited
Membership / Chairmanship of Committees of other Boards as on March 31, 2021	Nil

18. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

ITEM NO. 4

The Company has availed / been sanctioned the Term Loans from Export – Import Bank of India and the revised working capital limits from consortium Banks i.e. State Bank of India, Punjab National Bank, IDBI Bank Ltd., Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited and Union Bank of India for its Steel Pipes & Strips and Lighting Segments. The details are as under:

- a) Term Loan of ₹ 5,000 lakhs (Rupees Five thousand lakhs only) lent and advanced by Export – Import Bank of India (EXIM) to the Company.
- b) The Working Capital Limits including CEL Limits for forward cover of ₹ 2,01,432 lakh, secured on Second Charge basis, lent and advanced/agreed to be lent and advanced by State Bank of India, Punjab National Bank, IDBI Bank Ltd., Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited and Union Bank of India to the Company.

The financial assistance together with interest thereon at the respective agreed rates, interest tax, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, costs, charges, expenses and other monies payable by the Company to State Bank of India, Punjab National Bank, IDBI Bank Ltd, Canara Bank, HDFC Bank Limited, Bank of Baroda, DCB Bank Limited, Union Bank of India and Export Import Bank of India under Loan Agreements entered into/to be entered into by the Company in respect of the aforesaid loans have to be secured by a joint mortgage of all the immovable and movable properties of the Company, present and future.

Section 180(1)(a) of the Companies Act, 2013 provides inter alia that the Board of Directors of a Public Company shall not, without the consent of shareholders of such Public Company in General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the

undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking. Since the mortgage by the Company of its immovable and movable properties as aforesaid in favour of the Lenders may be regarded as disposal of the Company's properties/undertakings, it is necessary for the members to pass a **Special Resolution** under Section 180(1)(a) of the Companies Act, 2013, before creation of the said mortgage/charge.

The Board of Directors recommends the resolution(s) as set out in item No.4 for the approval of the shareholders as a **Special Resolution**.

None of the Directors, Key Managerial Personnel or relatives of Directors or Key Managerial personnel (to the extent of their shareholding in the Company, if any) have any interest financial or otherwise in the said resolution.

ITEM NO. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee in their meeting held on 25th May, 2021 approved the appointment of M/s R J Goel & Company (a Cost auditor firm having

registration No.000026) as Cost Auditors to conduct the Audit of the cost records of the Company for the financial year ending 31st March, 2022 at a remuneration of ₹ 5,25,000/-

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought via Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to M/s R J Goel & Company (a Cost auditor firm) for the financial year ending 31st March, 2022.

The Board of Directors recommends the resolution set out in item No.5 for the approval of the shareholders as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or relatives of Directors or Key Managerial personnel (to the extent of their shareholding in the Company, if any) have any interest financial or otherwise in the said resolution.

By order of the Board

Registered Office:

Prakash Nagar, Sankhol,
Bahadurgarh – 124 507 (Haryana)

Dated: 25th May, 2021

B. B. SINGAL
SR. V.P & COMPANY SECRETARY
Membership No. A-10781

**SURYA
SURYA ROSHNI LIMITED****CIN -L31501HR1973PLC007543**

2nd Floor, Padma Tower-1, Rajendra Place, New Delhi-110 008

Ph.: +91-11-25810093-96, 47108000 Fax: +91-11-25789560

E-mail : cs@surya.in Website : www.surya.co.in

Dear Member,

Sub: Updating KYC Details in the Master Data

In order to ensure that all communications and monetary benefits are received promptly by all Shareholders holding shares in physical form, the Company, through periodic communiques, advises such shareholders to notify to the Company, any change in their address/ bank details /email Id etc. under the signatures of sole / first named joint holder along with relevant supporting documents.

SEBI vide its Circular dated 20th April, 2018 had also greatly emphasised on collection of the Bank Account details and the PAN details of the shareholders in order to enable Companies/ RTA to raise standards and provide improved services to the Shareholders.

In this background, we are attaching herewith a KYC Form for all the shareholders holding shares in physical form to get all their details updated in the Master Data.

Kindly note that this Form is only for the purpose of master data Updation of Shareholders holding Shares in Physical form.

In case of Dematerialised Shareholding, the Company takes note of the details furnished only by the Depositories, whenever such information is available. You are therefore requested to provide such information only to your Depository Participant (DP), in case the shares are held in demat form.

We recommend and request you to your details updated in the master data and submit the attached KYC Form to the Company Registrar & Transfer Agent - MAS Services Limited (Unit Surya Roshni Limited) T- 34, 2nd floor, Okhla Industrial Area, Phase II, New Delhi – 110 020

Assuring you of our best services.

Thanking you.

Yours faithfully,

For **Surya Roshni Limited**

B. B. SINGAL

SR. V.P & COMPANY SECRETARY

ENCL.: KYC FORM

KYC FORM
(Only for physical shareholding)

To, Date: ____//____//____

MAS Services Limited
Registrar & Transfer Agent (RTA)
(Unit: Surya Roshni Limited)
T-34, 2nd floor
Okhla Industrial Area,
Phase-II
New Delhi – 110020

Folio No: _____

No of Shares: _____

Dear Sir/ Madam,

We wish to update the KYC and in this matter are forwarding herewith the required supporting documents by ticking in the appropriate checkbox below

A For registering PAN of the registered and/ or joint shareholders (as applicable)

Registered shareholder Joint holder 1 Joint holder 2 Joint holder 3

Please attach self- attested legible copy of PAN card (exempted for Sikkim Shareholders).

B For registering Bank details of the registered shareholder

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

Aadhaar card Passport Latest Utility bill Original cancelled cheque leaf

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

Aadhaar card Passport Utility bill Bank Pass Book / Statement with original cancelled cheque leaf

Please note that bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

C For updating the Specimen Signature of the registered and/ or joint shareholders

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

Affidavit Bankers Verification Original cancelled cheque leaf

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

Affidavit Bankers verification Original cancelled cheque leaf Bank Pass Book / Statement

• Please note that Bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his/ her signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

D For Updating the email id for the purpose of receiving all communications in electronic mode

E For updating the Mobile No

--	--	--	--	--	--	--	--	--	--	--

I /We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed with this letter by affixing my/our signature(s) to it

Sign: _____
Registered holder

Sign: _____
Joint holder 1

Sign: _____
Joint holder 2

Sign: _____
Joint holder 3

ECS (ELECTRONIC CLEARING SERVICE) MANDATE FORM FOR PAYMENT OF DIVIDEND

Date:

MAS Services Limited

Registrar & Transfer Agent (RTA)

(Unit: Surya Roshni Limited)

T-34, 2nd floor

Okhla Industrial Area, Phase-II

New Delhi – 110020

Dear Sir,

I wish to participate in the Electronic Clearing Services and given below the details of my bank account, to which you may electronically credit the payment due to me against the reference folio number mentioned below:

1	Name of the First holder (IN BLOCK LETTERS)	
2	Registered FOLIO NO.	
3	PAN (Please attach Self-attested photocopy of PAN card)	
4	E-mail Id	
5	Telephone/ Mobile No.	
6	Name of the Bank	
7	Branch Name & Address	
8	Account Number (as appearing on your Cheque Book)	
9	Account Type (Saving Bank A/c, Current A/c or Cash Credit A/c)	
10	9 digit code number of the Bank & Branch appearing on the MICR Cheque issued by the Bank. (Please attach a cancelled Cheque leaf for verifying accuracy of IFSC and MICR Code Number)	

I hereby declare that the particulars given above are correct and complete. I undertake to inform of any subsequent changes in the above particulars. If the ECS payment transaction is delayed or not effected for any reasons I would not hold the Company responsible.

Signature of the first named shareholder

Name

Address

Tel No.

NOTE: Shareholders are requested to enclose the following without fail.

MANDATORY ENCLOSURES: -

1. Self-attested copy of PAN Card of the Sole/ First Shareholder.
2. Copy of / Cancelled Cheque Leaf of the Bank Account bearing shareholder's Name. In case the cheque does not bear the name, please submit copy of bank passbook /statement attested by your Bank.

NOTE: In case of shares held in demat form, the above particulars for ECS Facility have to be provided to your depository Participant (DP), quoting your Client ID No. to them.

TOWARDS
A SELF-RELIANT
FUTURE

SURYA



ANNUAL
REPORT 2020-21

SURYA ROSHNI LIMITED

Table of Contents

Corporate Overview

Corporate Snapshot	02
Business Model	06
Our Product Offerings	08
Making in India, Delivering Across the World	15
Journey of Self-Reliance	16
Financial Performance	20
Chairman's Message	22
MD's Perspective	24
Board of Directors	26
Key Managerial Personnel	28
Enabling People, Businesses and Society to Innovate and Drive Positive Change	29
Corporate Information	31

Statutory Reports

Management Discussion and Analysis	32
Board's Report	58
Corporate Governance Report	86

Financial Section

Standalone	118
Consolidated	168

Scan to view the annual report



Investor Information

Market capitalisation as on 31 st March, 2021	: ₹ 1,877 crore
BSE Code	: 500336
NSE Symbol	: SURYAROSNI
Bloomberg Code	: SYR:IN
Dividend for 2020-21	: ₹ 3.00 per share (including interim dividend of ₹ 1.50 per share)
AGM Date	: 16 th September, 2021
AGM Mode	: Video Conferencing (VC) and Other Audio Visual Means (OAVM)

For online version of this annual report, visit:
www.surya.co.in/annual-report/

Forward looking statement: This report contains forward-looking statements about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expressions for future are forward-looking statements. Forward-looking statements should be viewed in the context of many risk issues and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussions and Analysis Report, including but not limited to, the impact of changes in oil, steel prices worldwide, technological obsolescence and domestic, economic and political conditions. We cannot assure that outcome of this forward-looking statements will be realised. The Company disclaims any duty to update the information given in the aforesaid reports.

Over the past few years, Surya Roshni has consistently focused on building a robust organisation.

The Company has strengthened both its businesses, and has been delivering valuable outcome over the years. Even during the challenging FY21, the Company reported a strong operational performance, owing to conscious efforts towards building cost efficiencies, strengthening the balance sheet through debt reduction, optimising working capital management and building a resilient and professional team. Besides, the Company has consistently expanded its capacities and made itself self-reliant, to leverage the growing industrial opportunities across India and the globe.

The Company's efforts remain focused on growing its business and market position, while setting a clear path for long-term sustainability and maximising stakeholders' value.



Corporate Snapshot

Surya Roshni Limited is one of the most exciting players in the Steel Pipes & Strips and Lighting & Consumer Durables space.



Experience, Diversity and Leadership

Established in the year 1973 as a Steel Pipe manufacturer and gradually diversified into Lighting in 1984, PVC pipes in 2010 and Consumer Durables in 2014-15.

The Steel Pipes and Strips business, under the brand 'Prakash Surya', manufactures a wide range of products, and is India's largest manufacturer of GI pipes and the largest Exporter of ERW Pipes. The business has further strengthened with the setting up of 3LPE coating facility unit in 2018 (for the Oil & Gas and CGD sector).

The Lighting business, under the brand 'Surya' manufactures an array of conventional to modern LED lighting, and is one of the leaders of the lighting industry. The Consumer Durable business offers a variety of Fans and Home Appliances, and is continuously growing the portfolio.



Presence

PAN India player with presence in rural and semi-urban areas through its extensive dealer network across both its businesses. Besides, the Company also has a global outreach with export presence in over 50 countries.



Reputation

One of the renowned names in Steel Tubes & Pipes, LED and Conventional lighting with strong market reputation and best-in-class quality offerings. The products and facilities have accreditation from Government organisations, institutions, PSUs, international buyers and reputed projects.



State-of-the-art Manufacturing Facilities

Six manufacturing facilities across India in the states of Haryana, Madhya Pradesh, Andhra Pradesh, Gujarat and Uttarakhand with an advanced lighting research & development centre (STIC) at Noida (NCR).



Financial Prudence

Continuous debt reduction resulting in lower leveraging, strengthening of financial ratios and consistent improvement in credit ratings. Efficient working capital management and reduction in finance cost has further improved the ROCEs.

PRAKASH
SURYA
STEEL TUBES & PIPES

Steel Pipes & Strips Segment



Anjar, Gujarat



Bahadurgarh, NCR-Delhi



Hindupur, Andhra Pradesh



Gwalior, Madhya Pradesh

SURYA
Energising Lifestyles

Lighting Segment



Kashipur, Uttarakhand



Gwalior, Madhya Pradesh

Proud Moments!



Company's Promoter & Executive Chairman Shri Jai Prakash Agarwal was conferred with **Padma Shree Award** by the Government of India for his distinguished services in the field of Trade and Industry

Awarded **Silver Certification** on the basis of Order Value under the non-MSME seller category for the participation in the Government e-marketplace (GeM) Incentivisation Scheme



Awarded with the **Economic Times Champions of Rural Markets-2018 Award** for the Brand presence and successful work done in the rural markets of India



THE ECONOMIC TIMES
CHAMPIONS
OF
RURAL MARKETS



Mr. Raju Bista, the Managing Director of Surya Roshni, receiving the 'Champions of Rural Market' award by the prestigious newspaper *The Economic Times*

Operational KPIs

45 years+
Brand Equity

#1
GI Pipes Manufacturer

#2
Lighting
Company in India

**21,000+/
250+**

Countrywide dealers and distributors for steel tubes and strips

**2,50,000+/
2,500**

Countrywide retailers and dealers for Lighting

50+
Exports presence across countries globally

Financial KPIs

₹ **5,561** crores
Sales

₹ **158** crores
PAT

0.52
Debt Equity

12.7%
ROCE

12.1%
ROE

37%
Reduction in Finance Cost

Long Term **'A+'**
Short Term **'A1+'** (top notch)
CP **'A1+'** (top notch)
Credit Ratings



Business Model

Inputs

Financial Capital

Strong capex, working capital management and cost discipline results in sustainable positive cash flows. The capital allocation is based on optimal financial returns for the shareholders.

Net Worth: ₹ **1,367** crores

Debt: ₹ **717** crores

Manufacturing Capital

Adequate existing capacities allow the Company to respond to the emerging opportunities.

Intellectual Capital

Dedicated R&D centre - STIC - drives continuous innovation. Besides, the Company is equipped with modern machineries that undergo regular technological upgrades to maintain strong efficiencies.

Distribution Capital

Widespread distribution through dealers, distributors and retailers, supported by decentralised depot networks help in quick logistics movement, prompt delivery and customer servicing, aptly complimented by strong marketing and publicity initiatives.

Human Capital

Talented, motivated and skilled employees drive the organisation's progress. Continuous training and development further strengthens the Company's endeavour, supported by ESOPs.

Relationship Capital

Open and honest engagement with the stakeholders is critical in gaining and maintaining the social and regulatory licences to operate. Working within the social performance framework, it is the organisation's goal to build and sustain constructive relationships with the host communities and countries that are based on mutual respect, transparency and trust.

Natural Capital

Investments on usage of renewables reflect the Company's commitment towards conservation of the environment.

Value-Enablers

Strong Foundation



Vision

Committed towards a better tomorrow

To become a global enterprise which delivers optimised solutions to its consumers and value to its stakeholders. To provide the best steel pipe, lighting & electrical products and technology for markets across the world.



Mission

Energising lives and beyond

To be a global leader by consistently exceeding the consumer demands, upgrading technology, making quality products, building long-term relationships with all the customers, partners, associates and employees.



Core Values

Surya Parivar

Principle-centric, close-knit family, trust, mutual respect and team spirit

Integrity

Moral principles, undivided spirit reflects in personal lives, financial transactions and business deals

Social Responsibility

Eco-friendly products, optimised resources to conserve the environment

Customer Satisfaction

Customers - Guiding stars for future endeavours and improvements

7Ps of Success



Professionalism



Product Development

Outcomes

Steel Tubes and Pipes

Operational

- **Commenced operations** of the third galvanized plant at Hindupur from March 2021
- **Completed expansion** of the 3LPE coating plant at Anjar and commenced commercial production from 31st March, 2021
- **Healthy order book** of 3LPE API coated pipes, making our capacities fully booked
- Expansion of the **72,000 MTPA of Section Pipes** (upto 300 X 300 mm) with Direct Forming Technology (DFT) at Gwalior unit is ongoing
- Explored **new global markets**
- Awarded orders under the **Jal Jeevan Mission**
- Continuous increase in share of high margin products resulting in **higher EBITDA per ton**

Financial

- Cash profit increased by **16%**
- EBITDA/tonne increased to ₹ **4,251**
- Net working capital improved – from 76 days to **56 days** in Q4 FY21

Lighting and Consumer Durables

Lighting

- Reduced warranty cost of LED Lighting to **single digit percentage**
- Reduced EESL sales and compensated by higher **direct consumer sales**
- Sustained profitability by **product mix, value engineering, R&D and cost optimisation**
- Launched **several new products** across both consumer and professional range of lighting
- Focused on EPC bidding for SITC and supply of luminaires and services to enable **strong visibility in executing projects** with EPCs such as L&T, NCC and IOCL, among others
- Secured orders for architectural façade lighting of the **biggest plastic waste-made Charka** at Noida, HIDCO Park and Bharat Darshan Park, New Delhi
- Secured **design-based projects for NHAI** (Aurangabad-Kharod Road Project, L&T), NH8E (Bhavnagar-Talaja section) and Kareem Nagar Smart City, Telangana
- Executed **facade lighting** of Bhuteshwar Temple, BKC Connector Bridge & Ahmedabad Railway Station
- Strengthened semi-urban-based distribution network and **increased reach** to over 250,000 retail outlets

Consumer Durables

Fans

- Achieved milestone sales volume of **2 million units**
- **Launched new products** in the economy range, and expanded the range of premium fans
- Expanded into the CPC/CSD segments, and also **utilised the e-commerce channel**
- **Strengthened customer service** by expanding authorised service centres to 392

Home Appliances

- Witnessed **strong growth** in the water heaters and room heaters product category
- **Launched new products** in the kitchen appliances category including new range of mixer grinders, glass kettles, sandwich toasters and induction cooktops

Financials

- Cash profit increased by **60%**
- EBITDA improved by **26%**
- Net working capital improved – from 138 days to **67 days**



Productivity
and Perfection



Promotions



Performance
Evaluation



Payback



Profitable
Growth

Our Product Offerings

Lighting and Consumer Durables

Consumers Lighting

- LED lamps
- LED downlighters
- LED streetlights
- LED battens and luminaires
- Smart LED lighting
- Conventional lamps - GLS, FTL and HID
- Value-added offerings like colour-changers, smart lighting, auto-dimming, app-based lights, COB downlights, track spot lights, power track, LED strips lights, Radar LED lamp and wall washer LED



Professional Lighting

- Indoor commercial
- Industrial
- Roadway lighting
- Flood lighting
- Landscape lighting
- Solar lighting
- Accessories
- HID lamps
- Light sources



Fans

- Ceiling fans (includes products like anti-dust, anti-bacterial, energy efficient, high-air-delivery and BLDC fans)
- Table, pedestal, and wall fans (TPW)
- Domestic & Industrial exhaust fans



Home Appliances

Food Preparation & Cooking

- Juicer, mixer & grinder
- Max chop chopper
- Cooktop
- Induction cooktop
- Sandwich maker

Garment Care

- Dry iron
- Steam iron

Heating Appliances

- Storage water heater
- Instant water heater
- Immersion water heater

Climate Control

- Air cooler
- Oil filled radiator
- Halogen heater
- Quartz heater



PVC Pipes & Fittings

Applications

- Water pipeline
- Housing sector
- Agriculture & irrigation system
- Domestic and industrial drainage system - cold / hot water plumbing
- Industrial process lines
- Swimming pool
- Salt-water lines

Strategic Roadmap

Goals and Aspirations

- Strengthen #2 position in Lighting
- Further, drive high growth in Consumer Durables and launch new businesses to grow 3X
- Leadership in LED across Consumer and Professional segments with backward integration
- Be the last man standing in Conventional Lighting and gain market share
- Focus on Infrastructure and Industry segments & Facade and Solar products
- Leverage sizeable business opportunities in PVC Pipes



Market Growth Strategy



Solutions and Offerings

- Drive energy efficient LED solutions
- Consolidate leadership in Conventional
- Establish and grow Smart Lighting
- Grow Fans, Kitchen Appliances and Domestic Appliances



Channels, Segments and Geographies

- Maintain strong position in the retail sale (B2C)
- Maintain strong position in semi urban and rural India
- Strengthen Metros (Consumer Lighting & Durables) and South Zone (Consumer Durables)
- Strengthen Infrastructure & Industry segments, grow Facade and Solar products in Professional lighting
- Aggressive approach in OEM businesses

Product Growth Strategy



Drive LED Leadership

- Leadership across Consumer and Professional segments
- Grow Smart Lighting



Win in Conventional

- Consolidate leadership in GLS, FTL and Components
- Remain the last man standing



Grow Consumer Durables

- Grow Fans and Appliances multifold



Product Growth

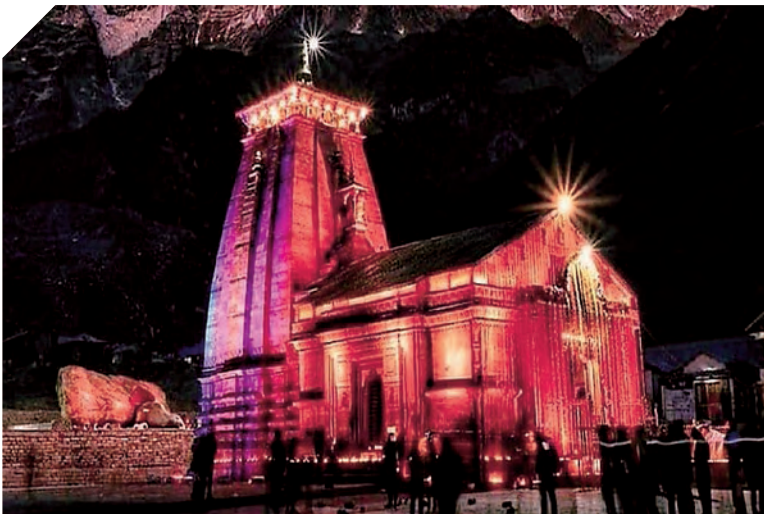
- Focus on brand building, marketing, advertising and promotion to drive preference and conversion
- Drive customer satisfaction through quality products
- Continue to leverage innovation and development capabilities at STIC
- Continue to leverage own Plants
- Deploy workforce appropriate to business opportunity
- Further strengthen systems and processes to improve efficiency and productivity
- Drive PVC growth through strong Government initiatives like 'Housing for All' by 2022, 'Nal se Jal' by 2024, Project AMRUT and Swachh Bharat Mission as well as improving sentiments in the major urban real estate markets

Glimpse of Recently Completed Projects

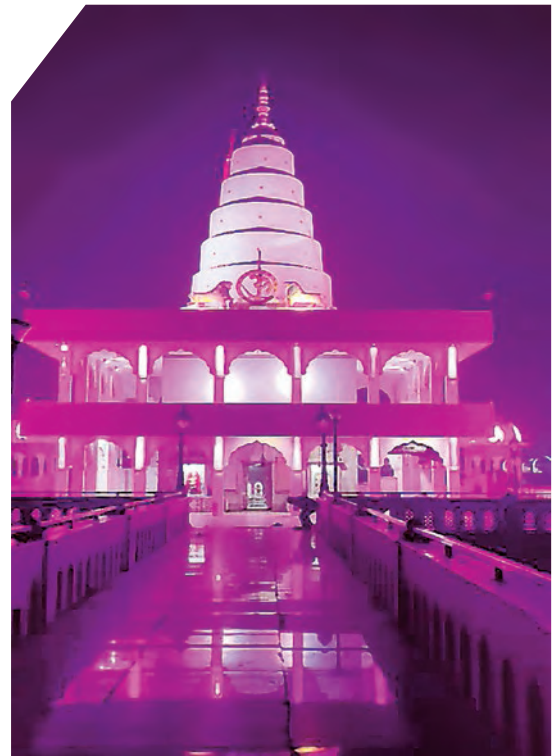
CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS



Kedarnath Temple



Façade lighting of Bhuteshwar Temple

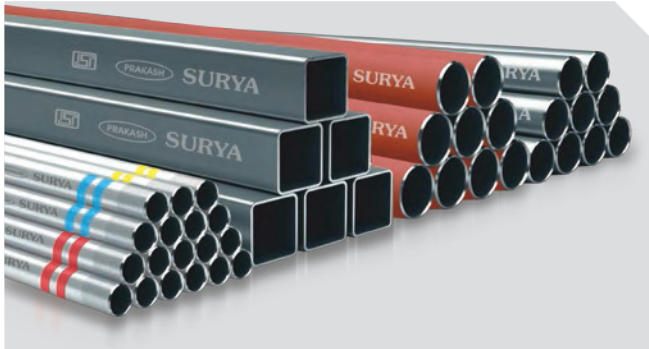


Ahmedabad Railway Station



BKC Connector Bridge, Mumbai

Steel Pipes and Strips



GI Pipes

Application areas:

- Agriculture and irrigation
- Casing and tubing
- Water transportation/plumbing
- Green houses
- Fire fighting
- Street light poles
- Solar panels
- Spur pipelines



Black

Application areas:

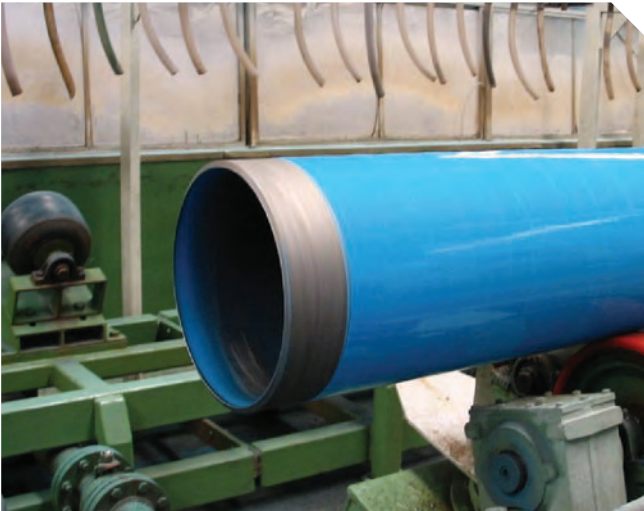
- Industrial infrastructure/construction works/fabrication
- Road transportation - side structures/fencing (section pipe, sign boards)
- Railways - platforms and metros
- Airports structures
- Smart Cities infrastructure
- River connectivity and interlinking
- Door frames, window frames and furniture (section pipes)
- Scaffoldings



Hollow Section

Application areas:

- Engineering and architectural structures
- Airport, metros, railways
- Urban development
- Electrical poles/telecom towers
- Solar structure
- Sign boards



API & 3LPE Coated

Application areas:

- Oil & gas pipelines
- Oil well casing
- City gas distribution
- Plant piping
- Water pipelines
- Mains lines
- Industrial water
- Chilled water



Spiral Pipes

Application areas:

- Water pipelines - mains
- Industrial water lines
- Chilled water pipelines
- Infrastructure
- 3LPE coated pipes



CR Strips Sheets

Application areas:

- Electrical stamping for motors
- Cycle and two wheeler rims
- Automobile components
- Furniture and fitting
- Drums and barrels
- Umbrella ribs and tubes
- Engineering applications



State-of-the-art 3LPE Coating Manufacturing Unit at Anjar

Accreditations

- Accreditations from all major PMC like EIL, Mecon, Tractebel, Worly Pearson etc
- Certifications of ISO 9001, 14001 & 18001

Applications

Transportation of Petroleum & Natural Gas, City Gas and Bulk Water Transportation mainly in River connectivity

Order Book

API coated pipes order of above ₹ 416 crores in hand as on 31st March, 2021

Expansions

Commercial production of second line 3LPE coating manufacturing facility commenced from 31st March, 2021 (9,00,000 Sq Mtr)



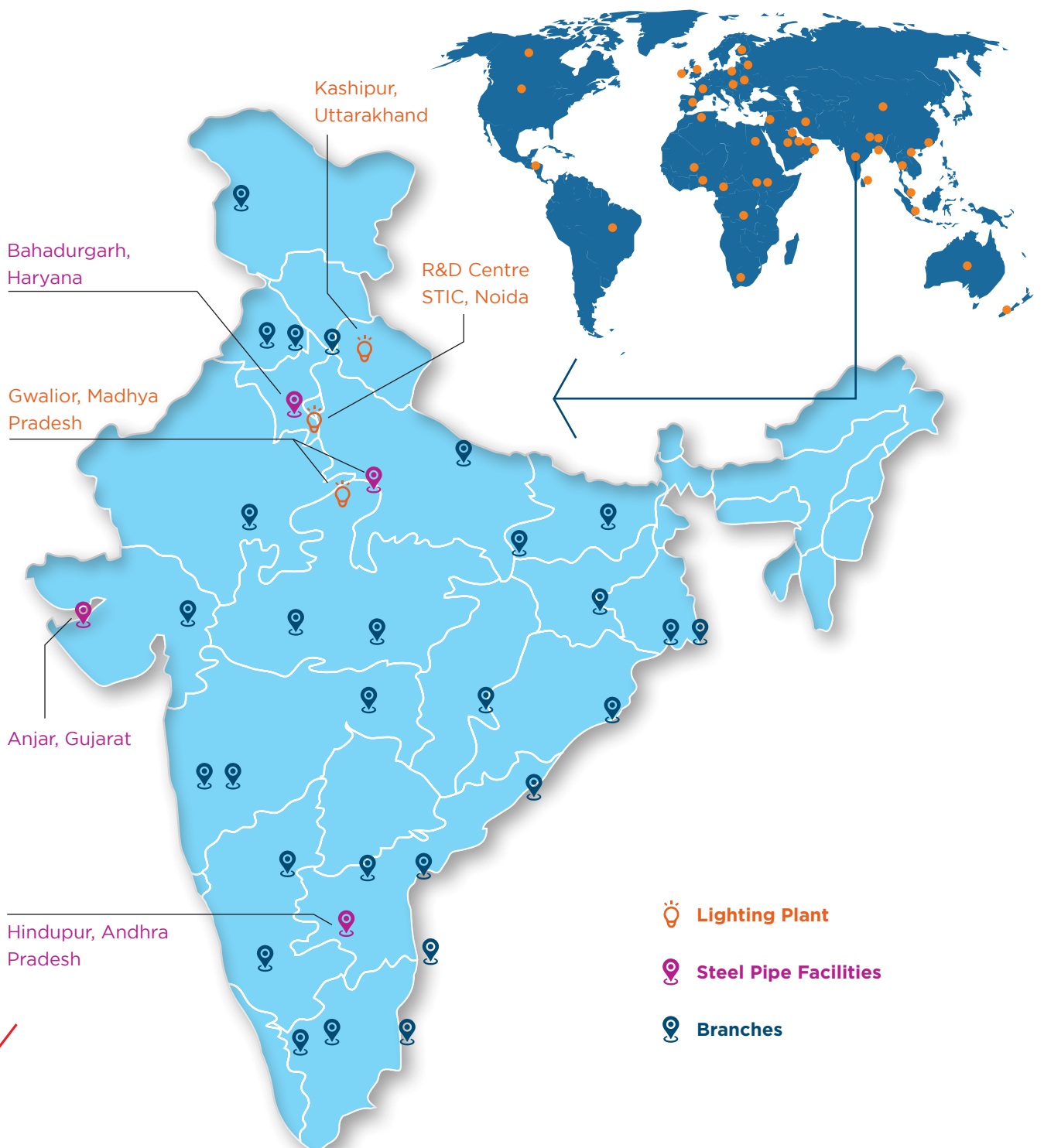
Strategic Roadmap for Growth

- Cater to the strong demand from the Water, Oil & Gas and CGD segments
- Strengthen export potential to newer geographies
- Higher capacity utilisation of spiral & API pipes, savings in logistics & coating charges, increase in exports of GI & value added pipes generating higher margins
- Reducing overheads, improving efficiencies and asset utilisation
- Improving visibility through advertisements spent and dealer engagement



Making in India, Delivering Across the World

Global Footprints



CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, Officers or Employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

Journey of Self-Reliance

Lighting and Consumer Durables



Shift from Conventional to Modern Lighting

- Established R&D center (SITC) for LED & Smart lightings
- Successfully Replaced CFL with LED
- Exponential all-around growth in LED lighting
- Monumental and smart lighting systems



Established Surya in Consumer Durables

- Leveraging Surya Brand to venture into FMEG
- High growth with geographical expansion and adding new products
- Transition to FMEG with higher RoCE

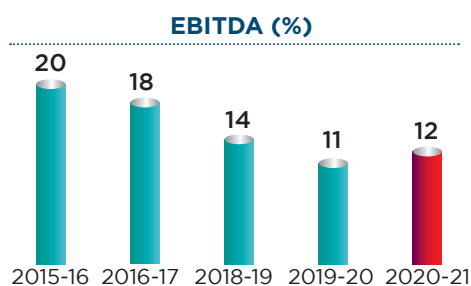
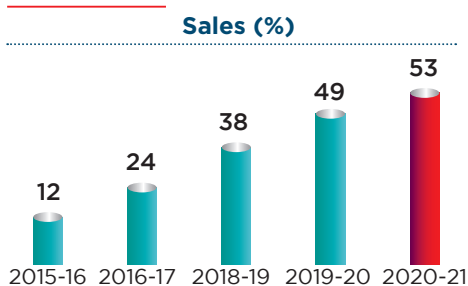


Strengthening of Brand, Distribution, Segments and Channels

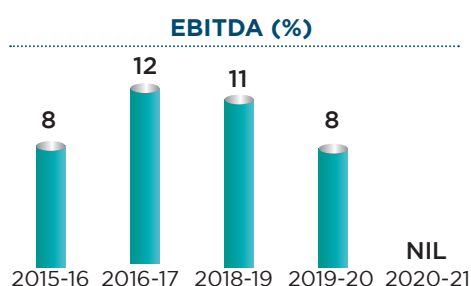
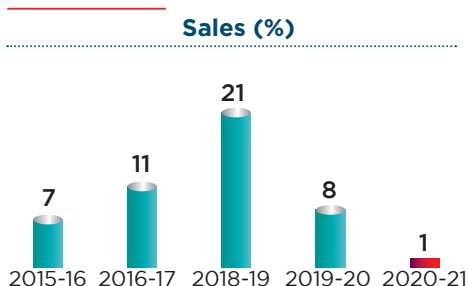
- Increased spend on advertisements
- Strengthening of distributors across rural, tier II and metro cities
- Converted EESL to trade sales and reduction in warranty cost

Transforming into an FMEG player

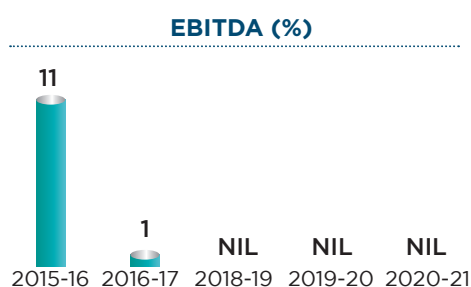
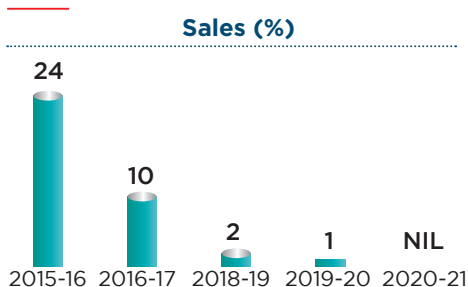
LED-Trade



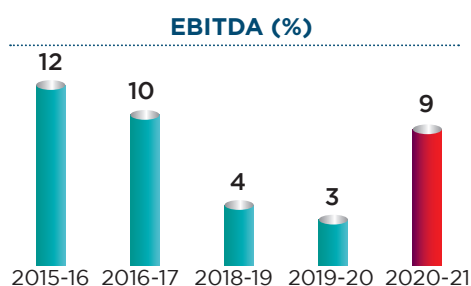
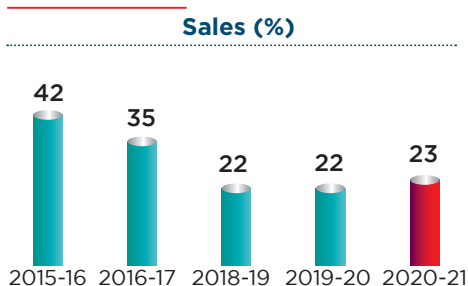
LED-EESL



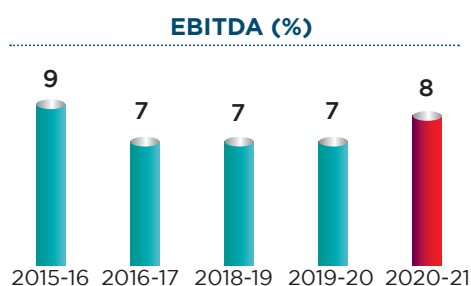
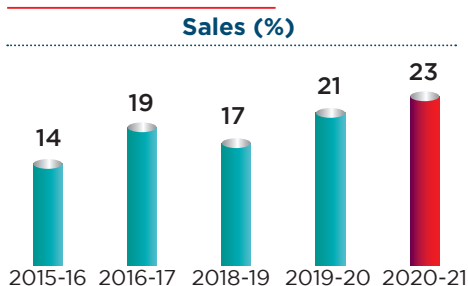
CFL



Conventional



Consumer Durables



Outcome –
strengthening
margins

Quarterly
EBITDA Margin

Q4 FY21:
11.4%

Q3 FY21
10.9%

Q2 FY21:
10.5%

Q1 FY21:
6.7%

Steel Pipes and Strips



Strategic CAPEX leading to higher RoCE

- Established Hindupur plant in South and expansions thereof
- Created own 3LPE coating facility in Anjar and further expansion
- Leveraging existing infrastructure by increased production
- Capacity enhancement at Gwalior and Anjar plant
- Going for large dia section pipes with DFT technology



Thrust

- Thrust on high value Galvinised Pipes, 3LPE coated API pipes and exports has resulted in continued increase in EBITDA/Tonne
- Decentralisation of production base from Bahadurgarh to other location resulting into savings in logistics costs

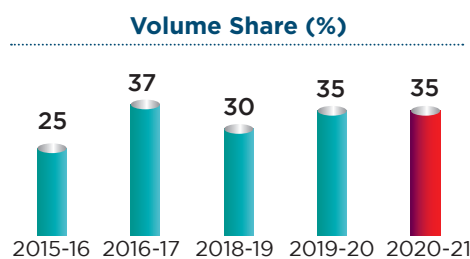
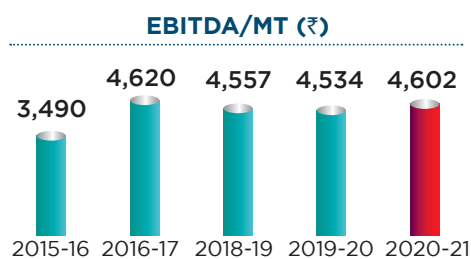


Rationalisation of Overheads

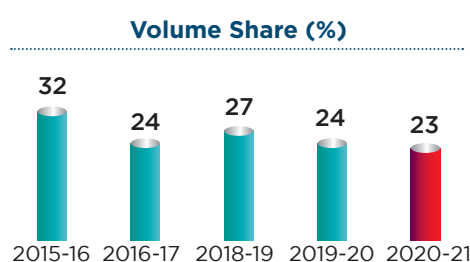
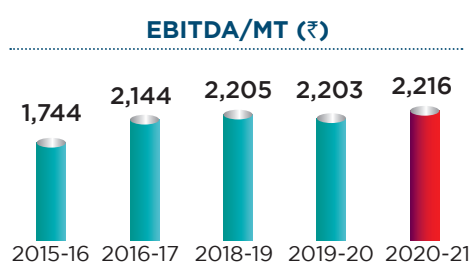
- Continuous thrust on improvement in efficiency
- Reduction in cost of manpower, power and other overheads

Transitioning towards higher margin products

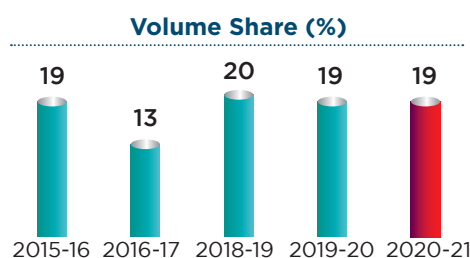
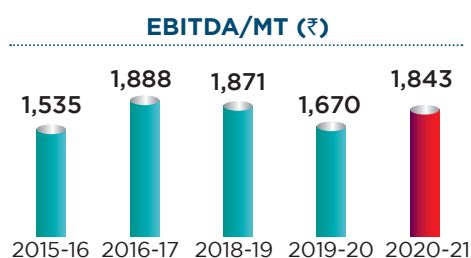
GI Pipe



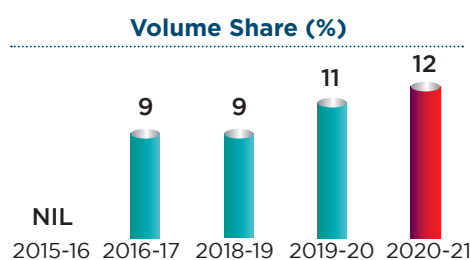
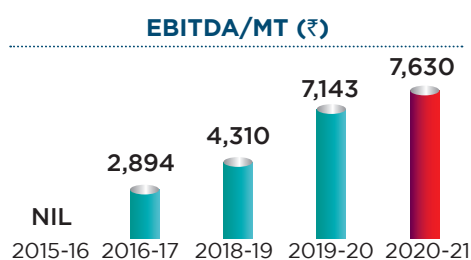
Round Pipe



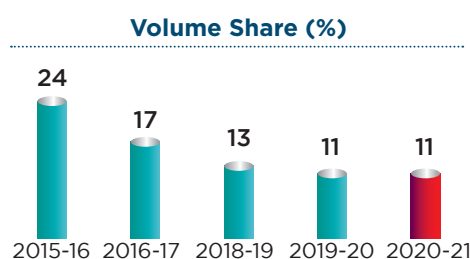
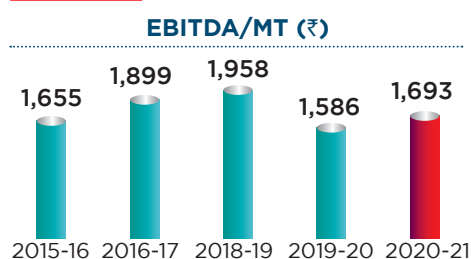
Section Pipe



API Coated Pipe



CR Strips



Outcome –
consistently
improving
quarterly
EBITDA / MT

Quarterly
EBITDA per MT

Q4 FY21:
₹ 4,251

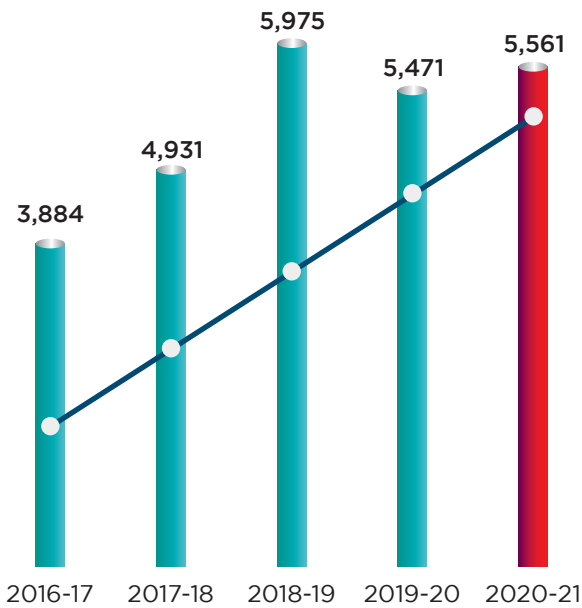
Q3 FY21:
₹ 3,726

Q2 FY21:
₹ 3,311

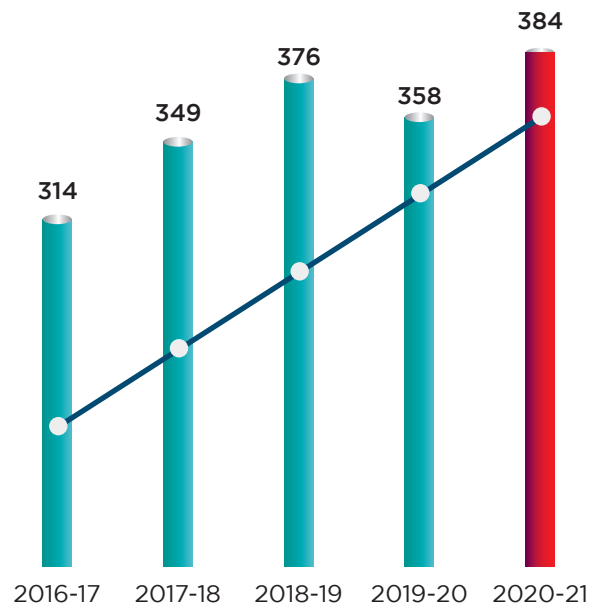
Q1 FY21:
₹ 2,463

Financial Performance

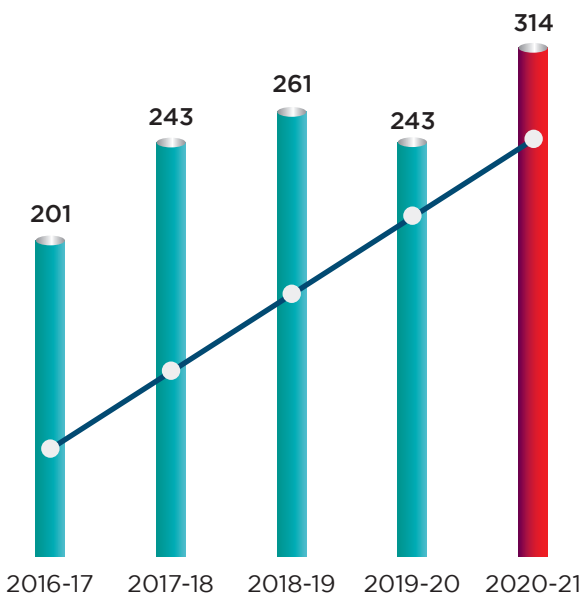
Revenue from operations (₹ Crore)



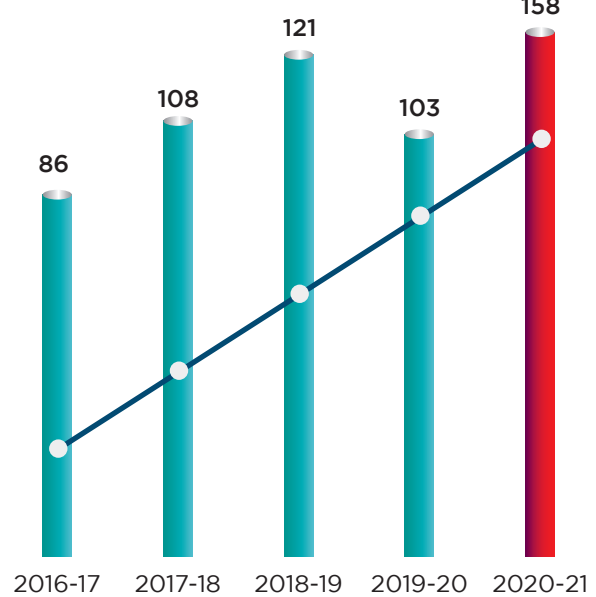
EBITDA (₹ Crore)



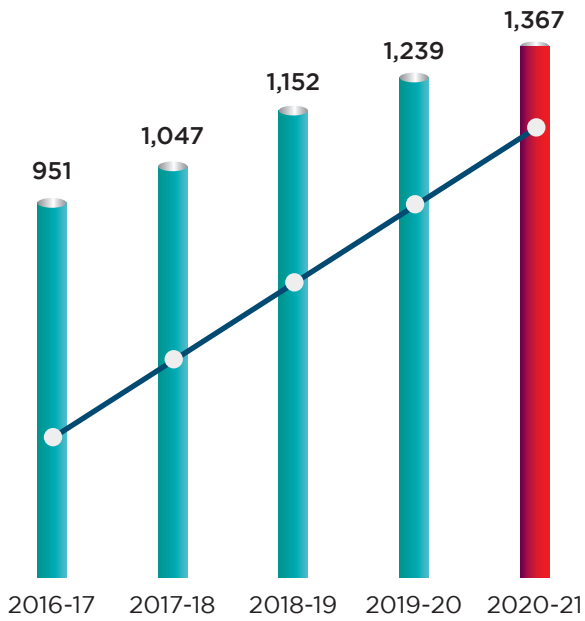
PBDT (Cash profit) (₹ Crore)



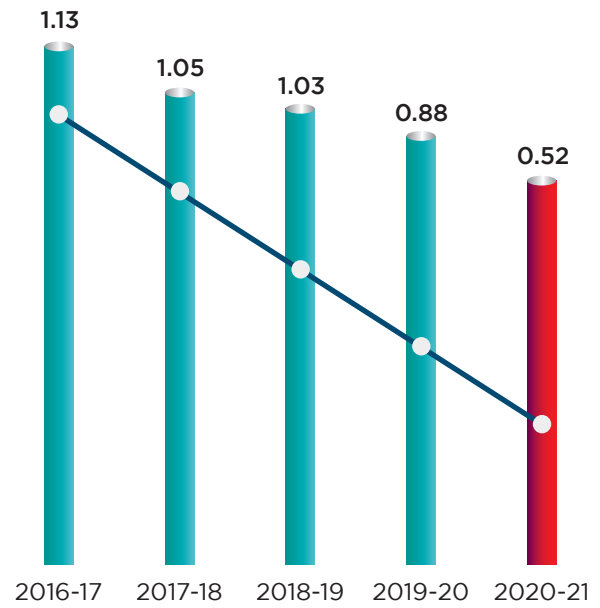
PAT (₹ Crore)



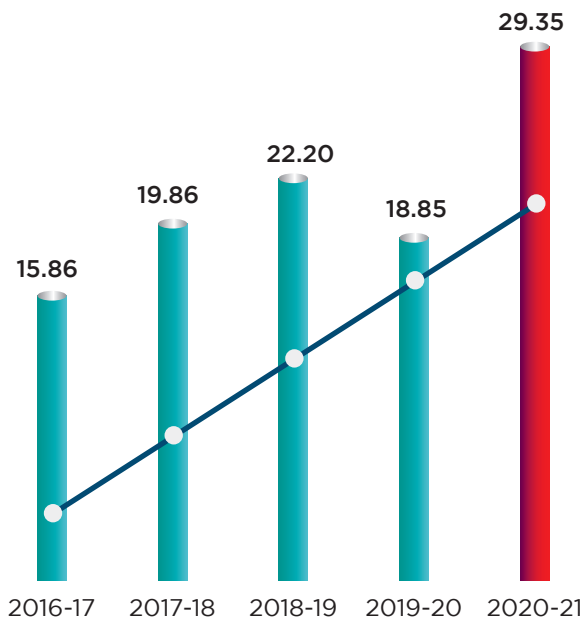
Networth (₹ Crore)



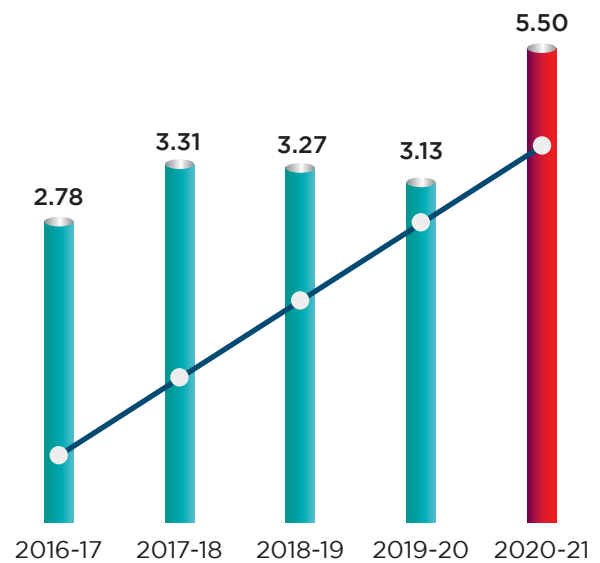
Debt Equity



Basic EPS (₹)



Interest Coverage Ratio (x)



Chairman's Message



“
We are consistent and firm on our basic business philosophies in driving the organisation forward through a professional business conduct, robust Governance practices, with sustainability and core values as our foundation.”

Dear Shareholders,

The year 2020 was a particular year which has left an indelible mark on the world. The pandemic is reshaping societal expectations and changing established paradigms. But it is still too early to understand the full extent of the transformation that it will bring. The aggressive vaccination plan gives a hope for a safe and healthy world.

Resilient Performance

As the economies recovers from the worst effects of the pandemic, Surya Roshni, with its solid financial position and an extensive growth agenda, is well positioned for evolving into the next paradigm. I am very proud of our employees and the progress we made in 2020-21 in improving our business and making it even more sustainable. While we enhanced our capacities on one hand, we continued to strengthen our business processes, geographical reach and build efficiencies, on the other. The slowdown in the first quarter of the year was made up by a sharp recovery in the rest of the year, enabling us to record a strong growth for the entire fiscal. We reported improvement in operational profitability, reduced working capital and debts and further improved our free cash

flows – which is a very good achievement amidst the challenging environment.

An Exciting Phase of Growth

We are optimistic that the current economic recovery will gradually improve and will continue to drive the demand. The ongoing reforms and encouraging programs like ‘Atmanirbhar Bharat’ have strong potential to boost the growth trajectory. The Government has further increased its investments in the development of Oil & Gas pipeline infrastructure, building City Gas Distribution across the nation, water transportation infrastructure, urbanisation and



acceleration of the rural economy. Here are some of the encouraging Government initiatives that will lead to a strong demand for the Company's API and ERW pipes in the medium to long-term:

- The budgetary allocation to the Ministry of Jal Shakti for building water infrastructure was increased by 64% which gives a strong boost to ambitious initiatives like 'Har Ghar Nal Se Jal' scheme
- Government's efforts towards increasing the share of natural gas in the country's energy basket from around the current levels of 6% to 15% by 2030 by aiming to create 'One Nation, One Gas grid', will necessitate building of gas pipelines
- The PNGRB is planning to cover over 300 districts in City Gas bidding and cover 100% population under CGD under the upcoming 11th round of bidding

The Indian lighting industry is transforming at a rapid pace largely owing to increasing demand for energy efficiency amid environmental concerns. The next phase of evolution will be driven by 'smart' technology being embedded in lighting for use in homes, offices and cities. Our R&D capabilities have allowed us to build capacities and develop the range of energy-efficient LED lighting solutions.

The strategic initiatives taken in last five years has transformed the Company through professionalism, geographical diversification of production facilities, low cost expansions, captive coating facility, moving towards large dia section pipes and thrust on GI, exports and API coated pipes resulted into higher EBITDA per tone and higher cash flows which help in reducing debt and improving the financials of the Company. We are further optimistic about the new exports opportunities and are expecting a stronger offtake of GI pipes and sectional pipes from the UK. Besides, our DFT technology at Malanpur will further allow us to meet the 'inch-to-inch' markets of section pipes in the US and Canada, going ahead.

The future surely looks exciting, and Surya Roshni is well positioned to capture the growth potential of both businesses going ahead.

Striding Ahead with Confidence

As an organisation, we consistently strive to achieve growth and create value for our stakeholders. We are consistent and firm on our basic business

philosophies in driving the organisation forward through a professional business conduct, robust Governance practices with sustainability and core values as our foundation. We will continue to execute on our strategy and continue to grow our business and contribute to India's growth story. The actions we took in previous years have successfully positioned us to benefit from the prevailing opportunities. We believe that these initiatives are integral for the long term growth of your organisation.

Rewarding the Employees and Shareholders

We have always believed in empowering our human assets and always placed great emphasis on employee engagement, capability building, leadership training and diversification. Aligned to the organisation's culture of rewarding hard work, the Board of Directors have recommended a fresh ESOP Scheme-2021 for 8 lakh shares through the Trust Route, which is in addition to ESOP Scheme-2018 of 8 lakh shares approved earlier. We are also rewarding our Company's shareholders for their constant faith and trust in our growth story. The Board has recommended a final dividend of 15%, which is ₹ 1.50 per equity share on paid up equity capital for the year 2021. This takes the total dividend payout for the current financial year to 30% including interim dividend of 15%, which was paid in November 2020.

Closing Note

With this, I would like to thank all our customers, stakeholders, shareholders, bankers and our team of dedicated and committed employees for their continued support, partnership and invaluable contribution in these difficult times. We wish continued health and success for all, and look forward to sharing more about our progress in strategically growing our business in 2021 and beyond.

Till then, get vaccinated and stay safe and healthy!

Best Wishes,

Jai Prakash Agarwal

Chairman

MD's Perspective



“
Over the years, our performance has demonstrated our ability to face the market headwinds and our prudence in planning for the future.
”

Dear Shareholders,

We hope you and your loved ones are keeping safe amidst the ongoing COVID-19 pandemic and are getting your vaccinations. We have been extremely cautious on ensuring the wellbeing of our employees, their families, the local communities we live in. The year under review had the pandemic as it's backdrop and continues to be so in FY 2021-22 as well. The strength, resiliency and commitment of Surya Roshni has never been more apparent than in 2020-21. Our decisive actions allowed the Company to continue operating safely and navigate the challenges towards achieving sustainable growth across our organisation.

Throughout the year we were keenly focused on safe operations, servicing our customers, rationalising overheads, improving working capital cycle and strategically growing our businesses to drive higher profitability. We made our business more efficient and finished the year on a high note, driven by strong sales and operational discipline. While we reported satisfactory growth in revenues, we also reported strong ROEs and ROCes. Besides, we also strengthened our finances by reducing our debt and cost of finance. This led to an upgradation

of our credit rating a top-notch rating of A1+ for short term banking facility and commercial paper.

Steel Pipes and Strips Performance

In our Steel Pipes and Tubes business, our capacities reported optimum utilisations for all the segments owing to strong demand for our products. We also received healthy growth in order book from the Oil & Gas sector for the API products. They witnessed stronger realisation leading to higher EBITDA margin per ton. We participated in tenders under the various government initiatives like 'Jal Jeevan' mission across India and were awarded a good quantum of orders. With India being now considered as an alternate sourcing point, we also witnessed the exports demand picking up and received enquiries from new geographies. We completed expansion of three-line LPE Coating at Anjar and started commercial production from 31st March, 2021. Our third galvanising plant at Hindupur has also commenced operations in March 2021. The expansion of 72,000 MTPA of section pipe of upto 300 x 300 mm with DFT technology at Gwalior unit is going well and will be operationalised by the end of FY 2021-22. With all the expansions on track, we are confident of further strengthening our position in the

market and improve our profitability in the medium to long term.

Lighting and Consumer Durables Performance

In the Lighting and Consumer Durables business, we have maintained a consistent growth momentum from June 2020. Being the second largest lighting player in the industry, we continued to further strengthen our position by proactively identifying certain key focus areas which I believe will drive the growth in our next leg.

Several factors like introduction of new range of value added products, channel financing to dealers, reduction of replacement cost and EESL sales converted into B2C sales, cost efficiency and continuous price hike to counter the increasing raw material cost has resulted in significant margin expansion. We are focusing on certain products like LED Batten and Downlighters and high value product mix, which also have a very good growth potential in the coming times.

We will continue to penetrate further in consumer and professional lighting as well. We are further keeping ourselves future-ready by enhancing focus on smart lighting products and solutions.

The PLI scheme proposed by the Government will be a game changer for a manufacturing player like us as it will enable us to augment our manufacturing facilities through backward integration, thus reducing component imports. While the conventional lighting is expected to decline, but the same shall be compensated by increasing our market share.

In the Consumer Durables business we continued to focus on growing fans and appliances. We are also investing in areas like marketing and brand building, and are constantly evaluating the customer feedback of our products in the market. Our innovation and development capabilities at STIC, Noida are well leveraged as we keep ourselves aligned with the current and future need of the markets and further improvise the quality of our offerings. We have undertaken certain automation process to build efficiency and productivity.

The PLI scheme and various other Government initiatives like 'Make in India', 'Aatmanirbhar Bharat' and 'Vocal for Local' will enable us to deliver top line as well as profit growth for the Consumer lighting. We are also keeping ourselves future ready by developing complete range of smart



lighting. The Consumer Durables viz. fans and home appliances, are well accepted in the markets. Seeing the tremendous response, we are focusing on growing fans and appliances multifold in the next few years. The Consumer Lighting, Professional Lighting and Consumer Durables businesses continue to drive our growth as we keep on introducing new products which is helping us to transition into being an FMEG Company.

Positioned to Accelerate

Over the years, our performance has demonstrated our ability to face the market headwinds and our prudence in planning for the future. We continued to execute as per our strategic priorities, transforming our industry and capitalising on emerging opportunities. We entered 2021 with optimism, as a safer and stronger Company, with a lower operating expense base, reduction in working capital days, a stronger balance sheet, backward integration and a healthy order book. Looking beyond the short term challenges, we remain confident about the opportunities across all of our businesses, focus on value added products and improvement in operating efficiencies, which enables us to achieve growth and create value for all our stakeholders.

On behalf of our Management and leadership team, I extend my sincere gratitude to our employees, for their unwavering dedication in transforming our business and unlocking opportunities. I also acknowledge the strong relations with our bankers, customers and business associates for their continued loyalty and support to the Company. Your association even amidst challenging times motivates us to do better in 2021-22 and beyond.

Warm regards,

Raju Bista
Managing Director

Board of Directors



Shri J. P. Agarwal
Executive Chairman

Mr. Agarwal is the driving force behind creating Surya as one of the most reputed, trusted and successful companies. He has been honored with highly prestigious Padma Shri Award by the Government of India.



Shri Raju Bista
Managing Director

Mr. Bista is a young and dynamic leader. His discipline, dedication, visionary power and relentless efforts provided new dimensions and directions that have helped the Company in achieving new heights. He is the past President of ELCOMA and presently the Member of Parliament.



Smt Urmil Agarwal
Director

Possesses over four decades of experience with sound business acumen & understanding of both the businesses of the Company.



Shri Vinay Surya
Whole Time Director

An M.B.A. from Swinburn University, Australia possesses vast experience of over 23 years in Marketing, Export, Commercial, Financial & Operational field.



Shri T.S. Bhattacharya
Independent Director

Ex-MD, SBI has an illustrious professional career in banking and financial sector.



Shri Ravinder Kumar Narang
Independent Director

Ex-Chairman, IOCL with vast experience in the field of Operations, Project Development & Marketing Network.



Shri K.K. Narula
Independent Director

Ex-Chief General Manager, SBI. He is also the Chairman of the Audit Committee.



Shri S S Khurana
Independent Director

Ex-Chairman of Railway Board and Ex-officio Principal Secretary to Government of India.



Shri S K Awasthi
Independent Director

Ex-Managing Director of PNB Capital, worked in various Senior Level Positions in banking sector.



Shri Sunil Sikka
Independent Director

A post graduate in Management (FMS Delhi) and Ex-President of Havells (India) Limited & ELCOMA. During his tenure, he led multiple initiatives to accelerate growth in marketing of consumer electrical and lighting in India.



Smt Bhavna Kasturia
Independent Women Director

A gold medallist in Master of Engineering with PGDFM and PGDIM, Delhi, with vast experience of over 3 decades. She has worked on several senior management positions including Osram India and Usha India.



Shri Kaustubh N Karmarkar

Whole time Director, with vast experience of over 23 years in the field of Management & Human Resources and Planning.

Key Managerial Personnel

**Shri R.N. Maloo**

ED (Corporate Affairs)
& Group CFO

Mr. Maloo is a qualified CA with over 3 decades of experience in corporate affairs, finance, commercial and taxation. He has held CFO positions in renowned companies and also worked as Partner in reputed CA Firm.

**Shri Tarun Baldua**

ED & CEO (Steel
Operations)

Mr. Baldua is a qualified CA with over 3 decades of experience in commercial, operational and administrative roles across several Businesses. He is also the Vice President of Indian Pipe Manufacturers Association (IPMA).

**Mr. Nirupam Sahay**

ED & CEO (Lighting)

Mr. Sahay is an MBA from NMIMS Mumbai and AMP from Wharton, with an illustrious career spanning over 27 years. He has served as Global Business Leader – Consumer Lamps in Philips Lighting, and before that as President and CEO, Philips Lighting Indian Subcontinent. He is also ex-President of ELCOMA. He has held senior management positions in Asian Paints, Whirlpool and GE Capital.

**Shri B.B. Singal**

Sr. V. P. & Company
Secretary

A qualified CA, Company Secretary and Cost Accountant having a rich experience of over 26 years in Corporate Laws, Secretarial Function, Direct Tax, Accounts, & Investor Relationship.

Enabling People, Businesses and Society to Innovate and Drive Positive Change



At Surya Roshni, we build a better future for our people, customers and wider communities. Sustainability and Corporate Responsibility is an important component of the Company's purpose and ambitions. The aim of our corporate activities is to add value in the short, medium and long-term for the business as well as the communities associated with it. Our dedicated CSR arm - Surya Foundation - discharges responsibilities in the fields of health, skill development and education.

Projects

Bal Vikas Kendra

The Company has established 'Bal Vikas Kendra' in the remote and far-flung interior rural villages across 15 Indian states.

Focus areas:

- Imparting moral education and values by training young school-going children and dropouts
- Teaching yoga and meditation
- Inculcating the spirit of patriotism in them to develop them into responsible citizens of the country

The impact:

- Behaviour improvement amongst the children
- Improvement in their educational knowledge and outcome



Development of Preventive and Cost-effective Health Systems of Naturopathy and Yoga

The Company has been consistently promoting naturopathy and yoga across India, through its dedicated wing, the International Naturopathy Organisation (INO).

Activities:

- Organising awareness camps and seminars round the year at various locations across India
- Conducting Naturopathy, Doctors and Management Training Programme for practitioners from India as well as abroad



Personality Development of Youth

The Company promotes personality improvement of today's youth through various personality development programmes. It conducts training sessions on personality development and soft skills, the outcome of which is quite remarkable.



₹ **3.17** crore

CSR spend in 2020-21

Corporate Information

Registered Office

Surya Roshni Limited
Prakash Nagar, Sankhol,
Bahadurgarh - 124507 (Haryana)
Corporate Identity Number
(CIN) - L31501HR1973PLC007543
Website : www.surya.co.in
Phone : 01276 - 241540
Fax : 01276 - 241886
Email : cs@surya.in

Head Office

Padma Tower - 1, 2nd Floor,
5 Rajendra Place,
New Delhi - 110008

Works - Steel Divisions

- Rohtak Road, Sankhol,
Bahadurgarh - 124507 (Haryana)
- Plot No. P-1 to P-20,
Ghirongi Industrial Area, Malanpur,
District Bhind (Madhya Pradesh)
- 57, Golapuram Industrial Area, Hindupur,
Andhra Pradesh - 515201
- Survey No. 188,189 & 190/1, Village Bhuvad
Taluka - Anjar, Distt-Kutchh,
Anjar - (Kutchh) Gujarat - 370130

Works - Lighting Division

- 7 k.m. Stone, Kashipur - Moradabad Road,
District Udham Singh Nagar,
Kashipur - 244713 (Uttarakhand)
- J - 7, 8 & 9 Malanpur Industrial Area,
Malanpur, District Bhind (Madhya Pradesh)

Statutory Auditors

Ashok Kumar Goyal & Co.
Chartered Accountants

Cost Auditors

R. J. Goel & Co.

Bankers

1. State Bank of India
2. HDFC Bank Limited
3. Bank of Baroda
4. Canara Bank
5. Union Bank of India
6. Punjab National Bank
7. IDBI Bank Limited
8. DCB Bank Limited
9. Export-Import Bank (EXIM)

Audit Committee

- Shri Krishan Kumar Narula, Chairman
- Shri Tara Sankar Bhattacharya, Member
- Shri Surendra Singh Khurana, Member

Stakeholder's Relationship Committee

- Shri Krishan Kumar Narula, Chairman
- Shri Ravinder Kumar Narang, Member
- Shri Raju Bista, Member

Corporate Social Responsibility Committee

- Shri Krishan Kumar Narula, Chairman
- Shri Jai Prakash Agarwal, Member
- Shri Raju Bista, Member
- Shri Kaustubh N Karmarkar, Member

Nomination and Remuneration Committee

- Shri Krishan Kumar Narula, Chairman
- Shri Ravinder Kumar Narang, Member
- Shri Surendra Singh Khurana, Member

Committee of Directors

- Shri Krishan Kumar Narula, Chairman
- Shri Raju Bista, Member
- Shri Sunil Sikka, Member

Risk Management Committee

(constituted on 25th May, 2021)

- Shri Krishan Kumar Narula, Chairman
- Shri Sunil Sikka, Member
- Shri Kaustubh N Karmarkar, Member
- Shri Tarun Baldua, ED & CEO (Steel Operations), Member
- Shri Nirupam Sahay, ED & CEO (Lighting), Member

Management Discussion and Analysis



Part I

Company Review

Surya Roshni was established in the year 1973 under the able leadership of Mr. J.P. Agarwal. Since then, the Company has constantly evolved and matured into a ₹5,561 crore (USD 756 million) organisation with a stronghold in both its businesses of Steel Pipes & Strips and Lighting & Consumer Durables. Besides, it has also created a strong brand equity for itself with a high customer recall across India and over 50 other countries globally. The Company diversified into the Lighting business in 1984, PVC pipes in 2010 and into Consumer Durables in 2014-15.

The **Steel Pipes & Strips business** manufactures a wide range of products that find its application across agriculture, infrastructure, oil & gas, water and construction sectors. The segment enjoys strong industry leadership by being India's largest manufacturer of GI pipes and the largest exporter of ERW pipes. Its state-of-the-art manufacturing units are located in the states of Haryana, Gujarat, Madhya Pradesh and Andhra Pradesh. The segment has been further strengthened with the establishment of 3LPE Coating facility, which helped the Company for higher prominence in the Oil & Gas and City Gas Distribution sector. The Oil & Gas sector offerings are also approved by the American Petroleum Institute (API) as well as from various importing agencies and buyers. The Company's offerings are ready to cater to the evolving opportunities in the end-user segments in India and several other geographies such as the Middle East, Europe, Africa and Asia. The **Lighting business** was established in 1984, with a vision of Lighting Every

City Every Home. Over the years, the Company has kept pace with the evolution of the industry demands by consistently adding to its product offerings. Today, it manufactures an array of products ranging from conventional lighting as well as modern lighting such as GLS, FTL, LEDs, street lights, downlighters and luminaires. The manufacturing facilities are located in Uttarakhand and Madhya Pradesh. They are strongly complemented through the R&D facility at Noida that consistently focuses on delivering innovation in the LED segment. Today, the Company is recognised as one of the largest lighting companies in India. It has also successfully transformed from the 'conventional to LED lights' and its products are widely accepted amongst the masses.

The Consumer Durables business offers a variety of fans and home appliances such as water heaters, room heaters, air coolers, mixer grinders, induction cooktops and irons, among others. It is steadily enhancing its presence into the 'Fast-Moving Electrical Goods' (FMEG) space.

The Company's brands 'Surya' (for Lighting and Consumer Durables) and 'Prakash Surya' (for Steel Pipes and Strips) enjoy a strong recall, having been in India for four decades now. Its Pan-India presence with extensive dealer network in both of its businesses has further allowed the Company to penetrate into the interior regions of the nation. Besides, it is strongly supported by its consistent quality, innovations, strong financial acumen, efficiencies, professional management and its consistent-value creation abilities for its stakeholders.

Part II

Industry Structure and Developments

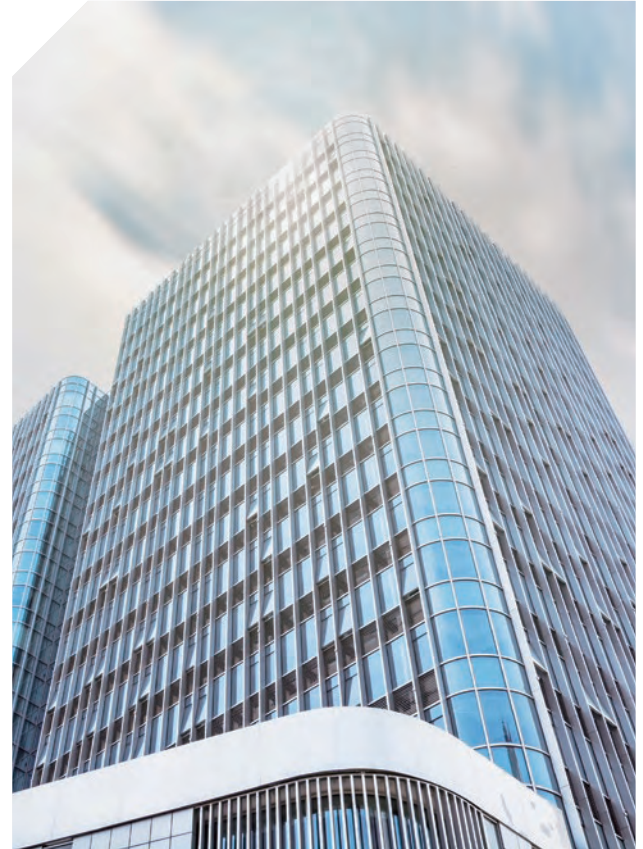
The financial year 2020-21 saw India trying to overcome the perils of the Covid-19 pandemic. After witnessing a significant GDP contraction in the first quarter, the nation witnessed a gradual recovery. The phase-wise opening of the lockdowns avoided the worst-case scenario and led to a steady recovery in the manufacturing sector and a positive revival of consumer demand sentiment during the festive season. The Government provided several strong measures to bring the economy back on the growth trajectory. It launched the Atmanirbhar Bharat Abhiyaan (self-reliant India campaign) and announced the special economic and comprehensive package of Rs 20 lakh crore. The move aimed at making India self-reliant by promoting domestic manufacturers and to be a strong player in the global value chain towards its aspiration of becoming an economic superpower. The Union Budget 2021 further focused on continued spending to drive growth and fast-track the recovery progress, with larger attention to the MSME segments and rural India.

Surya Roshni looks forward to leverage India's new era of growth. In that direction it would continue its journey of self-resilience by enhancing its presence in the rural, semi-urban areas and prime markets for strengthening its industry leadership backed by the massive growth opportunities.

(A) Steel Tubes and Pipes

Overview

Steel is the key ingredient for the manufacturing of steel tubes and pipes. India continued to be the second largest producer globally despite a slight decline in production owing to the ongoing pandemic. Surya Roshni sources its high-quality raw materials from India's best manufacturers. The year witnessed substantial price increase due to the supply challenges. As we are the converters and therefore the increase in raw material prices are passed on in the market from time to time. Further, over the years, we have built the product portfolio in such a way that approximately 50% of the products are sold in advance and the balance is sold from inventories, thus enabling the Company to insulate from price fluctuations and pass on the price increase to the market.



Moreover, the Company passes on the fluctuation in raw material prices in the final product, with a time lag, due to the nature of its business. Hence, the Company is insulated from such price fluctuations.

India's steel tubes and pipes industry is considered one of the important segments of the Indian steel sector contributing to around 8% of the total steel consumption. The overall industry size has witnessed a double-digit growth over the last four years and is currently estimated to be around ₹ 60,000 crore. It is divided into stainless steel and carbon steel. The carbon steel is further classified into two segments - Electric Resistant Welded (ERW) and Submerged Arc and Seamless (S&S). The ERW pipes comprises galvanised, black and hollow section and has been the fastest growing segment in the steel pipe industry and catering to the domestic demand of 8-10 million tonnes per annum. Besides, competitive pricing, high quality and locational advantage, leads to strong export demand from countries such as the US, Germany, UK, Malaysia, Thailand, the Middle East, and Indonesia.

Going ahead, the pipes market is expected to witness 7-8% CAGR by 2025, with strong demand from important sectors such as oil & gas, water transportation, fire-fighting, construction, infrastructure and furniture segment, among others.

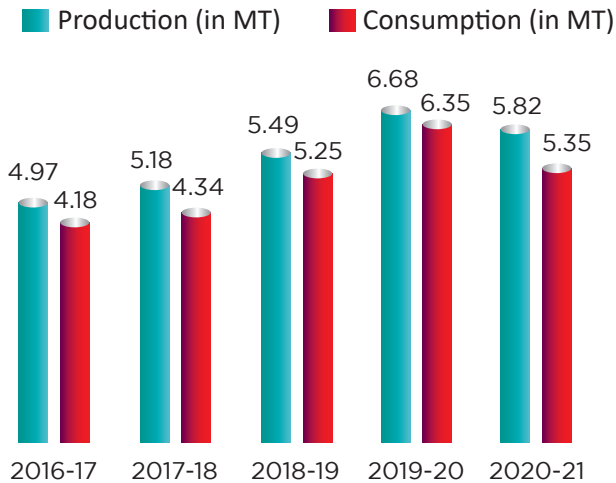
8% share of steel pipes and tubes in india steel consumption

7-8% CAGR, pipes market to grow by 2023

15% CAGR in structural pipes demand by 2023

3mn t steel pipes demand from oil and gas sector by 2023

Production and Consumption Trends



(Source: CMIE, Care Ratings Report, July 2021)

Opportunities and Growth Drivers

Water

India is home to 18% of global human population and 15% of global livestock population. However, with only 2% landmass and approximately 4% of global freshwater resources. As per estimates, in 1951 the per capita annual freshwater availability was 5,177 cubic meters, which is likely to decline to 1,293 cubic meters by 2025. The country is further staring at a severe water crisis as more than three-fourths of India's rural households do not have piped, potable water and rely on sources that pose a serious health risk. Moreover, increased contamination and pollution is further impacting the major rivers.

Only 20% of rural households have access to the water in their homes. As a result, the Government is increasingly focusing on water conservation across 256 districts through rainwater harvesting, renovation of water bodies, reuse and recharge structures and watershed development. The Ministry of Jal Shakti (MJS) launched National Jal Jeevan Mission (NJJM) to provide 'Functional Household Tap Connection (FHTC)' to every rural household by 2024. This scheme is also known as 'Har Ghar Nal Se Jal' and aims to provide safe and adequate drinking water to 150 million households (approx. 0.5 million villages) by 2024. As on date only, around 20% of the rural households (3.28 crores) have FHTC. The total budgeted outlay for this scheme is ₹ 3.60 lakh crore. Out of this, the Centre's share is ₹ 2.08 lakh crore for which the current year outlay is ₹ 0.69 lakh crore.

In the Union Budget 2021-22, the Ministry of Jal Shakti, further received an allocation of ₹ 69,053 crore, which is a 64% annual increase over the actual expenditure in 2019-20, further indicating the seriousness of this mission and tackling the water crisis.



**Budgetary allocation to the Ministry of Jal Shakti
(₹ crore)**

Dipartment	Actuals (19-20)	Revised (20-21)	Budgeted (21-22)	Annualised Change (Actuals 19-20 to BE 21-22)
Drinking Water and Sanitation	18,264	17,024	60,030	81%
Water Resources	7,419	7,262	9,023	10%
Total	25,683	24,286	69,053	64%

Note: BE is budget estimate.

Source: Demands for Grants 2021-22, Ministry of Jal Shakti; PRS

The Central Government is further working on establishing an exclusive body called the National Interlinking of Rivers Authority (NIRA), to implement projects for linking rivers. The proposed body will play a crucial role in interlinking projects across 60 rivers through reservoirs and canals, leading to an increase in irrigation land by about 15%.

The stated programmes will transpire into a huge demand for steel pipes for water transportation. The total estimated requirement of GI pipes envisaged under Jal Jeevan Mission (JJM) scheme stands at approximately 15,00,000 tonnes for supplies till 2024. It augurs well for Surya Roshni owing to its ready capacities for GI pipes and strong presence in the interiors of India. The Company has already been awarded tenders and expedited projects under JJM in the hilly regions of Himachal Pradesh. The successful execution has further strengthened the

Company's positioning to win more orders from this region and look forward towards winning new tenders for the requirements in the North-Eastern states.

Oil & Gas

Oil & gas industry is one of the key demand drivers for steel pipes. The oil prices plummeted to USD 21.04 per barrel during the first wave of the pandemic. However, over the course of the year, the oil prices have again regained a level above USD 60+ per barrel owing to production cut to protect margins. However, with Governments across the world refocus on infrastructure projects such as water and sewage systems and oil and gas pipeline networks, the growth is expected to bounce back. Besides, recovery in oil prices and a parallel improvement in spending on exploration and production activities will further generate stable demand in the medium term.

India's oil & gas sector is considered among the eight core industries of the economic development. It plays a significant role in influencing decision making for all the other important sections of the economy. With a robust economic growth plan, the primary energy demand is anticipated to double to 1,123 million tonnes of oil equivalent, as the country's GDP is expected to increase to USD 8.6 trillion by 2040. At present, India has Asia's second largest refining capacity of 259.3 million metric tonnes (MMT), with private companies owning about 35.19% of these capacities. These capacities are expected to witness a two-fold growth over the next 10 years to 450-500 MMT. As



a result, large players are undertaking investments to cater to the burgeoning demand. Besides, foreign investors will also have opportunities to invest in projects worth US\$ 300 billion.

Natural gas is an important alternative cleaner fossil fuel that plays an important role in catering to the growing energy demand in a cleaner and sustainable manner. According to Petroleum & Natural Gas Regulatory Board (PNGRB) report, the natural gas demand is expected to witness a CAGR of 6.8% from 242.6 Metric Standard Cubic Meter Per Day (MMSCMD) in 2012-13 to 746 MMSCMD in 2029-30. The Government has an ambitious mission of increasing the share of natural gas in the country's energy basket from around the current levels of 6% to 15% by 2030. It has undertaken proactive measures to enhance domestic gas production and develop a strong eco-system of gas infrastructure across the nation by developing gas pipelines, City Gas Distribution (CGD) networks and import Liquefied Natural Gas (LNG) terminals. The national gas grid is expected to increase from the current 18,000 km to 34,500 km in over the next five to seven years with an estimated investment of ₹ 70,000 crore.

India's CGD segment is witnessing a rapid growth in recent years owing to its cost efficiency and eco-friendly nature. It reduces carbon emissions and provides reliable and convenient fuel. At present, over 55 lakh domestic households are connected to piped gas lines. Several city gas projects are underway at present across states and Union Territories, covering over 400 districts across 232 geographical areas, with an expectation of covering 70% of the population. The Petroleum and Natural Gas Regulatory Board (PNGRB) is likely to come out with the 11th round of CGD bidding with an estimated investment of ₹ 1.2 lakh crore. It will cover over 300 districts in a single round of bidding and cover 100% population under CGD. This will further necessitate pipeline demand across the country.

Surya Roshni is strongly placed to leverage the demand potential from the oil & gas segment. The Company will continue to witness demand for API, 3LPE Coated and Spiral Pipes. Being an established player in delivering premium products to the CGD player, the Company will further benefit from the fresh demand from this segment post the 11th round of bidding.

Automobiles

The automobile segment witnessed a challenging time during the first half of the fiscal owing to the nationwide lockdown. However, on a positive note,



the growing preference for personal mobility and the gradual opening of economic activities during the second half of the fiscal lent some momentum to the industry. Going ahead, the Indian auto industry is expected to see stronger growth in 2021-22 with electric vehicle sales and a positive momentum especially for two-wheelers. Surya Roshni is equipped to cater to the tailor-made requirements of the automotive segment through its narrow range CR sheet offerings.

Emergence of organised players

The Government's drive towards formalisation of economy has strongly favoured the organised segment. The customers have been increasingly focussing on the quality and scale of the suppliers. The pandemic has further raised question mark on the sustainability of the unorganised segment. As a result, the tide has turned in favour of the organised segment. Surya Roshni has evolved as a key player in the organised segment owing to its scale, state-of-the-art facilities, robust operations, strong financial prudence, brand credibility, wide spread distribution network and growing exports. Going ahead, the current change in trend strongly favours the Company.

Exports

India continues to expand its share in the world trade on the back of favourable external environment. The country is considered as an alternative sourcing destination by several global majors. Besides, the Government's impetus to encourage domestic manufacturing and ambitious initiatives such as the Atmanirbhar Bharat, the nation is gradually emerging as the world's 'go-to' destination.

Key facts:

1. India's Per Capita Steel Consumption vis-à-vis China

Country	Population	Consumption of Finished Steel	Per Capita Steel Consumption
India	139 Billion	94 Million	68 KG
China	144 Billion	1024 Million	711 KG

2. India's domestic crude steel capacity stands at ~142 mn tonnes and anticipated to rise to 300 mn tonnes by 2030-31.
3. Odisha approved five investment proposal in steel sector for capacity expansion from 30 million tonnes to 58.5 million tonnes.
4. Easy availability of low cost manpower and presence of abundant iron ore reserves, makes India competitive in the global setup.

Opportunities:

1. Demand for steel by all the end-user segments have grown more than what was anticipated due to announcement of stimulus package by the US, EU, UK, Japan, China and now India (Rs. 6.28 lakh crore).
2. Russian Government introduced an export duty from August to December, 2021 on steel products. The duty will be either 15% of export prices or a metal-specific minimum rate whichever is higher.
3. China's withdrawal of export rebate of 13% on 146 steel products w.e.f from May, 2021, scraping import duty on crude steel.
4. Indian HRC price is 8 -10% lower than the landed price of imports widened price gap.
5. Imposition of export duty on steel in China make exports lucrative for Indian Steel players.

Surya Roshni has already marked its presence across several countries in the Middle East and it is further making gradual inroads across Australia, Singapore, South East Asia and the UK. The Company has been largely exporting GI Pipes and Coated Pipes that find its applications across fire-fighting, water transportation and seaside pipelines. The Company is further expecting a stronger offtake of GI pipes for scaffolding purposes in the UK, as the country has imposed anti-dumping duty on Chinese imports. Besides, it is also exploring exporting section pipes in the UK, as the current manufacturing set up can successfully meet their 'mm-to-mm' requirements. With the new facility in Malanpur using DFT technology, the Company would further target the 'inch-to-inch' markets of section pipes in the US and Canada, going forward.

Infrastructure

The Indian Government is upbeat on making India a \$5-trillion economy. The pandemic may have led to a temporary slowdown in the progress, but the long-term vision remains intact. Infrastructure development plays a key role in achieving the vision. The Government has announced large infrastructure spending to boost this segment. Surya Roshni is prepared to meet the higher diameter, higher thickness and high strength pipes needed for the infrastructure development purposes.

(B) Lighting and Consumer Durables Lighting

Overview

India's energy sector is transitioning to greater sustainability. Energy efficiency is receiving more attention, with standards and codes being set for industries, buildings and appliances. The country has taken significant steps to improve energy efficiency and meet its global climate goals. Lighting is considered to be the most basic use of electricity across residential, commercial as well as outdoor applications. The advent of LED technology has completely transformed the lighting industry. There has been an accelerated LED adoption owing to its higher energy efficiency, as well as its ability to add to the aesthetic value. Besides, rapid urbanisation and strong recommendations of LED installations by architects and interior designers are further driving consumer preferences. With energy prices going up consistently, LEDs have emerged as a preferred choice over conventional lighting. The pricing of LED



lights has also witnessed a significant decline over the years.

As per the Mordor Intelligence Report, the Indian LED lighting market is expected to witness a CAGR of 24.3% between 2021-2026. The Government has further enhanced the LED adoption across the country by rapid deployment of LEDs through initiatives such as the Unnat Jyoti by Affordable LEDs for All (UJALA) programme and Street Lighting National Programme (SLNP) that offer LED Lamps at a subsidised cost and LED installation projects for streetlights, respectively. Today, India is one of the largest LED lighting markets in the world after the deployment of the UJALA programme. As per the National UJALA Board statistics of May 2021, over 367 million LEDs have been distributed across the nation. Besides, it has also led to an annual savings of ~47,701 million kWh energy, approximately 9,550 MW of peak demand, translating into ₹ 19,081 crore cost reduction and estimated GHG emission reduction of 38.63 million tonnes CO₂ annually. Under SLNP, about 1.14 crore LED streetlights were installed across India. It led to an annual energy savings of 7.67 billion, peak demand of 1,280 MW and estimated GHG emission reduction of 5.29 million tonnes CO₂ annually. Moreover, there has been an estimated annual monetary savings of ₹ 5,210 crore in the electricity bills of municipalities. Both the initiatives have led to a socio-economic transformation in India. Besides reducing emissions and promoting sustainable development, it has also revamped household and public lighting systems, across the country. The switch from inefficient incandescent bulbs to LEDs is helping families reduce their electricity bills and enabling them to access better brightness in homes. It has enhanced disposable incomes, leading to an improvement in the quality of life and generating prosperity in local communities.

Conventional Lighting

Overview

Globally and nationally, conventional lighting is witnessing a transition towards new-age LED products. Players without integrated set up will find it difficult to sustain. Surya Roshni, however, has the ready capacity and scale to meet the future needs. It has a large market share in Conventional Lighting, and will continue to gain market share in a declining market.

The role of lighting products in the B2B segment is also undergoing a transformational change owing to higher energy efficiency and the eco-friendly nature of LED products. New technologies such as VLC, LiFi and Human Centric Lighting are changing the paradigms of the lighting world. There would be an increasing demand for smart, connected lighting, especially for streetlights, facade lighting and office lighting.

Consumer Durables

Overview

Fans

Fans are one of the electrical appliances which have become almost indispensable in Indian homes and offices. It falls in the high-market-penetration product category and it is very high in terms of purchase priority amongst durables. The Indian fan markets broadly comprises ceiling fans, table fans, pedestal fans and wall fans. According to India Fan Market Outlook, 2021, fan sales have witnessed a CAGR of 9.1% over the last five years. The organised fan segment is expected to witness strong growth in the coming years. The rapidly growing housing sector, increasing electrification in rural areas,



shortening replacement cycle in urban areas owing to premiumisation, higher disposable incomes as well as aggressive promotional strategies, after-sales services and strong distribution networks would be the major growth drivers. The segment is also expected to witness demand from premium and value-added smart fans with anti-dust and anti-bacterial features.

Domestic Appliances

The Domestic Appliances segment in India has been steadily growing, driven by both big appliances and small appliances. The growing economy, evolving lifestyles, emergence of increasing working couples, nuclear families, and single-person households, along with the migrant working population are consistently driving the demand for appliances. With the Government's persistent call for *Aatmanirbhar Bharat*, the domestic manufacturing for household appliance products is expected to get a major boost in 2021-2022. Moreover, with the pandemic still prevalent in 2021, the work-from-home mode, increase in online learning and people spending more time indoors, will drive large sales volume in the coming year.

PVC Pipes and Fittings

Overview

PVC Pipes is an emerging proxy play to leverage opportunities in the housing and construction segments. The primary growth drivers are well supported by the Government investments in irrigation, and housing & sanitation, through schemes such as Housing for All, Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Pradhan Mantri Krishi Sinchayee Yojana (Prime Minister Agriculture Irrigation Scheme). Besides, there has been an increasing preference towards polymer-based pipes, especially in plumbing and piping application in the construction industry. This has led to an increase in usage of plastic pipes and emergence of CPVC pipes for hot and cold water plumbing.

Opportunities and Growth Drivers

Facade Lighting

Lighting has a crucial effect on the appearance of historic sites at night. Illuminated monuments establish a foundation of identity that interconnects people from different cultures, and also bring in a visually appealing sight. Moving forward, Surya Roshni's experience in facade lighting will be beneficial in winning such business.

Favourable Government Policies

With the launch of Make in India and *Atmanirbhar Bharat* campaigns, the Government is promoting the 'vocal-for-local' drive and helping the local manufacturing industries thrive. Besides, the announcement of rise in customs duty for LED imports from China will further encourage the local manufacturing players. With 100 Smart Cities underway, India is moving towards futuristic smart intelligent lighting. These initiatives augur well for a branded player like Surya Roshni.

Production-Linked Incentive (PLI) scheme

The Government approved PLI scheme for white goods - air conditioners and LEDs - has a budgetary outlay of ₹ 6,238 crore. The objective of the scheme is to make Indian manufacturers globally competitive by removing sectoral disabilities, creating economies of scale and ensuring efficiencies. It is designed to create a complete component ecosystem in India and make the nation an integral part of the global supply chain. The scheme is expected to attract global investments, generate large-scale employment opportunities and enhance exports substantially. Surya Roshni stands to benefit through this scheme owing to its strong LED market presence, backed by inhouse production facilities.

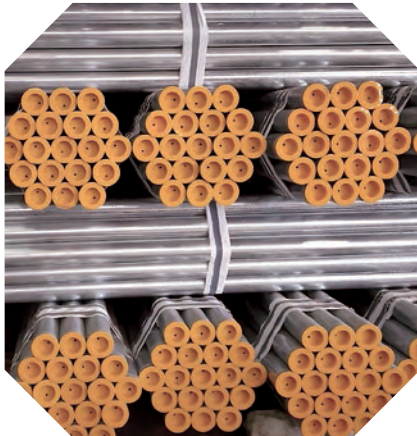
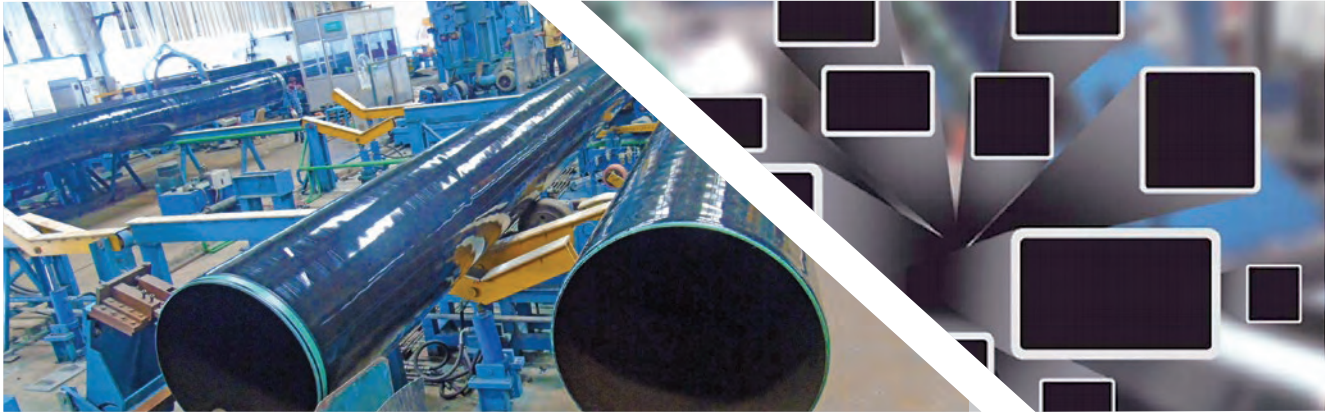
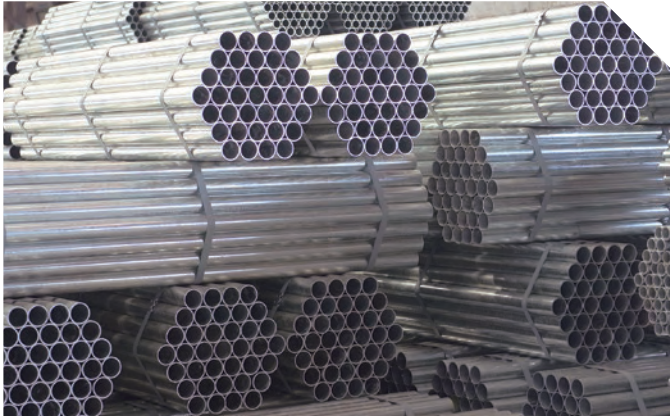
Increasing Importance of Organised Segment

The demand for LED products is steadily increasing in India. People are becoming increasingly conscious of product quality and standardisation. With increasing environmental awareness and stricter enforcement on BIS norms, the organised segment will stand to benefit from the future LED demands. Surya Roshni's well-established credentials, strong manufacturing set up, large product range and superior efficiencies will bear positive results owing to the industry consolidation.

Emergence of PVC Products

The Union Cabinet had on February 19, 2020, approved the second phase of Swachh Bharat Mission (Grameen) to help rural India effectively handle the challenge of solid and liquid waste management and enable substantial improvement in the health of rural people. This will lead to an increasing demand for sewage, water supplies and plumbing pipes as water and waste of varying bio & chemical nature is best drained via PVC piping systems. Besides, continuous increase in allocation of irrigation and housing by Government of India would give momentum to the PVC piping industry. Given the growth opportunity, Surya Roshni is geared up to cater to the emerging demand from this segment.

Wide Range of Offerings



Part III

Operational Review

1) Steel Pipes and Strips

SuryaRoshni's foresightedness about the emerging opportunities across agriculture, infrastructure, oil & gas, water and construction sectors led to consistent capacity expansions. The Company set up Hindupur plant, commissioned 3LPE coating facilities at Anjar and it is also adding capacities at its existing units. Today, the capacity utilisation for all the products is above 70% with high-value products such as 3LPE coated pipes running at full capacity, generating strong operating cash flows and better margins. All the products are sold under the brand name Prakash Surya.

These products are exported to over 50 countries with Gulf Cooperation Council (GCC) countries holding the largest share. The Company's pipes have been used across prominent structures such as the Burj Khalifa, Dubai International Airport, Dubai Expo and Stadiums for FIFA 2022.



Particulars	2020-21	2019-20
Revenue (₹ crore)	4,328.11	4,234.66
EBITDA (₹ crore)	256.12	255.73
EBITDA/ton (₹ crore)	3,525	3,256
Cash Profit (₹ crore)	198.77	171.19
PBT (₹ crore)	125.35	97.48



Factory location

What do they produce?

Value-drivers

Anjar

ERW and Spiral Pipes (GI, Black and Section) and API Pipes with 3LPE Coating

- Commercial production at Second 3LPE Coating line started w.e.f. 31st March, 2021 as per schedule which will generate higher sales of value added pipes
- It will further improve the utilisation levels owing to the enhanced 3LPE Coating facility
- Installed 2MW captive solar power to rationalise energy costs
- State-of-the-art manufacturing facility
- Strategically located near Kandla and Mundra Port

Hindupur

ERW (GI, Black and Section), along with GP Pipes

- Completed expansions and enhanced capacity of GI Pipes
- State-of-the-art manufacturing facility
- Better utilisation of capacities leading to cost optimisation
- Eligible for tax incentives under the A.P. State Policy

Malanpur

ERW (GI, Black and Section)

- State-of-the-art technology with a range of section pipes to capture strong demand
- Adding new capacity of 72,000 MTPA of Section Pipes (upto 300X300mm) with Direct Forming Technology (DFT) to be operationalised by the end of FY22
- Ample infrastructure facilities for future expansions
- Eligible for state industrial incentives

Bahadurgarh

ERW Pipes (GI, Black and Section), API Pipes and CR Strips

- Utilisation of ERW capacities towards manufacturing API Pipes for CGD will lead to improvement in profitability going ahead
- Proximity to Bahadurgarh Metro Station and located within the vicinity of the KMP Express Highway



Product Offerings

a. ERW Steel Pipes

The Company offers ERW Steel Pipes in the range of 1/2" to 16" diameter. These pipes are variedly used across agriculture, water transportation, fire-fighting, irrigation, greenhouse and construction activities like scaffolding, casing, and tubing in bore wells. It plays an instrumental role in long distance supply of water, gas, petroleum, chemicals, and other liquids from one location to another. These pipes meet the desired quality standards to cater the difficult industry conditions. Accordingly, these are matching the national and international specifications.



USPs and Competitiveness

Leadership

- India's No. 1 manufacturer of ERW GI Pipes
- Pan India presence
- Largest exporter of ERW Pipes with over 60% market share

Versatility

- Resistant towards difficult industry conditions
- Plays an instrumental role in long distance supply of water, gas, petroleum, chemicals, and other liquids from one location to another
- Caters to the hilly regions of India: Provides the pipes required for housing in Jammu & Kashmir, Uttarakhand, and Himachal Pradesh, among others

Value-added offerings

- Provides margin-accretive value-added offerings such as coated pipes, alkyd pipes, grooved, red oxide primer pipes and heat-treated pipes, among others

Credibility

- Product quality aligned to match the national and international specifications
- Delivers high-quality durable pipes to prominent names such as IOCL, BPCL, BGRL, Gujarat Gas, MNGL and MGL, among others.
- Accredited all major PMC committee such as EIL and Mecon, among others



Product Applications

G.I Pipes

- Agriculture and irrigation
- Casing and tubing
- Water transportation/ plumbing and pipelines
- Green houses
- Fire fighting
- Street light poles
- Solar panels

Black

- Industrial infrastructure/ construction works/ fabrication
- Road transportation – side structures/fencing (section pipe, sign boards)
- Railways – platforms and metros
- Airports structures
- Smart Cities infrastructure
- River connectivity and interlinking
- Door frames, window frames and furniture (section pipes)
- Scaffoldings

Hollow

- Engineering and architectural structures
- Airport, metros, railways
- Urban development
- Electrical poles/telecom towers
- Solar structure
- Sign boards





Favourable Government Schemes

- Har Ghar Nal se Jal by 2024
- Smart Cities & Pradhan Mantri Sahaj Bijli Har Ghar Yojna
- Housing For All
- Aatma Nirbhar Bharat Abhiyaan
- Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
- Pradhan Mantri Jal Marg Yojana (PMJMY)
- Ude Desh ka Aam Naagrik Regional Connectivity Scheme (UDAN-RCS)
- Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

The Company stands to benefit from recent Government schemes like 'Har Ghar Nal Se Jal', river interconnectivity and doubling of farmers income. It will lead to a strong demand for pipes from the agriculture and irrigation activities. The demand for black/round pipe may see a temporary halt in offtake owing to the slowdown in the real estate.



b. API

The Company adheres to the international standards and manufactures quality API pipes. The 3LPE, 3LPP, FBE (single and dual layer) and epoxy coatings on it make it rust-resistant while increasing its endurance. The world-class 3LPE Coating plant machinery has been procured from Selmers, Netherlands. The pipe finds application in Oil & Gas Pipelines, Oil Well Casing, City Gas Distribution, Plant Piping, Water Pipelines, Mains Lines, Industrial Water, Chilled Water etc.

The specialised 3LPE Coated API Pipes are widely used in transportation of petroleum and natural gas, city gas distribution and water pipelines. With Government's special thrust on these high growth areas, the Company stands to benefit from the emerging opportunities.

USPs and Competitiveness

Range

- Produces a diverse range of pipes, including EN, BS, AUSTRALIA and ASTRA GRADE

Strong order book

- Strong order book in hand for API coated pipes

Capacities

- Expanded capacities of 3LPE coating facility by installing second line pipe facility (9,00,000 sqmtr) to utilise the existing offline capacities and achieve cost efficiencies and improved margins

Accreditations

- Accreditations from major PMC such as EIL, Mecon and others
- Certifications of ISO 9001, 14001 & 18001



c. Spiral (API and Non API)

The Spiral Welded Pipes manufactured by the Company are within the range of 18" to 104" with a maximum thickness of 1' (25.4 mm). The internal and external pipe coating is also done for pipes ranging upto 64" in diameter. These pipes find applications in the water, infrastructure, and oil & gas transportation.

USPs and Competitiveness

Improving Utilisation Levels

- With 3LPE coating facilities in place, the utilisation levels have improved as most of the pipes delivered in the oil & gas segment need coating

Export Readiness

- Increasing participation in international tenders from Middle East for larger diameter API Pipes
- Huge potential due to existing market network, quality products range, cost competitiveness and prompt delivery





d. Cold Rolled Strips and Sheets

The Company specialises in processing Cold Rolled Steel Strips with a width of up to 720 mm and thickness of 0.3 to 2.0 mm. They are used in electrical stamping for motors, cycle and 2-wheeler rims, automobile components, furniture and fitting, drums and barrels, umbrella ribs and tubes and miscellaneous engineering applications. The Company has been consistently maintaining and improving the quality of the Bahadurgarh Cold Rolled Plant over the period.

USPs and Competitiveness

Quality

- Consistent quality offerings for the end-user segment

Consistent orders

- Products are sold across NCR and different markets of North India
- Small order sizes yield good returns and keep the unit fully engaged across the year

Highlights 2020-21

New Orders

- Received good orders for API in the oil & gas segment and the capacities are fully booked
- The consolidated order book as on 31st March, 2021 stands at 75,000 MT (API & Exports)
- Witnessed gradual pick up in export demand in the last quarter of the financial year with orders for 30,000 MT

Expansions

- Initiated capacity expansion programme of 72,000 MTPA of Section Pipes (up to 300 X 300 mm) with Direct Forming Technology



Steel Pipes & Strips Capacities (p.a)

ERW Pipes

9,25,000 MT

including GI Pipes

3,60,000 MT

Spiral (including offline capacities of 1,40,000 MT)

2,00,000 MT

3LPE Coated Pipes (External)

27,50,000 sq. mtr.

3LPE Coated Pipes (Internal)

11,00,000 sq. mtr.

CR Sheets

1,15,000 MT

(DFT) at Gwalior to meet the increasing demands of the section pipes; the facility is expected to be operationalised by the end of FY2021-22

- Completed expansion of the second 3LPE Coating Line

Cost Efficiencies

- Rationalised costs & overheads, energy consumption & manpower cost and enhanced efficiencies

Tender Participation

- Delivered GI pipes to Jal Jeevan Mission of the respective states; over the past few years

Future Strategies and Outlook

- Explore export opportunities in the UK market for supplying of GI Pipes and Section Pipes for scaffolding and infrastructure requirements, respectively, owing to the anti-dumping duties on Chinese imports in that region
- Explore opportunities in the US and Canada markets for their 'inch-to-inch' requirements of section pipe, which can be met through the DFT-technology based facility, which is under expansion in Gwalior
- Anticipate good orders of supplying pipes to premier and other South East Asian markets, upon successful acceptance of the trial orders
- The Government's ambitious infrastructure projects spending will generate demand for higher diameter, higher thickness and higher strength pipes, which shall be met post the completion of the expansions in Gwalior



2) Lighting and Consumer Durables

Lighting

Surya Roshni has seamlessly transitioned over the last few years from conventional lighting to one of the leading LED players in the lighting industry. The Company is engaged in the manufacturing and sales of conventional lighting (GLS and tubelights) and energy-efficient LED lighting (LED bulbs, tubelights, battens, downlighters and other luminaires) in the consumer segment, and advanced LED products for the street lighting, infrastructure, industry, office and retail segments in the professional segment. Façade

lighting and solar lighting are big growth areas for the Company. The products are sold under the brand name 'Surya', which is recognised as one of the most trusted and preferred brands in lighting. These products are sold pan-India through 2.50 lakh retailers. Besides, a secondary network of 300+ RTF and 2,500+ DSPs support the primary network and promote effective communication with the market, engagement activities with electricians and architects. Surya also caters to over 40 overseas market through exports.

Particulars	2020-21	2019-20
Revenue (₹ crore)	1,240.12	1,247.97
EBITDA (₹ crore)	127.91	101.82
Cash Profit (₹ crore)	115.40	72.23
PBT (₹ crore)	86.12	42.47

Manufacturing Locations

Location

Products

Kashipur (Uttarakhand)

Year of establishment: 1984

- LEDs (Lamps, Streetlights, Downlighters and Battens), HID, T5 and Filaments
- MCPCBs
- Drivers

Malanpur (Madhya Pradesh)

Year of establishment: 1992

- LEDs (Lamps, Streetlights, Decorative Lighting)
- Conventional lights (GLS and FTL)
- Glass shells
- Caps
- MCPCBs
- Drivers

Surya Technology & Innovation Centre (STIC) at Noida

Year of establishment: 2012

- Innovation centre for adapting latest lighting trends, approved by DSIR and NABL
- Focus on in-house development of LED products



Production Capacity (p.a)

90 Million pieces
LED Bulbs

3.60 Million pieces
LED Street Lights

10 Million pieces
LED Tubes & Fittings

200 Million pieces
GLS Bulbs



Highlights 2020-21

New Product Launches

- Launched new consumer products such as higher wattage LED Lamps in the Maxx and Neo Maxx series, Gold LED Lamps, Aura Plus in Downlighters, Smart Downlighter (with the capability of changing colours and light intensity through a remote)
- Launched new professional products such as high-performance streetlight series 'Alpha' with lumen efficacy up to 150 lumens/watt, specialised tunnel lighting range 'Neptune' for tunnel applications in NHAI and metros, withstanding wind loads of 200 kms/hr and NBloT-based NEMA controller streetlights for smart city solutions

Successful Project Executions

- Executed façade illumination project for Shri Kedarnath Temple in Supply, Installation, Testing and Commissioning (SITC) mode with operations and maintenance
- Commissioned SITC project of sports flood lighting at Presidency College, Kolkata
- Executed greenfield LED street lighting project in Odisha under PPP for supplying, implementing, operating and maintaining
- Commissioned façade projects at Leh palace, Bhuteshwar Temple in Jind, Ahmedabad and Bhavnagar Railway Stations

New Business

- Focused on EPC bidding for SITC and supply of luminaires and services to enable strong visibility in executing projects with EPCs such as L&T, NCC and IOCL, among others
- Secured orders for architectural façade lighting of the biggest plastic waste-made Charka at Sec 94, Noida, HIDCO Park and Bharat Darshan Park, New Delhi
- Secured design-based projects for NHAI (Aurangabad-Kharod Road Project, L&T), NH8E (Bhavnagar-Talaja section) and Kareem Nagar Smart City, Telangana

Strengthened Reach

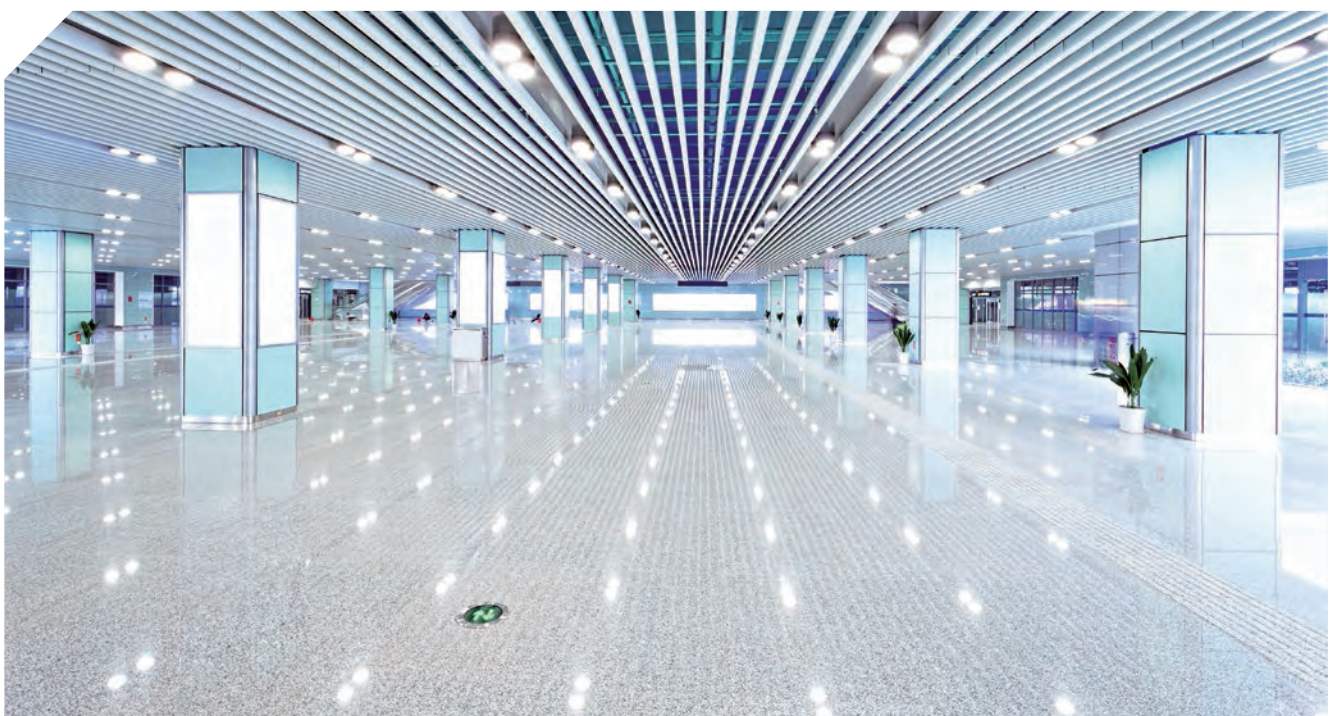
- Strengthened semi-urban-based distribution network further, already one of the largest in the industry
- Increased reach to over 250,000 retail outlets

Channel Financing

- Increased channel financing substantially

Visibility

- Increased advertising and promotional spends to drive brand saliency and drive sales growth





Surya Technology and Innovation Centre (STIC) – delivering innovation and driving LED industry leadership

STIC is at the heart of the LED growth at Surya Roshni and has contributed immensely towards achieving the position presently enjoyed by the Company.

Activities

- Involved in the research and development of LEDs with many unique and first-in-class features
- Invested in various resources required for the mechanical, electronics and optical development
- Deployed experienced mechanical engineers to design new lights and ensure that the lights meet the best manufacturing and quality standards
- Design and develop own electronic drivers for use across the vast range of LEDs to ensure high quality and high reliability

Enablers of innovation

- Developed dimmable drivers, programmable drivers, luminaires with Astrotimer-based control, LDR-based controls and drivers with several other features. All kinds of mechanical, electrical and safety tests are performed on the products to ensure performance of products during adverse electrical and environmental conditions.

- Equipped the NABL-accredited Photometric Testing Laboratory. It has the capability to carry out measurements for light distribution pattern, illuminance, luminous flux, chromaticity, colour temperature (CCT), colour rendering index (CRI) of light sources and luminaires.
- Equipped with a high-speed mirror gonio photometer (Type C) from LMT, Germany, – the best equipment available for measurement of luminous output and intensity distribution of light sources, luminaires and for testing of optical design of lighting system, along with a 2m integrating sphere, luminance meter and illuminance meters, making it one of most well-equipped photometric testing laboratory in India.

Recognition

STIC has been recognised as an R&D Centre by DSIR (Department of Scientific & Industrial Research, Ministry of Science & Technology), and is NABL accredited.

Future plans for the STIC

The STIC is working towards development of smart products, both in the consumer and professional lighting segments to keep in line with the latest trends in the market.

Thus, STIC is actively enabling Surya Roshni to provide the most modern energy-efficient, safe, reliable and environment-friendly lighting products with its ability to do the best-in-class research, design and development.

Future strategies and outlook

Consumer lighting

- Grow sales and market share in metros
- Improve distribution and reach in the high potential and low market share areas by appointing new channel partners
- Aggressively launch new product, across categories and segments
- Launch more Smart Lighting products
- Continue to aggressively drive channel financing, and increase the use of automation to drive sales force effectiveness
- Monitor and improve productivity from channel partners to enhance sales per dealer/distributor

Professional lighting

- Grow the projects business by increasing bidding for larger projects
- Strengthen Key Account Management, Projects and Design teams to increase penetration in high-potential customers, and to strengthen project execution
- Deploy regional system integrators and contractors who can help in the project execution
- Launch several new products across segments, including several Smart products and solutions
- Continue to explore opportunities in façade and solar lighting - one of the high growth areas

LED sales

- Target high growth in LED Lamps and Luminaires
- Launch range of Smart LED products

Conventional lighting

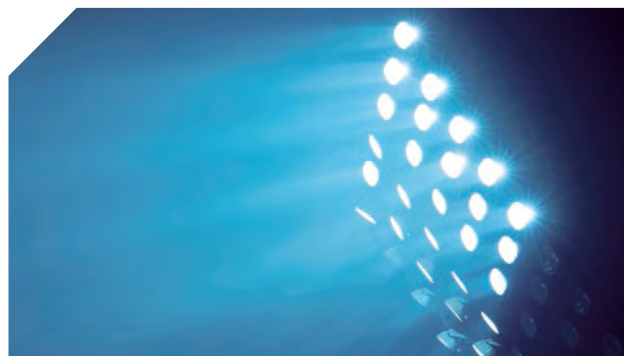
- Focus on further enhancing market share of conventional lighting (GLS, Tubelights and components) owing to the advantage of in-house manufacturing
- Continue to be the supplier of choice for several large OEMs and lighting players

Efficiency improvement

- Launch sales force automation application- this will drive productivity and overall sales efficiency going ahead

Strengthen brand visibility

- Enhance advertising and promotional spends substantially over the next few years, both in terms of absolute numbers and in terms of percentage of sales to strengthen the brand salience



Consumer Durables

Fans

Surya Roshni entered the fans category in 2014 and has since then emerged as the fastest company to reach the ₹ 100-crore milestone amongst all new entrants. The Company offers contemporary designs, and a broad range, from designer fans to the economy range. The wide range includes ceiling, pedestal, wall, table, domestic exhaust, industrial exhaust and Brushless Direct Current (BLDC) fans. The fans range includes smart premium fans with innovative features such as anti-dust, anti-bacterial, energy efficient and high-air-delivery fans.



Highlights 2020-21

- Achieved sales volume of 2 million units
- Launched new products: Shakti Plus, Race High Speed, Tejas in the economy range, and expanded the range of Altus Premium Fans
- Expanded into the CPC/CSD segments, and also offer Surya Fans through the e-commerce channel
- Expanded Authorised Service Centres to 392 to drive faster resolution of consumer calls within 24 hours

Home Appliances

Surya Roshni's revenues from the home appliances business have been witnessing steady growth since its inception in 2015. It has been recognised as a major domestic appliances brand, and has been able to consistently offer a superior product and brand experience for the customers. The Company's

constant endeavour towards offering unique value propositions to consumers and be their 'first choice' domestic appliance company is reflected through unique products and services, innovative designs and superior product performance.



Key offerings across different six main product categories include:

1. Food Preparation

Mixer Grinders, Juicer
Mixer Grinders

2. Kitchen appliances

Gas Cook tops - Glass and Stainless Steel bodies

3. Cooking

Induction Cook Top, Sandwich Maker

4. Garment Care

Dry Iron, Steam Irons

5. Heating Appliances

Storage Water Heater, Instant Water Heater

6. Climate control

Oil Filled Radiator, Halogen Heater, Quartz Heater, Room Coolers

Highlights 2020-21

- The water heaters and room heaters product category witnessed high growth across models. New premium models Qubo 15/25L, and mass premium models Arctic 10/15/25L were launched successfully
- In the room heater category, oil-filled radiators with 11 Fins and 13 Fins showed high growth
- In the kitchen appliances category, new product launches were done in the mixer grinder category, like Galaxy 750 watts; the kettles range was further expanded with Vetro Glass kettles, and a new series of sandwich toasters was launched. In the induction cooktops category three new models were launched - Indicook V, Indicook MR and Indicook PRI

Future strategies and outlook

- Focus on gaining market share in High Potential Low Market Share areas

- Expand our range of Fans, across types and price points
- Launch several New Products in Appliances, including in Water Heaters, Room Heaters, Room Coolers, Mixer Grinders and Induction Cooktops

PVC Pipes & Fittings

Surya Roshni manufactures CPVC/PVC pipes at its state-of-the-art unit in Kashipur. The wide range of products find its application across housing, irrigation, infrastructure, drainage and chemical transportation, among others. During the year, the Company completed the expansion of its production capacities to 8,200 MT, which will allow itself to extend its reach further. Going ahead, the Company stands to benefit from the ambitious Government schemes such as *Swachh Bharat*, Affordable Clean Drinking Water Supply and *Har GharNal Ka Jal*.



Future outlook

Going ahead, a larger focus is now being driven towards the high-growth energy-efficiency segment in Lighting, and the Company is taking all efforts towards growing the fans and appliances categories. The consistent efforts will lead to value creation for all stakeholders in the business, including consumers, dealers, suppliers and employees. The Company will continue to launch products across different categories and strengthen its position in the fast-moving electrical goods (FMEG) segment.

With a very strong and trusted brand name, consumer centricity at the core, extremely strong distribution, a wide product range across lighting and consumer durables, aggressive and focused plans for the year, a capable and experienced senior management team, disciplined working capital management and supportive Government initiatives like the *Atmanirbhar Bharat*, Surya is well placed for high sales growth and profitability improvement in 2021-22.

Part IV

Growth Enablers

Strong Brand

Surya has established brand names like '**Prakash Surya**' for the Steel Pipes & Strips business and '**Surya**' for the Lightning and Consumer Durables business. The Company has been utilising different mediums of advertising to improve its brand visibility.

Dynamic Team

The Company has a unique mix of experienced, young and dynamic professionals from varied fields that drive the strategies and overall execution. The team is active and transparent and drives the Company's business aligned to the shared vision and goals.

Wide Distribution Network

The Company has an enormous reach across the length and breadth of the country. The strong dealer and distributor network of both the businesses, facilitate reaching out to different corners of India. On the other hand, the decentralised branch/depot networks help with quick delivery turnaround to customers.

Diversified business and presence

Both the businesses of the Company are growing independently and have strengthened over the years, supported by dedicated teams, diversified product range, geographical diversification, strategic initiatives including thrust on value added products, domestic and global presence and professionalism in becoming self-reliant and self-dependent. Thus, there is tremendous scope of growth potential in both the businesses, going ahead.

Part V

Financial Review

(₹ in crore)

Particulars	Standalone		Consolidated	
	For the year ended 31 st March		For the year ended 31 st March	
	2021	2020	2021	2020
Revenue from Operations	5554.37	5469.02	5561.39	5471.05
Other Income	4.67	3.35	4.70	3.35
Total Revenue	5559.04	5472.37	5566.09	5474.40
EBITDA	381.63	356.95	384.03	357.55
Finance costs	69.79	114.11	69.86	114.13
Cash Profit	311.84	242.84	314.17	243.42
Depreciation and amortisation expenses	102.70	103.47	102.70	103.47
Net Profit Before Tax	209.14	139.37	211.47	139.95
Tax Expenses	52.64	37.16	53.16	37.40
Net Profit After Tax	156.50	102.21	158.31	102.55
Other Comprehensive Income	1.25	(2.07)	1.25	(2.07)
Total Comprehensive Income	157.75	100.14	159.56	100.48
EPS (Basic in ₹)	29.01	18.78	29.35	18.85
EPS (Diluted in ₹)	28.76	18.78	29.10	18.85

The Company maintained its leadership in the manufacturing of ERW GI Steel Pipes and continued to be one of largest Lighting manufacturing companies.

In the fiscal year under review:

- The revenue from the Company's operations was reported at ₹ **5,554.37** crores as compared to ₹ 5,469.02 crores in the previous year.
- EBITDA reported at ₹ **381.63** crores as compared to ₹ 356.95 crores in the previous year.
- Profit before tax stood at ₹ **209.14** crores as compared to ₹ 139.37 crores in the previous year.
- Profit after tax stood at ₹ **156.50** crores as compared to ₹ 102.21 crores in the previous year

Key Financial Ratios

Particulars	Standalone		% Change	Consolidated		% Change
	2020-21	2019-20		2020-21	2019-20	
Debtors Turnover Ratio \$	51	49	4	52	48	8
Inventory Turnover (Days) \$\$	57	61	-7	57	61	-7
Interest Coverage Ratio &	5.47	3.13	75	5.50	3.13	76
Current Ratio *	1.40	1.33	5	1.40	1.33	5
Debt Equity Ratio **	0.52	0.88	-41	0.52	0.88	-41
Operating profit margin (%) #	6.79	6.47	5	6.82	6.47	5
Net Profit margin ratio (%)	2.82	1.87	51	2.85	1.87	52
Return on Net Worth (%) @	12.02	8.55	41	12.15	8.58	42

\$ Debtors (including unbilled revenue and non-current receivables) / (Revenue from operations/365)

\$\$ Inventory / (Revenue from operations/365)

& Interest (Finance cost) / EBITDA

* Current Assets / Current Liabilities (including Current maturity of long-term borrowings)

** Debt (Working capital + Long Term Debts including Current maturity of long-term loans) / Equity

Operating profit (excluding other income) / Revenue from operation

@ Profit for the year / Average Net Worth

There were significant changes in the below mentioned financial ratios. The detailed explanation are as follows:

Interest Coverage Ratio: Due to increased profitability and reduced repayment obligation as well as interest.

Debt Equity Ratio: Due to debt reduction and increase in Net Worth.

Net Profit Margin Ratio: Due to increased profitability and lower finance cost.

Return on Net Worth: Due to substantial increase in Profit after Tax.

Part VI

Risk Management

Like any other business organisation, the Company is exposed to internal as well as external risks, categorized into operational, financial, and regulatory, among others. The Company's robust Risk Management Policy is adopted to build a strong mitigation network. The key objective of the policy is to ensure sustainable business growth with stability and to promote an upbeat approach towards risk management and mitigation. The key objectives include:

- Identification of the current and future material risk exposures of the Company and ensure they are appropriately mitigated, minimised and managed
- Protecting brand value through strategic control and operational policies

- Establishing framework for the Company's risk management process and to ensure company-wide implementation
- Ensuring systematic and uniform assessment of risks related to different functions of the Company wherever applicable, through the adoption of best practices

The Company has laid down a strong foundation for a successful risk management process. The key roles and responsibilities around major business processes are assigned to process owners. The major steps in the risk framework include:

- Identification of risks under various categories like operational, financial, regulatory, technological and related to human resources
- Assessment of risks in terms of severity of impact and likelihood of occurrence
- Assignment of responsibilities

d. Development of mitigation plans which create value for business

e. Monitoring and reporting

The Audit Committee and the Board of the Company periodically review and evaluate the risk management system of the Company so that the management controls the risks through a properly defined network. The Head of the Departments

shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

No risks threatening the existence of the organisation have been identified. However, there are other risks against which adequate mitigation plans are prepared. Following are some risks and their mitigation measures:

Risk type	Risk definition	Risk mitigation
Technology Risk	The ever-evolving technology with continuous updation may lead to product obsolescence, if not addressed regularly.	The Company makes all efforts in innovating and staying abreast with the best technological knowhow and development of new products. The Company has state-of-the-art R&D facilities in the Lighting business. In the Steel business, the experienced team of technical staff takes care of development of products. Regular updation takes place in both businesses to achieve best quality at competitive costing.
Financial Risk	Risk arising from interest rate fluctuations.	The Company continuously tracks the changes in benchmark and monitor & controls the interest cost by using innovative financial products, mix of rupee and forex loans (on fully hedged basis) and utilisation of various facilities from banks linked to MCLR / alternate benchmark rates, reset clauses, prepayment options.
Regulatory Risk	Non-compliance to stringent regulatory and environment norms may result in liabilities and loss of brand reputation.	The Company strictly complies with all statutes applicable to its operations. There are trained staff members entrusted with regulatory responsibilities which are monitored and reported at the highest levels. The Company also uses services of legal and regulatory consultants.
Forex Fluctuation Risk	The Company deals in exports/imports of products in business and borrowings which are subjected to currency fluctuations.	To counter exposure to foreign exchange volatility, the Company has formulated a foreign exchange hedging policy to protect the margins in manufacturing, marketing and financing on a fully hedged basis.
Human Resources Risk	The Company needs adequate talent to run the business. There is a risk of labour unrest and maintaining good industrial relations.	The Company has developed and acquired trained manpower to run its operations. The Company periodically reviews its senior management team to ensure continuity in leadership. The HR policies ensure to attract and retain the best talents and maintain attrition at low level. The Company has also Granted ESOP to key executives and employees.
Commodity Price Risk	Company sources several commodities for use as inputs in its businesses and their price fluctuations may lead to losses.	In order to manage the commodity price risk, company has a comprehensive risk assessment framework to manage the risks arising out of the inherent price volatility associated with commodities. The Company is building a portfolio of value-added products for lowering commodity prices.

Further, the Company has in place a mechanism whereby the Audit Committee of the Board defines risk exposures, measuring them and defining appropriate actions to control the risk.

Part VII

Internal Control Systems

The Company has a proper and adequate system of internal control system, commensurate with the size and nature of its business. It is an integral component of the Company's corporate governance. The Company has in place a strong and independent Internal Audit Department responsible for assessing and improving the effectiveness of internal control and governance. Internal Audit focuses on operational as well as systems audit. The function is also strengthened by hiring expert professionals. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee. Extensive programme of risk and transaction-based internal audits cover all divisions, plants, branches and the different areas of operations. The Audit Committee of the Board is updated periodically on major internal audit observations, compliances with accounting standards, risk management and control systems. The Audit Committee assesses the adequacy and effectiveness of inputs given by the internal audit and suggests improvement for strengthening the control systems.

Further, the Company has an extensive budgetary control system, which is regularly examined by the management. Surya Roshni has a well defined Management Information System with clear organisational structures and authorisation levels for business transactions. The Company's internal financial controls are adequate and operate effectively which ensures orderly and efficient conduct of its business, including adherence to its policies, safeguard its assets, prevent and detect frauds & errors, maintain accuracy and completeness of its accounting records and further enable it in the timely preparation of reliable financial information. Surya Roshni also undertakes external audit for efficient audit and control for its branches and depots and also for specialised functions like taxation.

Part VIII

Human Resources and Industrial Relations

Surya Roshni's transformation over the years has been driven by its people and the healthy working culture. The Company ensures a vibrant work environment underpinned by a high-performance ethos and an unrelenting focus on candidate and client centricity. The Company creates an employee value proposition to attract, develop, retain and reward the talent needed and build a professional organisation. The people are nurtured through disciplined processes. They are offered all the support needed to remain positive, passionate and driven to deliver against strategic priorities. It also facilitates a well-being strategy that

addresses employee needs by focusing on four key drivers namely, physical, mental, intellectual and financial well-being. The top performers and achievers are recognised in the 'Surya Parivar' for their exemplary performance every year in the rewards and recognition programme. The Company has further continued to maintain amicable industrial relations by focusing on increased worker-level engagement through formal and informal communication and training forums. As on 31st March, 2021, the Company had 3,407 employees on its direct payroll.

Part IX

Corporate Social Responsibility

As a responsible corporate citizen, Surya Roshni aims to assist in promoting social development by building capacity within the broader society. The Company considers society well-being and ecological responsibilities as the key focus areas for its Corporate Social Responsibility (CSR) endeavours. The key objectives of Surya Roshni CSR policy are mentioned in Annexure IV of the Board's Report. The Company has discharged its responsibilities through the Surya Foundation. The Foundation works in the areas of Adarsh Gram Yojana, development of preventive and cost-effective health systems of naturopathy and yoga and ideal village projects with emphasis on literacy and personality development of youth.

During the year under review, the Company on a consolidated basis spent ₹ 3.17 crore on corporate social activities, being not less than two percent of the average net profits of the Company made during the three immediately preceding financial years.

Part X

Cautionary Statement

This Report contains forward-looking statements about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expressions for future are forward-looking statements. Forward-looking statements should be viewed in the context of many risk issues and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussions and Analysis Report, including, but not limited to, the impact of changes in oil, steel prices worldwide, technological obsolescence and domestic, economic and political conditions. The Company cannot assure that the outcome of these forward-looking statements will be realised. The Company disclaims any duty to update the information given in.

BOARD'S REPORT

To the Members,

The Board of Directors hereby submits the Forty Eighth report of the business and operations of the Company along with the audited financial statements, for the financial year ended 31st March, 2021. The Consolidated performance of the Company and its wholly-owned subsidiary has been referred to wherever required.

The Corona Virus, COVID-19, has caused havoc among all industries worldwide and the Indian industry which was just recovered from the first wave of the pandemic are yet again hit by the severe second wave in the last few months, feeling the initial pinch of the same.

1 RESULTS OF OPERATIONS AND STATE OF AFFAIRS:

Particulars	(₹ in crore)			
	Standalone		Consolidated	
	For the year ended 31st March,		For the year ended 31st March,	
	2021	2020	2021	2020
Revenue from Operations	5,554.37	5,469.02	5,561.39	5,471.05
Other Income	4.67	3.35	4.70	3.35
Total Revenue	5,559.04	5,472.37	5,566.09	5,474.40
EBITDA	381.63	356.95	384.03	357.55
Finance costs	69.79	114.11	69.86	114.13
Cash Profit	311.84	242.84	314.17	243.42
Depreciation and amortisation expenses	102.70	103.47	102.70	103.47
Net Profit Before Tax (PBT)	209.14	139.37	211.47	139.95
Tax Expenses	52.64	37.16	53.16	37.40
Net Profit After Tax (PAT)	156.50	102.21	158.31	102.55
Other Comprehensive Income	1.25	(2.07)	1.25	(2.07)
Total Comprehensive Income	157.75	100.14	159.56	100.48
EPS (Basic in ₹)	29.01	18.78	29.35	18.85
EPS (Diluted in ₹)	28.76	18.78	29.10	18.85

Standalone Financial Highlights:

During the year under review, the revenue from operations of the Company is ₹ **5,554.37** crore as compared to ₹ 5,469.02 crore last year registered a marginal increase of 1.56%, EBITDA to ₹ **381.63** crore from ₹ 356.95 crore registered an increase of **6.91%**, Profit before tax stands at ₹ **209.14** crore as compared to ₹ 139.37 crore last year, registered an increase of **50.06%** and Profit after tax stood at ₹ **156.50** crore as compared to ₹ 102.21 crore last year, increased by **53.12%**.

The said remarkable performance are based on the improvement in the operational performance supported by favorable change in business dynamics in lighting division and higher contribution of value added products in Steel Pipes and Strips division, thereby leading to better profitability and accruals and resultant improvement in debt metrics and liquidity position.

With consistent reduction in debt levels including prepayments culminating into reduced finance cost, benefits of imposition of custom duty on finished lighting products, deeper market penetration in rural and semi-urban markets with diversified product profile, nation-wide marketing network, established brand name, experienced management brings overall synergy and greater integration.

The Company's trusted brands backed by own production facilities along with changes in current Industry dynamics and lower imports from China and through adoption of latest technology, operational efficiency, excellent customer service and launch of innovative and diversified products in the market will add a fillip to our revenues with improved profitability in both the segments.

Consolidated Financial Highlights:

The Company has sole wholly-owned subsidiary company namely **SURYA ROSHNI LED LIGHTING**

BOARD'S REPORT (Contd.)

PROJECTS LIMITED which was incorporated on 21st January, 2019 as Special Purpose Vehicle (SPV). In the fiscal year under review, the revenue from operations of the Group is ₹ **5,561.39** crore as compared to ₹5,471.05 crore last year registered a marginal increase of 1.65% EBITDA to ₹ **384.03** crore as compared to ₹ 357.55 crore last year registered an increase of 7.41%, Profit before tax stands at ₹ **211.47** crore as compared to ₹ 139.95 crore last year, increased by **51.10%** and Profit after tax stands at ₹ **158.31** crore as compared to ₹ 102.55 crore last year registered an increase of **54.37%**.

DEBT REDUCTION WITH IMPROVEMENT IN FINANCIAL RATIOS

During the last 12 months, through consistent effort, the Company have been able to strengthen its balance sheet by reducing debt by ₹ **374** crores, which had resulted in lowering debt equity ratio to **0.52**. The Company's balance sheet has further strengthened by lowering of the debt equity ratio. This coupled with substantial improvement in the profitability lead to revision in rating and further savings in the finance cost in times to come.

The Company's continuous focus on working capital optimization led to steady reduction of working capital cycle to 59 days in Q4FY21 (from 91 days in Q4 FY20) and on Full Year Basis, the calculated working capital days reduced from 89 days in FY20 to 73 days in FY21 for the Company. The strong profit growth, Working Capital optimization, robust cash flow and debt reduction has led to improve in Return Ratios.

During the year, RoCE has improved by 190 basis points to 12.7% from 10.8% registered in FY20 while RoE has improved by 350 basis points to 12.1% as compared to 8.6% registered in FY20. During the Q4 FY21, ROCE increased to 17.8% compared to 11.0% in Q4FY20, an improvement of 680 Bps. Similarly, for Q4FY21, ROE increased to 17.5% compared to 9.8% in Q4FY20, an improvement of 770 Bps.

STEEL PIPES & STRIPS

The COVID19 virus that had halted domestic and trade activities across various economies have more or less overcome from the disruption caused due to pandemic. Indian economy showed resolute strength and courage during the unprecedented period and ensures "**Jan Bhi Jahan Bhi**". In India, Government

stance for **Aatma Nirbhar Bharat** has opened new avenues with immense hidden opportunities to explore in making India a global manufacturing hub in medium to long term. With huge investments made in housing, infrastructure like railways, ports, roads, airports, etc. demand of steel products is reaching to new level and more will be anticipated in time to come.

Surya being the largest exporter of ERW pipes and largest producer of ERW GI Pipes in India. manufactures ERW Steel pipes (GI Black, Hollow section), API & Welded pipes, Spiral, 3LPE Coated pipes & CR strips having wide applications of its products in agriculture, infrastructure, oil & gas and construction sectors. Company products are approved by API (American Petroleum Institute) for Oil & Gas sector. During the year, through conscious effort to increase the contribution from API and galvanizing pipes which have better EBITDA per tonne have yielded results and Company was able to deliver a growth in its sales with improved margins.

The profitability improved with strengthening of product portfolio. The Revenue of the segment stands at ₹ **4,328.11** crore in FY21 as compared to ₹ 4,234.66 crores during FY20 with better product mix and increased share in high value-added products. The EBITDA stands at ₹ **256.12** crore in FY21 as compared to ₹ 255.73 crore registered in FY20. The EBITDA per tonne has shown further improvement by about **22%** to ₹ **4,251** Q4FY21 as compared to ₹ 3,490 per metric tonne last year. The cash profit improved by **16%** in FY21 to ₹ **198.77** crores from ₹ 171.19 crores as registered in FY20. The PBT for the year further improved by **29%** to ₹ **125.35** crores as compared to ₹ 97.48 crores in FY20.

During the Q4FY21, the segment also has shown improvement in working capital involvement, the No. of Inventory days has been reduced to 41 days as compared to 52 in Q4FY20, the Debtors days has been reduced to 32 days in Q4FY21 as compared to 34 in Q4FY20 and Net Working Capital days reduced to 56 days as compared to 76 days in Q4FY20.

Through continuous focus on value added product, cost optimisation, manpower cost, electricity, logistic and other manufacturing cost along with operating efficiencies, top line and bottom line of the segment improved substantially.

BOARD'S REPORT (Contd.)

The Company's Hindupur Unit (A.P) has successfully completed its expansion program of 2 lakh M.T per annum capacity of ERW pipes along with Galvanised pipes during the year. With the addition of the third GI line the production capacity of Galvanises Pipe (GI Plant) has increased considerably. Further, during the reported year, the Company has approved new capacity addition of 72 metric tonne per annum of section pipes (300*300) through direct forming technology (DFT) at its Gwalior unit with a total capex of around ₹ 35 Crores and which is expected to be commissioned by second quarter of FY22. This capex will enable the segment to further improve its value added offering of larger diameter pipes.

The Steel pipes and strips performance during the year under review looks promising with higher contribution from value added products viz. API, GI Pipes and Exports, which will continue to drive improvement in EBITDA margins.

ANJAR (KUTCH)

The unit which is established in the year 2010 on 92 Acres are in close proximity to two major Kandla and Mundra port gives strategic advantage in exports and imports. The unit exports more than 70% of its production. The unit has successfully manufactured API 5L X – 70 PSL2 Grade pipe for Oil & Gas Industry.

The Company has established world's one of the best 3LPE Coating facility having latest technology from Selmer, Netherland at its unit with an installed capacity of 18,50,000 Sq. mtr. for External and 11,00,000 Sq. mtr. Internal Coating for pipes ranging from 4" to 64" diameter. The 3LPE coated pipe unit in the last year remained fully engaged, generated sales of ₹ 416 crore of 3LPE Coated Pipes.

Seeing the huge domestic requirements and flow of enquiries from Global Markets, the Company goes for expansion programme by installation of second 3LPE Coating Line at the existing unit last year and has successfully commenced **on 31st March, 2021 the Commercial Production of its second line for manufacturing of 3LPE Coated Pipes with an installed capacity of 9 Lakh square meter per annum over and above the existing installed capacity of 18,50,000 Sq. mtr.**

Presently the Company have a total order book of ₹ 1,050 crores majority from oil and gas sector, CGD for 3LPE coated pipes. With the commencement of the aforesaid second 3LPE Coating line under the

approved expansion programme, the Company will be benefitted by higher capacity utilisation of its existing Spiral and ERW API Pipes facilities with increase in the share of high value added pipes and achieve savings in logistic & coating charges. This shall further be leveraging the presence of the Company in the domestic as well as Global 3LPE Coated Steel Pipes for Oil and Gas (including CGD) sector, leading to improvement in top and bottom line of the Company.

The Company, continue to maintain its supremacy in the domestic market and is now at par with all the leading global pipe manufacturers in terms of supplying high quality of API line pipes with internal & external coating. Different types of coating like 3LPE, 3LPP, FBE (single & dual layer) and internal epoxy coating are carried to safeguard the pipe from rusting and also increases the life of the pipe. Different other pipes specifications such as EN, BS, AUSTRALIA & ASTRA GRADE are also manufactured by the Company.

The wide acceptance of Company's steel pipe products are evident with its expanding market share and brand preference. As world-class quality products of the Company are being sold by 250 dealers and 21000 retailers across India and are also being exported to more than 50 countries across the globe namely UAE, Australia, Egypt, EU, Canada, US etc.

The Government thrust on projects like increasing the share of gas in energy mix, City Gas Distribution network, improved focus on domestic water segment, irrigation projects, allocation in 'Har Ghar Jal' scheme etc. will be benefiting the Company as it has immense infrastructure already built in terms of large scale manufacturing facilities and wide spread distribution network.

LIGHTING & CONSUMER DURABLES

During FY21 the Company registered Consolidated Revenue from operations of ₹ 1,240.13 crore as compared to ₹ 1,247.97 crores in FY20. The EBITDA had been ₹ 127.91 crore in FY21 as compared to ₹ 101.82 crore in FY20 registers an increase of **26%**. The Cash Profit had reported a growth of **60%** to ₹ 115.40 crore as compared to ₹ 72.23 crores achieved in FY20. Profit before tax registered an improvement of **103%** on year-on-year basis to ₹ 86.12 crores as compared to ₹ 42.47 crores achieved in FY20. The Home Appliances section registered a

BOARD'S REPORT (Contd.)

17% growth in FY21 over the previous corresponding year.

The Consumer Lighting, Professional Lighting along with our consumer durable business continue to drive our growth as the Company keep on introducing new products to make it an FMEG Company and are working on developing new products continuously at its R&D centre at Noida. During the Q4FY21, the segment also has shown improvement in working capital involvement, the No. of Inventory days has been reduced to 66 days as compared to 98 in Q4FY20, the Debtors days has been reduced to 70 days in Q4FY21 as compared to 94 days in Q4FY20 and Net Working Capital days reduced to 67 days as compared to 138 days in Q4FY20.

During the year, the Company was able to reduce the working capital days to 77 days in this business as on 31st March, 2021 from 134 days with a substantial improvement from March 2020.

In regard to the Consumer Lighting Business, the Company is one amongst the first lighting company in India to introduce energy-efficient lighting solutions. Ranked as one of the most respectful and trusted brand for lighting product in India, Surya, manufacture all the LED products in-house, backed by strategic marketing initiatives and strong trade channel. During the year, the Company has introduced more premium range of LED Down-lighters, Battens, Lamps, Street Lights, Flood Lights, other decorative luminaires.

Surya, offers wide range of LED products ranging from 0.5w to 25w Lamps, Down-lighters, LED Panels, LED Street lights & LED Hi-bays for Lighting sectors. Many new products such as High Beam Angle LED Lamps, Color Change LED Lamps, New Range Down lighters, LED Torch with Dry Cell Battery Rechargeable etc. is also introduced to cater to the growing demand of the customers. This gives Surya an edge over its competitors.

The Company's Professional Lighting Business is related to LED Façade and Solar Lighting Products for Indoor, Commercial and Industrial Lighting sectors and to capture emerging opportunities in relation to Smart City, DMRC, Railway Stations, Flyovers and bridges, Temple, Monuments and Tourist spots lighting. Solar products include Solar Street Lights, solar panels, solar fans, solar roof top domestic lighting.

Surya, as a part of its CSR activities towards the society recently illuminated the Shri Kedarnath Temple in association with the Kedarnath Charitable Trust / Uttarakhand Tourism Department in an effort to provide permanent illumination of the temple for the duration of the yatra with energy efficient, eco-friendly and robust luminaire installation that can sustain the harsh weather conditions. The new illumination makes for a spectacular sighting of the temple, sprucing up the magnificent structure and highlighting the various facets of the building, while being a substantially economical and environment friendly lighting solution.

The Company's Consumer Durables Business which includes Fans, Home Appliance and Consumer Durables continue to receive good response and are liked amongst distributors, retailers as well as customers. Surya, added value added and premium range of fans such as Plated fans, Kids fans, Under-lite fans, Ventura, Metallica all in premium Plated finish and even fans with LED in more than 15 designs during the year. Further, Surya Room Coolers ventured last year is receiving overwhelming response during the year and registered decent growth.

The Company's Lighting and Consumer Durable is 75% B2C through channel partner, out of balance 25%, hardly 5% will be B2G, the B2B which is there it is about 20% mainly into professional lighting and the business is 100% through distributors. The contribution of LED products to the total lighting and consumer durable business was about 53% while 70% of the lighting business.

With government initiatives like building smart cities across India and structural shift in the lighting industry towards LEDs the company is poised to grow by leaps and bounds in years to come.

FUTURE PROSPECTS

STEEL PIPES & STRIPS

Steel plays a vital role in the development of modern economy and consumption of steel widely taken to be an indicator of economic development. India has become the world's 2nd largest Steel producer. Steel Pipe Industry continues to have a strong demand in traditional sectors such as construction, housing, transportation, agriculture, boring, firefighting,

BOARD'S REPORT (Contd.)

Infrastructure, Oil & Gas sector and river interlinking etc. Various steps have been taken by the Govt. of India to boost steel production, consumption and exports. As Indian economy, surpass the drastic effects of COVID 19 Pandemic and become a preferred location for global manufacturing in medium to long term, shall make the company more competitive considering its strong brand presence, PAN India operations and extensive dealer network mainly in rural and semi-urban areas.

Surya is the largest ERW GI pipe manufacturer and the largest exporter of ERW pipes in India. Surya continuously assess the requirement of its customers and develop the products accordingly. Surya developed and supplied GI pipe up to 24" dia pipe during the year. Surya has good presence in Fire Fighting, Agriculture, Section and API pipes required for infrastructure, household plumbing uses and Oil & Gas sector.

The Central Government **Aatma Nirbhar Bharat Abhiyaan** provides ample emphasis to rural India, agriculture, manufacturing and exports. The growth in rural India is expected to be higher than urban in future. As company's major sale comes from rural, semi urban & from exports and therefore, going forward the segments of the company shall bring healthy growth.

"Har Ghar Jal" – Piped water for all: Surya remains optimistic on high attention from the policy makers on future availability of drinking water and expansion of the piped drinking water for all. By an estimate, India is home to 18% Global Human Population with approximately 4% of Global Fresh Water resources. The per capita Annual Fresh Water availability was 5,177 cubic meters in 1951 is likely to decline to 1,140 cubic meters by 2050. To save and preserve water resources, GOI has proposed to spend approx. 5 lakh crore for Har Ghar Jal scheme, to provide tap water to nearly 150 million households in India by 2024. Jal Jeevan Mission (JJM) has been launched in partnership with states to enable every household in villages to have "Functional Household Tap Connection" (FHTC). JJM is implemented by Department of Drinking Water & Sanitation (DDWS) under Ministry of Jal Shakti (MJS). As on date only about 20% of the Rural Households have FHTC which is approx. 3.28 crore households and rest 80% of households are targeted to have FHTC by 2024 which is approx.

14.6 Crore households. Currently the State of Uttar Pradesh & Himalayan states have expedited the Projects under JJM.

With the total estimated requirement of GI pipes envisaged under JJM scheme stands at approx. 15,00,000 M.T. for supplies till 2024, Surya, leading manufacturer of GI Pipes with capacity of 3.60 lakh M.T. will be immensely benefited due to its PAN India presence with the state of art Plants provide immense benefits with savings in logistic cost. (Orders of 25,000 M.T already awarded)

The Company will reap benefits from Oil & Gas / CGD sector as Commercial production of its second line manufacturing of 3 LPE Coating Pipe facility commenced from 31st March, 2021 **with an installed capacity of 9 Lakh square meter per annum over and above the existing installed capacity of 18.50 Lakh square meter** at its existing campus of Anjar-Bhuj (Gujarat). With the commencement of the aforesaid second 3LPE Coating line under the approved expansion programme, the Company will be benefitted by higher capacity utilisation of its existing Spiral and ERW API Pipes facilities with increase in the share of high value added pipes and achieve savings in logistic & coating charges

India has become the global pipe manufacturing hub primarily due to the benefits of its lower cost, high quality and geographical advantages. The global accreditations and certifications that the Indian companies possess have made them preferred suppliers for many leading oil and gas companies in the world and particularly those in Middle East, North America and Europe. Since the global economy returned to sustained growth, the domestic pipe industry is expected to accelerate into high growth trajectory.

Looking to the brand image of **"Prakash Surya"**, the demand & supply scenario in South Indian market, the Company's state of the art ERW Pipe Manufacturing Mill at Hindupur (A.P) for production of Black, Section and GI pipes also starts yielding results. Further, company derives benefits of economies of scale at lower capital cost and increased market share in the premium market of South India, leading to savings in logistic cost and strengthening the overall Steel Pipe business of the Company.

Surya remains aggressive on building Brand value with new age advertisements and promotional

BOARD'S REPORT (Contd.)

activities. It continues to hold its leadership position in rural markets. With Government thrust on projects like increasing the share of gas in energy mix, City Gas Distribution network, improved focus on domestic water segment, irrigation projects, allocation in 'Har Ghar Jal' scheme, etc. will further boost the growth of the segments

LIGHTING & CONSUMER DURABLES

The Indian Lighting Industry has been making most of its products in India for more than 70 years now. However, the advent of LED technology completely changed the scenario for the industry as one had to rely on imported components in order to meet the fast-growing demand for LED lighting in households, in line with the government's vision of an energy-efficient India.

With the government's push of '**Vocal for Local**' and its recent announcement of a production-linked incentive (PLI) scheme for LED lighting products to boost manufacturing in India including large scale manufacturing of various finished goods as well as components to create an eco-system for local manufacturing of LED lighting products and components in India.

The impact of COVID 19 outbreak last year is felt on the Lighting Industry. The Industry emerged stronger and is gradually moving from a largely unorganised sector, comprising smaller regional players, towards an organised sector comprising PAN India branded players. An increase in technological and product complexities, an increase in marketing, consumer reach and branding activities and the entry of the newer player have all led to increase in the proportion of the share for the organised sector.

In **Consumer Lighting**, Company is focused on further improving its distribution and reach in High Potential Low Market Share areas, with a very targeted approach. There will be several New Product Launches, across categories and segments. Surya will also launch more Smart Lighting products. The Company will continue to aggressively drive Channel Financing, and increase the use of Automation to drive sales force effectiveness. High growth will be driven in CSD and KPKB.

We, at Surya Roshni, manufacture all the LED products in-house. The LEDs manufactured at its fully integrated plants in Kashipur (Uttarakhand)

and Gwalior (Madhya Pradesh), supported by Surya Technology & Innovation Centre (STIC) at Noida – an advanced state-of-the-art lighting and research centre with specific focus on LED ensure products are energy-efficient with extremely lower maintenance cost, high brightness, soothing light effect, high-power factor, and wide operating voltage range, operation in extreme temperatures – which ensure energy savings and comes with the facilitation of a remarkable life span. The group, manufactures quality LED products with a world class manufacturing infrastructure.

The LED lamps assembly process is equipped with automatic head assembly machines at Kashipur and Gwalior Plants. These machines are developed in-house by competent team members with an innovative approach. It is the most production friendly and deliver the best quality of products. Surya Roshni established PCB Assembly Unit at Gwalior & Kashipur plants with state-of-the-art automatic component insertion machines for both types of Axial and SMD components. The Company have a world class setup having Surface Mount Technology (SMT)/ AI machines of FUJI/JUKI/Yamaha for assembly of driver/MCPCBs for LED lamps/T-8 LED Tube Lights and Street Lights. All the SMT machines are fine pitch machines being used to insert chip components of all packages using SMT. These machines are used for mounting chip components for LED driver/MCPCBs. We are adhering to the best quality practices to deliver a zero defect product so as to meet our customer's expectation.

Surya, manufacture all the LED products in-house, backed by strategic marketing initiatives and have strong trade channel.

In **Professional Lighting**, the Company will further strengthen its Key Account Management, Projects and Design teams to increase its penetration in high potential customers, and to strengthen project execution. The Company will also strengthen its EPC business. There will be several New Product Launches, across segments, including several Smart Products and Solutions. Façade Lighting and Solar Lighting will continue to be high growth areas for us.

In **Consumer Durables**, the Company will focus on gaining market share in High Potential Low Market Share areas to expand its Fans and Home Appliances Business.

BOARD'S REPORT (Contd.)

FAN DIVISION

Fan Business progression in the last 7 years have been exceptional, Surya main focus have been in the Energy Efficiency Segment and building the Premium Fan Category which have been witnessing high growth within the Fan segment. Surya Endeavour has been to consistently increase the value to all stakeholders in the business, mainly consumers, dealers, suppliers and employees.

Surya Fans is one of the fastest growing brands in the Indian Fans Industry, in the recent years and as part of IFMA, Surya's Fan volume exceeded 20 lacs units in the financial year 2020-21.

Surya Fan has made its presence felt in all the segments, be it economy, premium, decorative, energy efficient fans and fresh air fans. Infact, the Company had further strengthened its presence in economy and decorative range of Fans with launch of Shakti Plus, Race HS, Tejas and expanded the range of Altus Premium Fans in terms of wider color choices for its discerning consumers. The products were designed to create higher product and brand image in the market.

The market presence and network have also expanded over the years and special focus have been made to expand into CPC/CSD segments and also offer Surya Fans through the E-commerce channel, the significance of this channel have been felt more so in the last year due to the pandemic faced during the last year. During the year, Company has also expanded its Authorised Service Centers for faster resolution of the consumer calls at a nick of time. The Company will expand its range of fans across types and price points.

HOME APPLIANCES

Surya Domestic Appliances business during the last year have been on the growth momentum. Since its inception, the products and services are unique, innovative in design, superior in product performance and offered exceptional value to the consumers.

Water Heaters and Room Heaters product category had witnessed sizeable growth in all the capacities and models. More focus on the premium model Qubo 25L & Qubo 15L and mass premium model Arctic 10/15/25 L series was done in order to attain higher market presence and market share. In the Room Heater Category Oil Filled Radiators in the 11Fins and 13 Fins, had witnessed quantum jump in sales and were received enthusiastically by the consumers.

In the kitchen appliances segment, the new product launches were done in the Mixer Grinder Segments, like Galaxy 750 watts and Kettles range was further expanded with Vetro Glass kettles and a new series of Sandwich Toasters. In the Induction Cooktops segment 3 new models were launched, Indicook V, Indicook MR and Indicook PRi, this product segment also witnessed exceptional growth.

The Company will launch several New Products in Appliances including in Water Heaters, Room Heaters, Room coolers, Mixer Grinders and induction cook-tops.

Since the launch few years back Surya have been recognised as a major Domestic Appliances Brand and have been able to consistently offer product and brand experience for the customers, the constant hendeavour is to offer superior value to the customers and be the first choice in the Domestic Appliances Business.

BRAND VISIBILITY

LED Business continues to contribute 72% of total lighting products and with new range of Architectural Façade Lighting, Decorative Indoor, Industrial and Stadium Lighting luminaire range promises to add a vertical growth from specifiers and architect segment.

Surya, ranked among the most respectful and trusted brand for lighting product in India has a strong foothold in rural and semi urban areas. It is the only Indian Company which has completely backward integrated business model where disruption due to imports from China will be minimal. With strong brand presence, PAN India operations, extensive dealer network mainly in rural and semi-urban areas, improvement in general consumer sentiments and with continuous focus of Government of India on **Aatma Nirbhar Bharat Abhiyaan** we are well poised to achieve new heights with healthy growth in top line and bottom line.

RESEARCH AND DEVELOPMENT CENTRE

To make Surya Roshni as one of the market leaders in Lighting Industry in India, under the guidance of Management, strong marketing, cost effective production by plants along with a strong focus on development and introduction of new LED products and technologies has played a crucial role. Surya Technology and Innovation Centre (STIC) is at the heart of this growth and has contributed immensely towards achieving the position presently enjoyed by the company.

BOARD'S REPORT (Contd.)

STIC has been involved in the research and development of LED lights with many unique and first-in-class features. STIC has invested in various resources required for the mechanical, electronics and optical development. Company's experienced Mechanical engineers design new lights ensuring that the lights meet the best manufacturing and quality standards. Since electronics is at the heart of the LED lights, so in order to ensure high quality and high reliability, we design and develop our own electronic drivers for use in our vast range of LED lights. In recent times, we have developed dimmable drivers, programmable drivers, luminaires with Astrotimer based control, LDR based controls and drivers with several other features. All kinds of mechanical, electrical and safety tests are performed on the products to ensure performance of products during adverse electrical and environmental conditions.

Surya, Photometric Testing Laboratory which is NABL accredited has the capability to carry out measurements for light distribution pattern, illuminance, luminous flux, chromaticity, color temperature (CCT), color rendering index (CRI) of light sources and luminaires. The lab is equipped with a High speed Mirror Gonio photometer (Type C) from LMT, Germany – the best equipment available for measurement of luminous output and intensity distributions of light sources, luminaires and for testing of optical design of lighting system along with a 2m Integrating sphere, luminance meter and illuminance meters making it one of most well equipped Photometric testing lab in India.

Company plan to extend the scope of luminaire testing by establishing Electrical Testing Laboratory and getting it as NABL accredited which will have huge benefits in the business with government departments and agencies. STIC has been recognised as an R & D Centre by DSIR (Department of Scientific & Industrial Research, Ministry of Science & Technology).

Surya are also working towards development of smart products both in the Commercial and Professional Lighting segments to keep in line with the latest trends with the markets. Some products have been launched and some are under different stages of development and testing.

Thus, STIC is actively enabling Surya Roshni to provide the most energy efficient, safe, reliable and environment-friendly lighting products with its ability to do the best-

in-class research, design and development and thus contributing towards Green India.

OUTLOOK

In spite of the effect of the pandemic on the economy, the Company emerge strongly with its continuous cost reduction, overhead rationalisation, value added products and creating demand for different applications of its products. With strong emphasis of Government on Aatma Nirbhar Bharat Abhiyaan and Vocal for Local and recently announced PLI Scheme for LED Lighting products / components, higher demand from agriculture, manufacturing, exports and from rural India is expected in future. As company's major sale comes from rural, semi urban & exports and therefore, going forward, both the segments of the company shall be performing well. With both short term and long term strategies in place, the Company aligned its resources to the needs of the industry and customers to achieve its future goals.

2 EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

As per the provisions of Section 134(3)(i) of the Companies Act, 2013, no material changes or commitment affecting the financial position that have been occurred between the end of the financial year of the Company to which the financial statements relates to the date of the report.

3 CHANGE IN THE NATURE OF BUSINESS , IF ANY :

There was no change in the nature of business of the Company during the year under review.

4 DIVIDEND:

Pursuant to Regulation 43A of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company has Dividend Distribution policy which is available on the Company's website at the following link: <https://surya.co.in/assets/upload/Dividend-Distribution-Policy.pdf> The Board considering the Company's performance and financial position for the year under review, recommended a final dividend pay-out of ₹ 1.50 per equity share for the year ended 2020-21 subject to approval from the shareholders at the ensuing AGM and shall be subject to deduction of Income Tax at Source (TDS). This takes the total dividend pay-



BOARD'S REPORT (Contd.)

out for the current financial year to 30% (including 1st Interim Dividend of 15% paid in November, 2020). The outflow on account of final equity dividend will be ₹ 8.16 crore.

The final dividend on equity shares, if approved at the Annual General Meeting, will be payable to those shareholders whose names appear on the Company's register of members on 3rd September, 2021. In respect of shares held in dematerialised form, the final dividend shall be payable on the basis of beneficial ownership as at 3rd September, 2021, as per the details furnished by National Securities Depository Ltd./ Central Depository Services (India) Ltd. for the purpose, as on that date.

5 BOARD MEETINGS:

Under the Law, the Board of Directors must meet at least once in a quarter and four times a year, with a maximum time gap of 120 days between any two meetings to consider amongst other business, the quarterly performance of the Company and financial results. The Board meeting of the Company are held during the financial year 2020-21 in compliance to the provisions of the Act and Listing Regulations. However, SEBI vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 and subsequent circular SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated 24th June, 2020 had extended the time for submission of financial results for the quarter/ financial year ended 31st March, 2020 to June 30, 2020 and further extended to 31st July, 2020 due to the continued impact of the COVID 19 pandemic.

In view of the said relaxation as provided by SEBI vide above circulars, the gap between the two Board meetings held on 25th June, 2020 and for Board Meeting held on 12th February, 2020 is of 133 days.

During the last financial year, our Board met four times, on 25th June, 2020; 30th July, 2020; 29th October, 2020 and 27th January, 2021.

SECRETARIAL STANDARDS

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

6 DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Re-appointment of Director to Retire by Rotation:

As per Article 77 of the Articles of Association of

the Company, Shri Vinay Surya (DIN – 00515803) retire by rotation and, being eligible, offer himself for reappointment.

Appointment of Independent Woman Directors for 1st Term.

The Board of Directors on the recommendation of Nomination and Remuneration Committee (NRC) through Circular resolution passed on 2nd September, 2020 has appointed Smt. Bhavna Kasturia (DIN – 08858309) as an Additional Independent Woman Director and proposed her name(s) for appointment for a first term of five consecutive years w.e.f. 2nd September, 2020 to 1st September, 2025 which was subsequently approved by the shareholders at the Annual General Meeting held on 23rd September, 2020 as per the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Appointment of Key Managerial Personnel (KMPs)

As per the provisions of section 203 of the Companies Act, 2013, following officials as named below are Key Managerial personnel of the company during the year under review.

Name of the official(s)	Key Managerial Personnel (KMPs)
Sh. Raju Bista	Managing Director
Sh. R N Maloo	ED & Group Chief Financial Officer
Sh. Tarun Baldua	ED & CEO (Steel Operations)
Sh. Nirupam Sahay	ED & CEO (Lighting)
Sh. B B Singal	Sr. V.P & Company Secretary

During the year, under review, Shri Ramanjit Singh Ex CEO of Lighting & Consumer Durables had been superannuated and in his place **Mr. Nirupam Sahay** has been appointed as Executive Director and Chief Executive Officer (Lighting). He has done MBA from Narsee Monjee Institute of Management Studies, Mumbai and an advanced Management program from Wharton. Mr. Nirupam has a career spanning over 26 years in Sales, Marketing, Operations and General/P&L Management across the industries of paints, consumer durables, financial services and lighting. His recent role in Philips Lighting (Signify) was as Senior V. P. and Global Business Leader and before that as President and CEO Philips Lighting (Indian sub-continent). He has also served ELCOMA as president during 2012 – 2014.

BOARD'S REPORT (Contd.)

There was no other change except above in Key Managerial Personnel of the Company.

7. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6) of the Companies Act, 2013.

FAMILIARISE PROGRAMME FOR INDEPENDENT DIRECTORS

In view of the provisions of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, a familiarisation programme for Independent Directors was provided during the year to make them update on the recent amendments in the provisions of the SEBI and Corporate Laws. A detailed familiarisation programme was prepared by representative of Corporate Professional, leading firm of Corporate Law Consultants of the recent amendments on the Companies Act, 2013- Recent Company Law Updates which was circulated to every Director on the Board of the Company who express happiness over the same. The detailed familiarisation programme for Directors was uploaded on the website of the company at the following link: <https://surya.co.in/assets/upload/Recent-Company-Law-Updates.pdf>



8. COMPOSITION OF AUDIT & OTHER COMMITTEES

The Audit Committee comprises of three Directors. The names along with categories of the members at the meeting was as follows :

Name of the Members	Director Identification No.	Category
Sh. Krishan Kumar Narula	00098124	Chairman ; Independent – Director
Sh.TaraSankar Sudhir Bhattacharya	00157305	Member ; Independent – Director
Sh. Surendra Singh Khurana	02126149	Member ; Independent – Director

All members of audit committee are financially literate and have accounting and related financial management expertise. Audit Committee as formed above meet the criteria as provided in Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also meet the provisions of Section 177 of the Companies Act, 2013.

The Audit Committee is responsible for overseeing of the company's financial reporting process, reviewing the quarterly/half-yearly/ annual financial statements, reviewing with the management on the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and fixation of audit fees along with reviewing and monitoring the auditor's independence and performance, reviewing the significant internal audit findings / related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operation. Matters to be included in Director's Responsibility Statement form part of the Board Report, compliance with listing and other legal requirements relating to financial statements, scrutiny of inter-corporate loans and investments, valuation of undertaking or assets of the company. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee also discussed major issues related to risk management, compliances, review the functioning of Whistle Blower mechanism and approval of appointment of Chief Financial Officer.

As per Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and in compliance to regulation 23(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 committee to recommend to grant Omnibus approval for proposed related party transactions which are foreseen and for unforeseen transactions as per the framed specified criteria on an annual basis

In addition, the Committee has discharged such other role/function as envisaged under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as 'Listing Regulations' with the Stock Exchange) and the provisions of Section 177(4) of the Companies Act, 2013. Audit Committee of the Company discharged its role and duties with great commitment and further any recommendations made by the

BOARD'S REPORT (Contd.)

Audit committee within the terms of its reference is considered and approved by the Board accordingly. No recommendation of the Audit Committee is turned down during the year under review.

Nomination and Remuneration Committee

The composition of the Committee is as follows:

Name of the Members	DIN	Position	Category
Shri Krishan Kumar Narula	00098124	Chairman	Non-Executive, Independent
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent
Shri Surendra Singh Khurana	02126149	Member	Non-Executive, Independent

The Nomination and Remuneration Committee is responsible for-

- Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- Shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors and review its implementation and compliances.
- Fixation of the remuneration of the directors, key managerial personnel (KMP's) and one level below the KMPs.

In addition, the Committee discharged such other role/function as envisaged under Regulation 19 read with Part D clause A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the provisions of Section 178 of the Companies Act, 2013.

Remuneration Policy

Remuneration Policy as framed by the Committee and approved by the Board keeping in view the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D clause A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy inter alia provides for the following :

- attract, recruit and retain good and exceptional talent;
- list down the criteria for determining the qualifications, positive attributes and independence of the directors of the Company;
- ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven , motivates them, recognises their merits and achievements and promotes excellence in their performance;
- ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective , excellence in their performance;
- fulfil the Company's objectives and goals, including in relation to good corporate governance, transparency and sustained long term value creation for its stakeholders.

EVALUATION CRITERIA

As per the provisions of section 178(2) of the Companies Act, 2013 and Clause VII & VIII of Schedule IV of the Act read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Nomination and Remuneration committee carried out annual performance evaluation of Director's according to their roles and duties on the Board of the Company and in particular considered the following aspects -

- The skills, relevant experience, expertise and personal qualities that will best complement the position;
- Potential conflicts of interest, and independence;
- Detailed background information and performance track record;
- the ability to exercise sound business judgment;
- availability to attend Board and Committee meetings; and
- appropriate experience and/or professional qualifications.

Stakeholder's Relationship Committee

Composition / name of members and chairperson

The Committee headed by Shri Krishan Kumar Narula (Non-executive – Independent Director)

BOARD'S REPORT (Contd.)

has the mandate to review and redress stakeholder grievances. The Composition of the committee is as follows:

Name of the Members	DIN	Position	Category
Shri Krishan Kumar Narula	00098124	Chairman	Non-Executive, Independent
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent
Shri Raju Bista	01299297	Member	Executive, Non-Independent

Risk Management Committee

In compliance to the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 effective from 5th May, 2021, the Board of Directors has constituted the Risk Management Committee on 25th May, 2021.

Composition / name of members and chairperson

The Committee headed by Shri Krishan Kumar Narula (Non-executive – Independent Director) shall discharge the role and responsibilities as specified in Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Composition of the committee is as follows:

Name of the Members	DIN	Position	Category
Shri Krishan Kumar Narula	00098124	Chairman	Non-Executive, Independent
Shri Sunil Sikka	08063385	Member	Non-Executive, Independent
Shri Kaustubh N Karmarkar	00288642	Member	Executive, Non-Independent
Shri Tarun Baldua		Member	ED & CEO – Steel Operations
Shri Nirupam Sahay		Member	ED & CEO – Lighting

9. WHISTLE BLOWER POLICY (VIGIL MECHANISM) :

As per the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with 4(2)(d)(iv) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company promotes ethical

behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy (Vigil mechanism) wherein the directors and employees are free to report violations of laws, rules, regulations or unethical conduct, actual or suspected fraud or violation of the company's code of conduct or ethics policy to the nodal officer. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The Company will oversee the mechanism through the Audit Committee and no personnel have been denied access to the Audit Committee. The Whistle Blower policy of the Company has been posted on the website of the company at the following link:



https://surya.co.in/assets/upload/162928_whistle-blower-policy.pdf

10. DIRECTOR'S RESPONSIBILITY STATEMENT: IN PURSUANCE OF SECTION 134 (5) OF THE COMPANIES ACT, 2013

The Board of Directors of the Company confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgements 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 that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a "going concern" basis;
- the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

BOARD'S REPORT (Contd.)

- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details in respect of frauds reported by auditors under section 143(12) of the Companies Act, 2013

During the year under review, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

11 MAINTENANCE OF COST RECORDS

As per the provision of Section 148(1) of the Companies Act, 2013 and Companies (Accounts) Rules, 2014 read with Ministry of Corporate Affairs circular G.S.R 725(E) dated 31st July, 2018, we hereby states that the Company has made and maintained Cost Records as per Companies (Cost Records and Audit) Rules, 2014 as amended from time to time.

12 CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the Act and Listing Regulations read with Ind AS-110- Consolidated Financial Statement, the consolidated audited financial statement forms part of the Annual Report.

13 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year, Company has a sole non-listed Indian Wholly-Owned Subsidiary namely SURYA ROSHNI LED LIGHTING PROJECTS LIMITED (CIN – U31200DL2019PLC344720) having an authorised capital of Rupees Five Crore and paid-up capital of Rupees Three Crore eighty five lakh as a Special Purpose Vehicle (SPV).

A statement providing details of performance and salient features of the financial statements of the Subsidiary company as per Section 129(3) of the Act, is provided as **Annexure I** to the Report and therefore not repeated, to avoid duplication. Further during the year under review no company have become / ceased to be our subsidiary / Associate Company.

14 ANNUAL RETURN:

As per the provisions of section 92(3) of the Companies Act, 2013 and rule 11 of the Companies

(Management and Administration) Rules, 2014, copy of annual return has been placed on the website of the company at the following link: https://surya.co.in/assets/upload/Annual_Return_2020-21.pdf

15 AUDITORS AND AUDIT REPORT:

STATUTORY AUDITORS:

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members at the Annual General Meeting of the Company held on 29th December, 2017 appointed M/s Ashok Kumar Goyal & Co, Chartered Accountants (firm registration No. – 002777N) as Statutory Auditors of the Company from the conclusion of 44th Annual General Meeting till the conclusion of 49th Annual General Meeting, covering one term of five consecutive years, subject to ratification by the members at each intervening annual general meeting.

In view of the amendment to the said section 139 through the Companies (Amendment) Act, 2017 notified on 7th May 2018, ratification of auditors' appointment is no longer required. However, under section 142 of the Companies Act, 2013, members of the Company at the 44th Annual General Meeting authorised the Board of Directors of the Company to fix Auditors' remuneration for the period of their appointment as deem fit and proper.

The Statutory Audit Report for the year 2020-21 does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

APPOINTMENT OF OTHER AUDITORS

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013, the Board has appointed M/s R J Goel & Company (a Cost auditor firm) as Cost Auditors for conducting the audit of the cost records of the Company for the financial year 2020-21.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Messrs S G S Associates, a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year

BOARD'S REPORT (Contd.)

ended March 31, 2021 is annexed herewith and marked as **Annexure II** to this report. The Secretarial Audit Report(s) does not contain any qualification, reservation or adverse remark.

16 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

Information on Conservation of Energy, technology absorption, foreign exchange earnings and outgo, is required to be given pursuant to the provisions of section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are annexed hereto and marked as **Annexure – III** and form part of this report.

17 DETAILS RELATING TO DEPOSITS

The Company has not accepted deposits under Chapter V of the Companies Act, 2013 and as per the provisions of Section 74(1)(b) of the Companies Act, 2013, Company had made pre- payments, repayments or outstanding unclaimed deposits on or before 31st March, 2015 to all the public depositor of the Company. At the close of the year 77 depositors aggregating to ₹ 8.77 lakh to whom prepayment and Interest cheques were issued but not cleared.

18 SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year under review, there were no significant and material orders passed by the regulators or courts or Tribunals, which may impact the going concern status of the Company and its operations in future.

19 INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

SURYA, Internal financial controls with reference to the financial statements are adequate and operate effectively and ensures orderly and efficient conduct of its business including adherence to its policies, safeguard its assets, prevent and detect frauds and errors, maintain accuracy and completeness of its accounting records and further enable it in timely preparation of reliable financial information. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

The company is having an independent Internal Audit Department assisted by external professionals for assessing and improving the effectiveness of internal

financial control with reference to financial statements and governance. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

20 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

As per the provisions of section 186(4) read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014, the particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the Standalone Financial Statement (Please refer Note 6 and 44 to the Standalone Financial Statement).

21 RISK MANAGEMENT POLICY :

In line with the provisions of Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company have developed a Risk Management Policy for ensuring sustainable business expansion with stability and to promote an upbeat approach towards risk mitigation and minimisation. The main objectives of the Risk Management Policy are:

- To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimised and managed.;
- To protect brand value through strategic control and operational policies;
- To establish a framework for the Company's risk management process and to ensure company-wide implementation;
- To ensure systematic and uniform assessment of risks related with different functions of the Company;
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.

Board assess several types of risks which the company is exposed to from time to time which is provided in Management Discussion and Analysis (MDA) to the Report and therefore not repeated, to avoid duplication.

BOARD'S REPORT (Contd.)

22 CORPORATE SOCIAL RESPONSIBILITY POLICY :

To attain Company's Corporate Social Responsibility objectives, Board has constituted Corporate Social Responsibility Committee (referred to as "CSR Committee") as per the provisions of Section 135 of the Companies Act, 2013.

Composition / Category / name of members and chairperson

The CSR Committee comprises of three Directors. The names along with categories of the members at the meeting was as follows:

Sr. No.	Name of the Members	DIN	Category
1	Shri Jai Prakash Agarwal	00041119	Member
2	Shri Raju Bista	01299297	Member
3	Shri Krishan Kumar Narula	00098124	Chairman; Independent Director
4	Shri Kaustubh N Karmarkar	00288642	Member

During the last financial year three CSR Committee meetings were held on 24th June, 2020; 28th October, 2020 and 25th January, 2021.

To attain the objectives of Corporate Social Responsibility in a professional and integrated manner CSR Committee framed the Corporate Social Responsibility Policy of the Company. Further, in compliance to the provisions of Section 135 the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, effective from 21st January, 2021, the Board of Directors at its meeting on 25th May, 2021 had approved the Revised Corporate Social Responsibility Policy (referred to as "CSR Policy") as recommended and formulated by the CSR Committee.

"Surya Roshni Limited CSR Policy" framed as per the provisions of Section 135 and Schedule VII of the Companies Act, 2013, describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and sustainable development of the community at large. The key objective is to eradicating hunger, poverty and malnutrition; Promoting health care; making available safe drinking water & Sanitation; Promoting

education; enhancing vocational skills & livelihood enhancement projects; Women empowerment; Promoting of home and hostels for women and orphans; Reducing inequality faced by socially and economically backward groups; Animal welfare / animal care; Promoting Art & Culture; Contribution to Prime Minister Relief Fund; Rural development projects; and addressing environmental issues.

The detailed Corporate Social Responsibility Policy of the Company is available on the website of the Company at the following link: <https://surya.co.in/assets/upload/Revised-CSR-Policy.pdf>



The Company discharged its responsibilities through **Surya Foundation** a social NGO established in 1992 with established track record of more than 28 years, to undertake CSR related activities and further is an eligible implementing agency in accordance with the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR projects or programs or activities undertaken by the Company as per the Company's CSR Policy in India only, which includes Adarsh Gram Yojana, Naturopathy, Health Camps. The Company prefer to take up projects for spending the amount earmarked for CSR at local areas and regions where the Company operates.

During the year under review, Company spends ₹ 3.17 crore on corporate social activities being not less than two percent of the average net profits of the company(s) made during the three immediately preceding financial years as required under the provisions of Section 135(5) of the Companies Act, 2013. No amount was left unspent during the year under review on CSR activities.

Annual Report on Corporate Social Responsibility activities of the company for the financial year 2020-21 as amended by the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 on CSR activities is annexed as **Annexure IV** to the Board's Report.

All expenses and contributions for CSR activities are made after approval from the Chairman of the CSR Committee, which are placed before the CSR committee. The Chairman ensures that the expenses/

BOARD'S REPORT (Contd.)

contribution made are in compliance with the CSR Policy.

23 CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Particulars of contracts or arrangements or transactions at arm's length basis with Related parties referred to in Section 188(1) in Form AOC- 2 is provided in **ANNEXURE – V** to the Board's Report.

As per the requirements of section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revised policy on Materiality of Related Party Transactions and also on dealing with Related Party Transaction has been framed, to ensure the proper approval and reporting of transactions between the Company and its Related Parties.

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the following link : https://surya.co.in/assets/upload/143834_Related_Party_Transaction_Policy.pdf Your Directors draw attention of the members to Note No. 47 to the Standalone financial statement which sets out related party disclosures.



24 ANNUAL EVALUATION OF DIRECTORS AND BOARD AS A WHOLE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause VII of Schedule IV of the Act and in compliance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable regulations referred to as "Listing Regulations", Nomination and Remuneration Committee ("the Committee") has

formulated "Nomination and Remuneration Policy" for performance evaluation of Independent Directors, Board, Committees and other Individual Directors

On the basis of the recommendation received from Nomination and Remuneration Committee in regard to performance evaluation of Non- executive Directors including the chairman of the Company and the Board as a whole, Independent directors at its meeting review the -

- Evaluation of the Performance of the Non – Independent Directors and the Board as a Whole.
- Evaluation of the performance of the Board Committees including Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Other Compliance Committees.
- Evaluation of the Performance of the Chairman of the Company taking into account the views of Executives and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

A separate exercise was carried out to evaluate the performance of individual director including the Chairman and Independent Directors and evaluate the Boards Performance, Board Committees performance by the Nomination and Remuneration Committee and submit its recommendation for review at the Independent Directors meeting.

Based on the recommendations of the Nomination and Remuneration Committee, Independent directors at their meeting held on 17th March, 2021 reviewed and evaluated the performance of Non-Independent Directors including the Chairman and further review and evaluate the Boards Performance, Board Committees performance and submit its report to the Chairman of the Company for assessment.

The performance evaluation as carried out by the Nomination and Remuneration committee and Independent Directors at their respective meetings were based on Feed – back form received from Directors. Feed-back form carried a structured questionnaire prepared after taking into consideration various aspects of the Board's functioning and submit their report accordingly.

BOARD'S REPORT (Contd.)

Pursuant to the provisions Section 134(3)(p) and Clause VIII of Schedule IV of the Companies Act, 2013 other applicable provisions of the Act and in compliance with the provisions of Regulation 17(10), 19 and 25(4) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017 on Guidance Note on Board evaluation, formal annual evaluation has been made by the Board after reviewing each and every parameter of Performance evaluation of Board as a whole, its Committees and that of every individual director (including Independent Directors) in detail and after taking into consideration the report submitted by NRC and Independent Directors on performance evaluation, collectively submit Comprehensive Annual Evaluation Performance Report in regard to its own performance, its Committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee and other Compliance Committees and that of individual directors including its Chairperson, Managing Director, Independent Directors and Non-independent directors accordingly. Directors expressed deep satisfaction with the entire performance evaluation process.

25 LISTING WITH STOCK EXCHANGES:

The equity shares of the company were listed on the following Stock Exchanges during the financial year 2020-21:

BSE Limited	The National Stock Exchange of India Ltd. Category
Rotunda Building, Dalal Street, Fort, Mumbai – 400 001.	Exchange Plaza, Bandra- Kurla Complex, Bandra, Mumbai – 400 051.

Stock Code

	National Stock Exchange	Bombay Stock Exchange	ISIN
Equity Shares-Symbol / Code	SURYAROSNI	500336	INE335A01012

The company has paid the Annual Listing Fees to both the Stock Exchanges for the Financial Year 2020-21 and 2021-22.

26 CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Company has taken adequate steps to adhere to all the stipulations laid down in regulations 17 to 27, 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Listing Regulations". A report on Corporate Governance is provided in **Annexure –VI** and form part of this Report.

Certificate from the Statutory Auditors of the company confirming the compliance with the conditions of Corporate Governance as stipulated under Regulations read with Schedules of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this report.

27 BUSINESS RESPONSIBILITY REPORT

As stipulated under the Listing Regulations, the Business Responsibility Report (BRR) describing the initiatives taken by the Company from an environmental, social and governance perspective is enclosed and marked as **Annexure – VII**

28 BOARD DIVERSITY

The Company recognises and embraces the importance of a diverse Board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, industrial experience, age, ethnicity, gender which will help us to retain our competitive advantage. The Board as recommended by Nomination and Remuneration Committee has adopted the Board Diversity Policy which set out the approach to diversity of the Board of Directors.

29 GENERAL

i. EMPLOYEE STOCK OPTION SCHEME - SRL Employee Stock Option Scheme 2018 ("ESOS 2018")

The Shareholders of the Company approved the SRL Employee Stock Option Scheme – 2018 vide their Special Resolution dated September 28, 2018. The Company as on date has granted 6,44,000 Options to its Employees. Further, as on date Surya Roshni Limited Employees Welfare Trust has also acquired 8,00,000 Equity Shares from the open market.

Disclosure with respect to Stock Options, as required under sub-rule 9 of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and

BOARD'S REPORT (Contd.)

under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('the Regulations'), are available in the Notes to the Financial Statements and can also be accessed on the Company's website www.surya.co.in. During the year, there has not been any change in the Company's Employee Stock Option Scheme. The scheme is in compliance with the Regulations.

Your Company's Auditors, Messrs. Ashok Kumar Goyal & Co., have certified that the Employee Stock Option Schemes of the Company have been implemented in accordance with the Regulations and the resolutions passed by the Members in this regard.

ii. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed an Internal Committee to address complaints pertaining to sexual harassment in the workplace. The Company policy mandates prevention of sexual harassment and to ensure a free and fair enquiry process with clear timelines for resolution.

Your Directors state that during the year under review, there was no cases filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

iii. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as the

Listing Regulations with the Stock Exchanges, the compliance certificate from Chairman, Managing Director and Executive Director & Group CFO is given and marked as as **Annexure – VIII** to this report.

30 PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is enclosed as per **Annexure IX**.

31 ACKNOWLEDGEMENTS

The Board places on record their appreciation for the continued support from Financial Institutions, Bankers, Central and State Government Bodies, Legal Advisers, Consultants, Dealers, Retailers, other Business Constituents and Investors.

The Board also wish to place on record once again, their appreciation for the contribution made by the workers, staff and executives at all levels, to the continued growth and prosperity of the Company. The overall industrial relations remained cordial at all the establishments.

for and on behalf of the Board of Directors

Place: New Delhi
Dated: 25th May, 2021

J P Agarwal
Chairman
DIN- 00041119

ANNEXURE – I TO BOARD'S REPORT

FORM NO. AOC - 1

(Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures.

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakhs)

1. Sl. No.	1
2. Name of the Subsidiary	SURYA ROSHNI LED LIGHTING PROJECTS LIMITED (CIN –U31200DL2019PLC344720)
3. The date since when subsidiary was acquired	21st January, 2019
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
5. Reporting currency and Exchange rate as on last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
6. Share Capital	385.00 (38,50,000 Equity Shares of ₹ 10/- each fully paid-up)
7. Reserve and Surplus	213.11
8. Total assets	998.16
9. Total liabilities	998.16
10. Investments	-
11. Turnover	2753.49
12. Profit before Taxation	202.90
13. Provision for taxation	51.07
14. Profit after taxation	151.83
15. Proposed Dividend	Nil
16. Extent of shareholding (in %)	100% (Wholly-owned Subsidiary)

Notes: The following information shall be furnished at the end of the statement:

- Names of the subsidiaries which are yet to commence operations: Nil
- Names of the subsidiaries which have been liquidated or sold during the year: Nil

Part B Associate and Joint Venture

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Sl. No.	Name of Associate or Joint Venture	Name1	Name2	Name3
1.	Latest audited Balance Sheet Date	Nil		
2.	Date on which the Associate or Joint Venture was associated or acquired			
3.	Shares of Associates or Joint Ventures held by the Company on the year end			
	No.			
	Amount of Investment in Associate or Joint Venture			
	Extent of Holding (in percentage)			
4.	Description of how there is significant influence			
5.	Reason why the associate / joint venture is not consolidated			
6.	Networth attributable to shareholding as per latest audited Balance sheet			
7.	Profit or Loss for the year			
	i Considered in Consolidation			
	ii Not Considered in Consolidation			

- Names of the associates or Joint ventures which are yet to commence operations: Nil
- Names of the associates or joint ventures which have been liquidated or sold during the year: Nil

for and on behalf of the Board of Directors
J P Agarwal
Chairman
DIN-00041119

Place : New Delhi
Date: 25th May, 2021

ANNEXURE – II TO BOARD'S REPORT

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

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

TO

THE MEMBERS

SURYA ROSHNI LIMITED

PRAKASH NAGAR, SANKHOL

BAHADURGARH, HARYANA-124507

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S SURYA ROSHNI 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 authorised 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 31st March 2021 ("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 the Company for the financial year ended on 31st March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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.

- (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, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
- (d) The Securities and Exchange Board of India (Employee Share Based Employee Benefit) Regulations, 2014.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit Period**).

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 Regulations, as applicable entered into by the Company with Stock Exchanges as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time.

During the period under review the Company has complied

ANNEXURE – II TO BOARD'S REPORT (Contd.)

with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the Regulation 27 of the Listing Regulations during the reported year except the composition of Board of Directors in regard to appointment of Woman Independent Director up to 1st September, 2020.

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 laws applicable specifically to the Company:

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 at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that the Nomination and Remuneration Committee of the Company has during the period under review approved grant of 6,44,000 options convertible into equal number of equity shares of ₹ 10/- each of the Company to the eligible employees of the Company under SRL-Employee Stock Option Scheme-2018.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For SGS ASSOCIATES
Firm Regn. No. S2002DE058200
Company Secretaries**

**Date: 17th May 2021
Place: - New Delhi**

**CS D.P. Gupta
M N FCS 2411
C P No. 1509
ICSI UDIN No. F002411C000337757
ICSIPR No 1194 / 2021**

Note: This report is to be read with our letter of even date which is annexed as Annexure- A and forms an integral part of the Report

ANNEXURE-A

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE (UNQUALIFIED)

To,
The Members
Surya Roshni Limited
PRAKASH NAGAR, SANKHOL
BAHADURGARH, HARYANA-124507

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

ANNEXURE – II TO BOARD'S REPORT (Contd.)

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SGS ASSOCIATES

Firm Regn. No. S2002DE058200

Company Secretaries

CS D.P. Gupta

M N FCS 2411

C P No. 1509

ICSI UDIN No. F002411C000337757

ICSI PR No. 1194/2021

Date: 17th May 2021

Place: New Delhi

ANNEXURE – III TO BOARD'S REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134(3) (m) read with Companies (Accounts) Rules 2014 and forming part of the Directors' Report for the year ended 31st March, 2021.

I. CONSERVATION OF ENERGY

Energy conservation dictates how efficiently a company can conduct its operations. Surya Roshni Limited has recognised the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company has undertaken various energy efficient steps that strengthen the Company's commitment towards becoming an environment friendly organisation.

a) Energy conservation measures taken:

At Steel Pipes & Strips Segment – Bahadurgarh Unit:

- Company gone through the audit of energy management system for conservation of energy.
- Replacement of less efficient compressor with new air compressor saves energy.
- Saving of Power through improved Power factor.

At Steel Pipe Unit - Hindupur:

- Installed online capacitor/harmonic control system for improving the power quality and for optimum utilisation of energy.
- Saving of energy by installation of VFD system on the Cooling towers to control the water temperature.
- Shifting of all the Compressor at proper location near plant for power saving.

At Steel Pipe Unit - Anjar (Gujarat-Kutchh):

- Developed Heat Recovery System in GI Plant & Boiler by using waste heat energy for drying the pipes after coating.
- Replaced Flushing system pumping Unit in all Hydro tester Machine with process pump with sharp nozzle.
- Saving of energy by optimisation of use of common utilities by interlinking of utilities at various sections.
- Replaced high energy consuming electrical motors with compatible lower energy consuming motors.

At Malanpur Unit of Lighting Division:

- Saving of Electrical Energy by replacing old Air ends of compressors.
- Saving of energy by running of new 132 KW compressor having IE4 motor from IE3 motor.
- Saving of Electrical Energy by installing a dedicated compressor of 45 KW for LED assembly area having saving potential of 32200 units/ year.
- Reduction of Natural Gas consumption by Cap Hockley process using 64 SCM/day natural gas for drying the caps after washing and using waste heat from cap furnace to be tapped and supply through centrifugal Blower.
- Savings in Gas consumption 5263 SCM/Month in Glass Furnace by incorporating New PLC.
- Reduction in Energy consumption by replacing Tube light by LED batten for BWH area.
- Reduction in gas consumption of FTL 1 Baker by tune up the Zone 1 and 4 in auto mode.
- Saving of Electrical Energy 3.67 Lacs units/year in FTL exhaust oven by converting it from Electrical Heating to Natural Gas.
- Saving in Solar power by purchasing 58.48 Lacs Units/year.

At Kashipur Unit of Lighting Division:

- Saving of energy is achieved by installation of Low Air Compressor of 30 KW (200 CFM) from 75 KW (480 CFM) at the Compressor House for optimum utilisation of energy.
- Saving of energy is achieved by insulation of chilled water line to prevent of cooling loss.
- Saving of energy through replacement of Kenthal wire heater with IR heater in Multi draw machine.
- Saving of energy achieved by replacement of Conventional Window A.C with Inverter based Split A.C.

ANNEXURE – III TO BOARD'S REPORT (Contd.)

- Replaced the solid state relay in place of Dimmer State in Cleaning machine to save energy.
- Saving of energy is achieved by installation of Ductable AC instead of conventional A.C in PCB plant.
- b) **Steps taken by the Company for utilizing alternate source of energy:**
Company is exploring options to use Solar Based Energy/Wind Power Energy as an alternate source of energy in future.
- c) **The Capital Investment on energy conservation equipment's:**
Regular investment on energy conservation equipment's are made by the company.

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Rules:

1. Research and Development (R&D)

- a) **Specific areas in which R&D carried out by the company:**
During the year under review, development / completion of products / projects in the field of energy efficient Light Sources and Luminaires & its application including LED Lighting System has been carried out.
- b) **Benefits derived as a result of above R&D:**
Developed / modified energy efficient environment friendly lighting products.
- c) **Future Plan of action:**
Research and Development activities in future at a modern, world-class, in-house Research & Development Centre in Noida is in the field of energy efficient Light Sources and Luminaires & its application including LED Lighting System.
- d) **Expenditure on R&D:**
Capital Expenditure during the year is ₹ 0.39 crore and Revenue Expenditure is ₹ 2.56 crore

2. Technology absorption, adaptation & innovation:

- a) **Efforts, in brief, made towards technology absorption, adaptation & innovation:**
Major initiatives are being taken to upgrade the various processes by making

use of latest and better techniques. Efforts are constantly being made to make the maximum use of the available infrastructure, at the same time innovating new techniques to bring about efficiency as well as economy in different areas. Employees are given appropriate training of and on the job, to enable them to achieve the planned performance.

- b) **Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc. :**

There were various benefits derived as a result of the efforts listed above, some of them included better utilisation of the available resources, product improvement and development, cost reduction, better overall efficiency.

- c) **In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): Nil**

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) **Activities relating to exports, initiatives taken to increase export, development of new markets for products and services and export plans:**
The Company continued to maintain its focus & avail of export opportunities based on economic considerations.
During the year, the Company has exports worth ₹ 721.99 crore.
- b) **Total foreign exchange used and earned (₹ in crore)**
Used: 413.86 **Earned:** 654.95

for and on behalf of
the Board of Directors

J P Agarwal
Chairman

Place: New Delhi
Date: 25th May, 2021

DIN – 00041119

ANNEXURE – IV TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020-2021

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

"Surya Roshni Limited CSR Policy" describes and contains the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines, process and mechanisms for undertaking socially useful programmes for welfare and sustainable development of the community at large. The key objective is to eradicating hunger, poverty and malnutrition; Promoting health care;

making available safe drinking water & Sanitation; Promoting education ; enhancing vocational skills & livelihood enhancement projects; Women empowerment; Promoting of home and hostels for women and orphans; Reducing inequality faced by socially and economically backward groups; Animal welfare /animal care; Promoting Art & Culture; Contribution to Prime Minister Relief Fund; Rural development projects; and addressing environmental issues.

2. COMMITTEE COMPOSITION:

The Corporate Social Responsibility Committee consist of four directors amongst whom, one shall be an Independent Director.

S. No.	Name	Category	Designation
1	Shri Jai Prakash Agarwal	Member	Executive Chairman
2	Shri Raju Bista	Member	Managing Director
3	Shri Krishan Kumar Narula	Member	Independent Director
4	Shri Kaustubh Narsinh Karmarkar	Member	Non-Independent Director

3. WEB-LINK

The detailed Corporate Social Responsibility Policy of the Company is available at the following link:
<https://surya.co.in/assets/upload/Revised-CSR-Policy.pdf>



4. IMPACT ASSESSMENT

Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is Not Applicable as the average CSR obligation of the Company is less than 10 crore in the three immediately preceding financial years on the Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1.	2020 - 2021	Nil	Nil
	Total	Nil	Nil

(₹)

6.	Average Net Profit of the Company for last three financial years as per section 135(5)	:	1,58,56,53,595
7.	(a) Prescribe Amount of CSR expenditure (2% of Average)	:	3,17,13,072
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	:	Nil
	(c) Amount required to be set off for the financial year if any	:	Nil
	(d) Total CSR obligation for the financial year 2020-2021 (7a+7b+7c)	:	3,17,13,072

ANNEXURE – IV TO BOARD'S REPORT (Contd.)

8. (a) CSR amount spent or unspent during the Financial Year 2020-21 in respect of Surya Roshni Limited :

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
3,17,15,000	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year.

(₹ in crore)

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Items from the list of activities in Schedule VII to the Act	Local Area (Yes / No)	Location of the Project		Project duration	Amount Allocated for the Project (in ₹)	Amount spent in the Current Financial Year (in ₹)	Amount transferred to unspent CSR Account for the Project as per Section 135(6)	Cumulative expenditure upto to the reporting period	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2020-21:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Items from the list of activities in Schedule VII to the Act	Local Area (Yes / No)	Location of the Project		Amount Spent for the Project (in ₹)	Mode of Implementation - Direct Yes/No	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1	Adarsh Gram Yojna	Mini Personality Development Camp	Yes	Haryana	BAHADURGARH (JHAJJAR), SONIPAT, HISSAR, FATEHABAD,	2,87,55,720	Agency	Surya Foundation	CSR00002663
		Plantation Camp	Yes	Uttarakhand	KASHIPUR (UDDHAM SINGH NAGAR)				
		Teacher Personality Development Camp	Yes	Madhya Pradesh	MALANPUR (BHIND) RISEN, VIDISHA, INDORE, GWALIOR, SIHORE,				
		Plantation	Yes	Gujarat	BHUJ (KUTCH), ARAVALI				
		Swlai Kendra	No	Manipur	KAKCHING, KANGPOPKI				
		Goutpad Training Camp	No	Maharashtra	BIKANER, JAIPUR, JODHPUR NAGPUR				
		Swatcha Abhiyan	No		NAGPUR				
		Blood Donation Camp	Yes	Delhi	PASCHIM VIHAR, PUNJABI BAGH				
		Dakshata Varag Camp	No	West Bengal	SILLIGURI, DARJEELING, KALIMPONG U. DINAJPUR				
		Madhu Makhi Training Camp							
		National Youth Day Camp	Yes	Andhra Pradesh	HINDUPUR (ANANTPUR)				
		Parchey Varg Camp	No	Chattisgarh	KAWARDHA, RAIPUR, RAJNANDGAON KABIRDHAM KORBA				
			No	Karnataka	BIDAR				
				Orissa	GANJAM, SUNDAR GADA, KALAHANDI, PURI, DEOGARH, BALESWAR BHUBANSWAR BALASOR				
			No	Jharkhand	KHUNTI, RAMGARH, RANCHI, PURVI CHAMPARAN, HAZARIBAGH				
			No	Tripura	TRIPURA WEST				
			No	Assam	KAMRUP, BISWANATH, MANULI				
			No	Uttar Pradesh	AMETHAI, BAREILLY, FATEHPUR, GAUTAM BUDH NAGAR, HARDOI, GORAKHPUR, HAMIRPUR, LAKHIMPUR, LUCKNOW, MEERUT, KANPUR MATHURA, MORADABAD, SAMLI, VARANASI, KAUSHMBI, BARABANKI				
2	Naturopathy	International Day of Yoga				18,60,167	Agency	Surya Foundation	CSR00002663
Total						3,06,15,887			

ANNEXURE – IV TO BOARD'S REPORT (Contd.)

- (d) Amount spent in Administrative Overheads : ₹ 10,99,113
- (e) Amount spent on Impact Assessment, if applicable : Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 3,17,15,000

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial year	Amount transferred to unspent CSR Account for the Project as per Section 135(6) (in ₹)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6).			Amount remaining to be spent in the succeeding Financial Years (in ₹)
				Name of the Fund	Amount	Date of transfer	
1	2018-19	Nil	Nil	N.A	Nil	N.A	Nil
2	2019-20	Nil	Nil	N.A	Nil	N.A	Nil
3	2020-21	Nil	Nil	N.A	Nil	N.A	Nil
Total				Nil			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the Project was commenced	Project duration	Total amount to be allocated for the project	Amount spent on the projects in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of the reporting Financial Year (in ₹)	Status of the Project - Completed / Ongoing
Nil - As no amount left unspent on any project in the preceding three Financial Years								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details).

- (a) Date of creation or acquisition of the capital asset(s). N.A
- (b) Amount of CSR spent for creation or acquisition of capital assets Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. N.A
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital assets) N.A

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **Not Applicable**

Company had spent during the year an amount of ₹ 3.17 crore on corporate social activities being not less than 2% of the average net profits of the company made during the three immediately preceding financial years as required under the provisions of section 135(5) of the Companies Act, 2013. No amount was left unspent during the year under review on corporate social responsibility activities.

K K Narula
Chairman – CSR Committee
(DIN – 00098124)

Raju Bista
Managing Director
(DIN – 01299297)

Kaustubh N Karmarkar
Whole-time Director
(DIN – 00288642)

for and on behalf of the Board of Directors

Place: New Delhi
Dated: 25th May, 2021

J P AGARWAL
CHAIRMAN
DIN – 00041119

ANNEXURE – V TO BOARD'S REPORT

FORM NO. AOC - 2

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 transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship: **Nil**
- (b) Nature of contracts/arrangements/transactions: **Nil**
- (c) Duration of the contracts/arrangements/transactions: **Nil**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Nil**
- (e) Justification for entering into such contracts or arrangements or transactions: **Nil**
- (f) Date(s) 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: **N.A**

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship: **Nil**
- (b) Nature of contracts/arrangements/transactions: **Nil**
- (c) Duration of the contracts/arrangements/transactions: **Nil**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Nil**
- (e) Date(s) of approval by the Board (if any): **Not Applicable**
- (f) Amount paid as advances, if any: **Nil**

for and on behalf of the Board of Directors

J P Agarwal

Chairman

DIN-00041119

Place : New Delhi

Date: 25th May, 2021

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY

The ethical values is the foundation of Company's governance philosophy which over the past 48 years of the Company's existence has become a part of its culture. Company's commitment towards adoption of best corporate governance practices goes beyond compliance of the law and endeavors to embrace responsibility for corporate actions and impact of its initiatives on all stakeholders. A Report on compliance with the Corporate Governance provisions as prescribed under Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 referred to as "Listing Regulations" is given below:

2. BOARD OF DIRECTORS

a. Composition and Category of Directors as on 31st March, 2021

The Board consists of 12 Directors as on 31st March, 2021. The composition of the Board is in conformity with Regulation 17 read with clause C(2) (a) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The day to day management of the company was carried by 4 Executive – Non Independent Directors. Chairman is

an Executive Director and the number of Independent Non-Executive Directors on the Board is more or equal to 50% of the Board strength at any point of time. All Independent Non-Executive Directors possess the requisite qualification and are very experienced in their respective fields and further comply with the legal requirements for being "independent". Neither Independent Directors nor their relatives do not have any pecuniary relationships or transactions either with the Company or its associate or with the promoters/management that may affect their judgment in any manner. The non-executive independent directors of the Company satisfied the definition of independent directors as provided in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Directors on the Board, are summarised as below:

Times New Roman	12
Executive Chairman	Sh. Jai Prakash Agarwal
Managing Director	Sh. Raju Bista
No. of Independent Directors (Chairman being Executive)	7 (> 50% of Board Strength)
No. of Non-Executive Directors	8 (> 50% of Board Strength)

The names along with categories of the Directors on the Board, are given below:

Name of the Directors	Director Identification No. (DIN)	Category of Directors
Sh. Jai Prakash Agarwal (Executive Chairman)	00041119	Promoter ; Executive ; Non-Independent
Sh Raju Bista (Managing Director)	01299297	Executive ; Non-Independent
Smt. Urmil Agarwal	00053809	Non-Executive ; Non-Independent
Shri Vinay Surya	00515803	Executive ; Non-Independent
Sh. Krishan Kumar Narula	00098124	Non-Executive; Independent
Sh. Ravinder Kumar Narang	02318041	Non-Executive; Independent
Sh. Tara Sankar Sudhir Bhattacharya	00157305	Non-Executive; Independent
Sh. Sudhanshu Kumar Awasthi	02162923	Non-Executive; Independent
Sh. Surendra Singh Khurana	02126149	Non-Executive; Independent
Sh. Sunil Sikka	08063385	Non-Executive; Independent
Smt. Bhavna Kasturia*	08858309	Non-Executive; Independent
Sh. Kaustubh Narsinh Karmarkar	00288642	Executive; Non-Independent

*Appointed on the Board w.e.f. 2nd September, 2020 and was appointed as an Independent Woman Director for its first term for a period of 5 consecutive years w.e.f. 2nd September, 2020 by the Shareholders at the AGM held on 23rd September, 2020.

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

b. Attendance of each Director at Board Meetings held during the year 2020-21 and last AGM

The names of the Directors on the Board and their attendance at Board meetings during the year 2020-21 and at the last AGM are as under:

Name of the Director	Director Identification No. (DIN)	No. of Board Meetings attended during 2020-21	Last AGM attendance As on 23.09.2020
Sh. Jai Prakash Agarwal (Executive Chairman)	00041119	4	NO
Sh Raju Bista (Managing Director)	01299297	4	YES
Smt. Urmil Agarwal	00053809	3	NO
Shri Vinay Surya	00515803	4	YES
Sh. Krishan Kumar Narula	00098124	4	YES
Sh. Ravinder Kumar Narang	02318041	4	YES
Sh. Tara Sankar Sudhir Bhattacharya	00157305	4	NO
Sh. Sudhanshu Kumar Awasthi	02162923	4	YES
Sh. Surendra Singh Khurana	02126149	4	YES
Sh. Sunil Sikka	08063385	4	YES
Smt. Bhavna Kasturia*	08858309	2	YES
Sh. Kaustubh Narsinh Karmarkar	00288642	4	NO

* Appointed on the Board w.e.f. 2nd September, 2020 and was appointed as an Independent Woman Director for its first term for a period of 5 consecutive years w.e.f. 2nd September, 2020 by the Shareholders at the AGM held on 23rd September, 2020.

Information supplied to the Board

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to the officers of the Company. In addition to items required to be placed before the Board for its noting and/or approval, information is provided on various significant items.

In terms of quality and importance, the information supplied by the Management to the Board of the Company is far ahead of the list mandated under regulation 17(7) read with Part A of Schedule II to the SEBI Listing Regulations, 2015. As stated elsewhere, the independent directors of the Company at their meeting held on 17th March, 2021 expressed satisfaction on the quality, quantity and timeliness of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform their duties.

Orderly succession to Board and Senior Management

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

c. Directorships and Committee Memberships in other companies as on 31st March, 2021

The names of the Directors and the details of chairmanship / directorships and committee memberships of each director in other companies as on 31st March, 2021 is given below:

Name of the Director	Director Identification No. (DIN)	No. of Directorships held in other companies		No. of committee positions held in other companies		Name of the Listed Entity where the person is a Director and category of Directorship	
		Chairman	Director	Chairman	Member	Listed Entity	Category
Sh. Jai Prakash Agarwal (Executive Chairman)	00041119	-	-	-	-	-	-
Sh Raju Bista (Managing Director)	01299297	-	-	-	-	-	-
Smt. Urmil Agarwal	00053809	-	1	-	-	-	-
Shri Vinay Surya	00515803	-	4	-	-	-	-
Sh. Krishan Kumar Narula	00098124	-	1	1	-	-	-

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of the Director	Director Identification No. (DIN)	No. of Directorships held in other companies		No. of committee positions held in other companies		Name of the Listed Entity where the person is a Director and category of Directorship	
		Chairman	Director	Chairman	Member	Listed Entity	Category
Sh. Ravinder Kumar Narang	02318041	-	-	-	-	-	-
Sh. Tara Sankar Sudhir Bhattacharya	00157305	-	4	-	4	1. Uflex Limited 2. Nandan Denim Ltd.	Independent; Non-Executive
Sh. Sudhanshu Kumar Awasthi	02162923	-	1	1	-	-	-
Sh. Surendra Singh Khurana	02126149	-	-	-	-	-	-
Sh. Sunil Sikka	08063385	-	1	-	-	-	-
Smt. Bhavna Kasturia	08858309	-	-	-	-	-	-
Sh. Kaustubh Narsinh Karmarkar	00288642	-	1	-	-	-	-

None of the –

- Directors of the Company holds directorship in more than 8 listed entities and
- Independent Directors of the Company serves as an independent director in more than 7 listed entities
- Whole-time Directors / Managing Director of the Company serves as an independent director in more than 3 listed entities.
- Directors of the Company were members in more than 10 committees or acted as Chairperson of more than five committees across all listed entities in which they were Directors

d. No. of Board Meetings held in the financial year 2020-2021 and dates on which held

Under the Law, the Board of Directors must meet at least once in a quarter and four times a year, with a maximum time gap of 120 days between any two meetings to consider amongst other business, the quarterly performance of the Company and financial results. SEBI vide its circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 and subsequent circular SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated 24th June, 2020 had extended the time for submission of financial results for the quarter/ financial year ended 31st March, 2020 to June 30, 2020 and further extended to 31st July, 2020 due to the continued impact of the COVID 19 pandemic.

In view of the said relaxation as provided by SEBI vide above circulars, the gap between the two Board meetings held on 25th June, 2020 is of 133 days. Rest of the Board meetings held during the financial year 2020-21 are in compliance of the provisions of the Act and Listing Regulations.

During the last financial year, Board met four times, on 25th June, 2020; 30th July, 2020; 29th October, 2020 and 27th January, 2021.

e. Disclosure of relationship between directors inter se.

None of the Directors of the Company except Shri J P Agarwal, Smt. Urmil Agarwal and Shri Vinay Surya have any inter-se relationship with other directors of the Company.

f. Number of shares and convertible instruments held by Non- Executive Directors

No shares or convertible instrument are held by any Non- Executive Director(s) of the Company, Smt. Urmil Agarwal who is holding 2,92,081 shares, Sh. Sunil Sikka who is holding 25,280 equity shares and Shri Surendra Singh Khurana who is holding 50 shares as on 31st March, 2021.

g. Web link where details of familiarisation programmes imparted to Independent Directors is disclosed

A familiarisation programme for Independent Directors was provided during the year to make them update on the recent amendments in the provisions of the SEBI and Corporate Laws. A detailed familiarisation programme was prepared by representative of Corporate Professional, leading firm of Corporate Law Consultants of the recent amendments on the Companies Act, 2013- Recent Company Law Updates which was circulated to every Director on the Board of the Company who express happiness over the same. The detailed familiarisation programme for Directors was uploaded on the website of the company at the following link: <https://surya.co.in/assets/upload/Recent-Company-Law-Updates.pdf>



ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

h. A chart or a matrix setting out the skills / expertise / competence of the Board of Directors.

Company Businesses /Segments	Core skills / expertise / competencies identified in the context of business(es) and sector(s)	Skills available with the Board
Steel Pipes & Strips Segment & Lighting & Consumer Durables Segment	<p>Company is the largest exporter of ERW Pipes and largest manufacturer of ERW GI pipes in India under Brand "PRAKASH SURYA" and 2nd Largest in Lighting – Marketing under brand "SURYA".</p> <p>Company with strong foothold in energy efficient lighting is moving towards Professional LED Lighting. This technology is transforming from a novelty to an indispensable daily companion through smart control devices. These devices utilise wireless controls for dimming, colour changing and can be managed from anywhere. Together with advanced sensors, smart cameras and other device these smart lighting devices constitute an ecosystem which can enrich the lives of modern consumers who can command and control these device by using simple voice commands or apps.</p>	<p>Surya, with strong brand equity, wide spread distribution network, strategic plant locations and professional management comprises of eminent Independent Directors viz. Shri Tara Sankar Bhattacharya (an ex M.D of State Bank of India), Shri Krishan Kumar Narula (retired as an ex-CGM – SBI), Sudhanshu Kumar Awasthi (ex- GM of PNB), possessed banking, administrative, logistic expertise and in particular:</p> <p>Shri Surendra Singh Khurana (an ex-Chairman of Railway Board and ex-officio Principal Secretary of GOI),</p> <p>Shri Sunil Sikka, an Independent Director of the Company and an Ex-President of Havells (India) Limited & ELCOMA led multiple initiatives to accelerate growth in marketing of consumer electrical and lighting in India.</p> <p>Shri Ravinder Kumar Narang an Independent Director of the Company and an Ex-Chairman of IOCL possess vast experience in the field of Oil & Gas Sector, Operations, Project Development & Marketing Network.</p> <p>Smt. Bhavna Kasturia, woman independent director possess 3 decades of experience in the field of Lighting and technology and had served Osram India and Usha India at Senior management positions.</p> <p>Above all</p> <p>Shri Jai Prakash Agarwal. Executive Chairman of the Company who was last year awarded with Padma Shri for his distinguished services in the field of Trade and Industry. A man who become the role model for the Company by transformed the small size company into a big conglomerate He enhanced company's Brand value through Quality Products at Competitive Pricing, Good Marketing Strategies, Market reach and Consumer Services. He builds strong image of the company, perception in the industry and among the stakeholders and consumers.</p> <p>Shri Raju Bista, Managing Director of the Company, a strong young dynamic leader who leads from the front through his demonstrating exemplary leadership qualities. His grasp in terms of Industry knowledge and leadership played a pivotal role in the company meeting its targets and growing every month / quarter. He possesses an exceptional quality in terms of vision to foresee market movements and takes decision well in advance to ensure performance of the Company will not suffer.</p>

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

i. Confirmation by the Board

In the opinion of the Board, the Independent directors fulfill the conditions as specified in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and as per the provisions of the Companies Act, 2013 and rules & Schedules made thereunder and are independent of the management.

j. Detailed Reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

No Independent Director had resigned from the Board of the Company during the financial year ended 31st March, 2021.

3. AUDIT COMMITTEE

i. Terms of Reference

The Audit Committee is responsible for overseeing of the company's financial reporting process, reviewing the quarterly/ half-yearly/ annual financial statements, reviewing with the management on the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and fixation of audit fees along with reviewing and monitoring the auditor's independence and performance, reviewing the significant internal audit findings / related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operation. Matters to be included in Director's Responsibility Statement form part of the Board Report, compliance with listing and other legal requirements relating to financial statements, scrutiny of inter-corporate loans and investments, valuation of undertaking or assets of the company. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee also discussed major issues related to risk management, compliances and review the functioning of Whistle Blower mechanism and approval of appointment of Chief financial officer.

As per Rule 6A of the Companies (Meeting of Board and its Powers) Rules, 2014 and in compliance to regulation 23(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. committee to recommend to grant Omnibus approval for proposed related party transactions which are foreseen and for unforeseen transactions as per the framed specified criteria on an yearly basis.

In addition, the Committee has discharged such other role/function as envisaged under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as 'Listing Regulations' with the Stock Exchanges) and the provisions of Section 177(4) of the Companies Act, 2013.

ii. Composition / Category / name of members and chairperson

The Audit Committee comprises of three Directors. The names along with categories of the members at the meeting was as follows:

Names of the Members	Director Identification No.	Category
Sh. Krishan Kumar Narula	00098124	Chairman ; Independent – Director
Sh. Tara Sankar Sudhir Bhattacharya	00157305	Member ; Independent – Director
Sh. Surendra Singh Khurana	02126149	Member ; Independent – Director

All the members have extensive financial and accounting knowledge and background. The terms of reference of the Audit Committee are in line with Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quorum for the Committee is two independent members. The Audit Committee meetings were attended by the heads of Finance and Internal Audit and the Auditors (including Cost Auditors) as invitees. The members held discussions with the Auditors during the meetings and the Committee reviewed the periodic unaudited and audited results of the company before being considered and approved by the Board of Directors. Sh. B.B. Singal, Sr. V.P & Company Secretary, acts as the Secretary to the Committee.

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

iii. No. of Audit Committee Meetings and dates on which held / Attendance at Meetings.

During the financial year 2020-21, Audit Committee meetings were held on 25th June, 2020; 30th July, 2020; 29th October, 2020 and 27th January, 2021. The names along with categories of the members and the attendance of members at the meeting was as follows:

Names of the Members	Director Identification No.	Category	No. of Meetings Attended
Sh. Krishan Kumar Narula	00098124	Chairman ; Independent – Director	4
Sh. Tara Sankar Sudhir Bhattacharya	00157305	Member ; Independent – Director	4
Sh. Surendra Singh Khurana	02126149	Member ; Independent – Director	4

4. NOMINATION AND REMUNERATION COMMITTEE

i. Terms of Reference

The Nomination and Remuneration Committee is responsible for

- Appointment of the directors and key managerial personnel of the Company and
- Fixation of the remuneration of the directors, key managerial personnel (KMP's) and one level below the KMPs.
- Responsibility for administering the Employee Stock Option Schemes of the Company.

In addition, the Committee has discharged such other role/function as envisaged under Regulation 19 read with Part D Clause A of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 178 of the Companies Act, 2013.

ii. Composition / name of members and chairperson

The composition of the Committee is as follows:

Name	DIN	Position	Category
Shri Krishan Kumar Narula	00098124	Chairman	Non-Executive, Independent
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent
Shri Surendra Singh Khurana	02126149	Member	Non-Executive, Independent

The scope of the Remuneration Committee includes finalizing the remuneration packages of KMPs and Executive Director(s) of the Company. Sh. B. B. Singal, Sr. V.P & Company Secretary, acts as the secretary to the committee.

iii. Meetings and Attendance during the year

During the financial year 2020-21, three meetings was held on 2nd September, 2020; 29th October, 2020 and 17th March, 2021. The attendance of the members at the meeting was as follows:

Name	DIN	Position	Category	No. of Meetings Attended
Shri Krishan Kumar Narula	00098124	Chairman	Non-Executive, Independent	3
Shri Ravinder Kumar Narang	02318041	Member	Non-Executive, Independent	3
Shri Surendra Singh Khurana	02126149	Member	Non-Executive, Independent	3

iv. Performance evaluation criteria for Independent Directors

As per the provisions of section 178(2) of the Companies Act, 2013 and Clause VII & VIII of Schedule IV of the Act read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Nomination and Remuneration committee carried out annual performance evaluation of Independent Director's according to their roles and duties on the Board of the Company and in particular considered whether Independent Directors shall -

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

1. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. bring an objective view in the evaluation of the performance of board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
9. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
10. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
11. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
12. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
13. strive to attend the general meetings of the company;
14. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
15. keep themselves well informed about the company and the external environment in which it operates;
16. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
17. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
18. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
19. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
20. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

and based on the structured questionnaire as tabulated below to rate on a scale of 1 to 5 by every director of the company in accordance with their respective functions and duties and accordingly submit its report to the Chairman of the Company.

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

Sl. No	Topics and Statements	Rating (on a scale of 1-5, 5 is highest)
1	Attends and participate in Board and Committee meetings regularly.	
2	Prepares adequately/or add values on the Agenda for the Board/Committee Meetings.	
3	Has a good understanding of the organisation's strategy and risk environment.	
4	Participate in meetings in an open and constructive manner.	
5	Brings his / her experience and credibility to bear on the critical areas of the performance of the organisation.	
6	Represents the interests of shareholders and focuses on enhancing shareholder value.	
7	Gives fair chance to other members to contribute, participate actively in the discussion and is consensus oriented.	
8	Provide Feedback and guidance to top management on areas of business strategy, governance and risk.	
9	Sufficiently Challenges management to set and achieve stretch goals.	
10	Maintain effective and successful relationship with fellow Board members and senior management.	

The Nomination and Remuneration Committee Chairman Sh. Krishan Kumar Narula was present in the Annual General Meeting of the Company held on 23rd September, 2020.

PERFORMANCE EVALUATION:

As per the provisions Section 134(3)(p) read with Clause VIII of Schedule IV of the Companies Act, 2013 and other applicable provisions of the Act and in compliance with the provisions of Regulation 17(10), 19 and 25(4) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as the Listing Regulations read with SEBI Circular on Guidance Note on Board evaluation, formal annual evaluation has been made by the Board after reviewing each and every parameter of Performance evaluation of Board as a whole, its Committees and that of every individual director (including Independent Directors) in detail and after taking into consideration the report submitted by NRC and Independent Directors on performance evaluation, collectively submit Comprehensive Annual Evaluation Performance Report in regard to its own performance, its Committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee and other Compliance Committees and that of individual directors including its Chairperson, Managing Director, Whole-time Directors, Independent Directors and Non-independent directors accordingly and express deep satisfaction.

Under the law, as per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment including decision on re-appointment of the independent director(s). During the year under review, the Board of the Company based on the recommendation of the Nomination and Remuneration Committee and in compliance of SEBI (Listing Obligations and Disclosure Requirements) 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 proposed the name(s) of Smt. Bhavna Kasturia (DIN-08858309) to be appointed for the first term of five consecutive years w.e.f 2nd September, 2020 to 1st September, 2025 and which was subsequently approved by the shareholders at the Annual general Meeting held on 23rd September, 2020.

5. DETAILS OF REMUNERATION TO ALL DIRECTORS

a) Pecuniary Relationships:

None of the Non-Executive Directors of the Company have any pecuniary relationship or transactions with the Company except for sitting fees paid to them for attending Board meetings or Committee meetings thereof

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

b) The details of remuneration / sitting fees paid to the Executive Directors/Non- Executive Directors during the financial year 2020-2021 are as under:

(₹ in crore)

Name	Director Identification No. (DIN)	Salary	Perquisites & Allowances	Commission	Bonuses, Stock Options, Pensions	Sitting Fees (excluding GST)
Sh. J P Agarwal (Executive Chairman)	00041119	3.600	Nil	3.137	Nil	N .A.
Sh. Raju Bista (Managing Director)	01299297	2.822	Nil	2.091	Nil	N.A.
Sh. Vinay Surya (Whole-time Director)	00515803	1.801	Nil	Nil	Nil	N.A
Sh. Kaustubh Narsinh Karmarkar (Whole-time Director)	00288642	0.795	Nil	Nil	Nil	N.A
Smt. Urmil Agarwal	00053809	Nil	Nil	Nil	Nil	0.0200
Sh. Krishan.Kumar.Narula	00098124	Nil	Nil	Nil	Nil	0.0810
Sh. Ravinder Kumar Narang	02318041	Nil	Nil	Nil	Nil	0.0460
Sh. TaraSankarSudhir Bhattacharya	00157305	Nil	Nil	Nil	Nil	0.0505
Sh. Sudhanshu Kumar Awasthi	02162923	Nil	Nil	Nil	Nil	0.0350
Sh. Surendra Singh Khurana	02126149	Nil	Nil	Nil	Nil	0.0590
Sh. Sunil Sikka	08063385	Nil	Nil	Nil	Nil	0.0470
Smt. Bhavna Kasturia	08858309	Nil	Nil	Nil	Nil	0.0250

Name	Director Identification No. (DIN)	Performance Linked Incentives	Performance Criteria	Service Contracts	Notice Period	Severance Fees (₹)
Sh. J P Agarwal (Executive Chairman)	00041119	N.A	N.A	5 years from 1st January, 2017 (i.e. upto 31st December 2021)	6 Months	Nil
Sh. Raju Bista (Managing Director)	01299297	N.A	N.A	5 years from 14th November, 2018 (i.e. upto 13th November, 2023)	6 Months	Nil
Sh. Vinay Surya (Whole-time Director)	00515803	N.A	N.A	5 years from 18th May, 2018 (i.e. upto 17th May, 2023)	6 Months	Nil
Sh. Kaustubh Narsinh Karmarkar (Whole-time Director)	00288642	N.A	N.A	5 years from 10th August, 2018 (i.e. upto 9th August, 2023)	3 Months	Nil

The Company granted 6,44,000 Options at an exercise price of ₹ 75/- per option during the financial year to certain eligible employees and Directors of the Company as per the **SRL Employee Stock Option Scheme – 2018 (“Scheme”)**. Each Option entitles the holder thereof to apply for and be allotted one Equity Shares of the Company of ₹ 10/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of such vesting.

Options granted vest as per the following schedule:

On completion of 1 year from the date of grant of the Options: 33% vests

On completion of 2 years from the date of grant of the Options: 33% vests

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

On completion of 3 years from the date of grant of the Options: 34% vests

Shares and Options of Directors

Director	No. of Equity Shares of ₹ 10/- each held (singly / jointly) as on 31st March, 2021	No. of Options granted financial year ended 31st March 2021
Jai Prakash Agarwal	11,08,673	NIL
Raju Bista	NIL	1,00,000
Urmil Agarwal	2,92,081	NIL
Vinay Surya	2,60,786	NIL
Kaustubh N Karmarkar	NIL	20,000
Ravinder Kumar Narang	NIL	NIL
Tara Sankar S Bhattacharya	NIL	NIL
Sudhanshu Kumar Awasthi	NIL	NIL
Surender Singh Khurana	50	NIL
Krishan Kumar Narula	NIL	NIL
Sunil Sikka	25,280	NIL
Bhavna Katuria	NIL	NIL

6. STAKEHOLDER'S RELATIONSHIP COMMITTEE

a) Composition / name of members and chairperson

The Committee headed by Shri Krishan Kumar Narula (Non-executive – Independent Director) has the mandate to review and redress shareholder grievances at regular intervals and to look at the enhanced scope of activities as modified by Securities Exchange Board of India (SEBI) under the Listing Regulations in the interest of stakeholders which includes-

- o To take utmost care that grievances (if any) of the shareholders be redressed expeditiously and promptly.
- o To review adherence to the service standards adopted by the Company in respect of various services rendered by the Company Registrar & Share Transfer Agent.
- o To review measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices to stakeholders,
- o To review measures for effective voting rights to shareholders through e-voting platform.

The Committee met 1 time during the year on 09.10.2020, and the attendance of Members at the Meeting was as follows:

Names of the Members	Director Identification No.	Position	No. of Meetings Attended
Sh. Krishan Kumar Narula	00098124	Chairman	1
Sh. Ravinder Kumar Narang	02318041	Member	1
Sh. Raju Bista	01299297	Member	1

The quorum for the Committee is two members. The minutes of the Committee were placed before the Board.

- | | | |
|--|---|---|
| b) Name & Designation of Compliance Officer | : | Sh. B.B.Singal (Sr.V.P & Company Secretary) |
| c) Number of shareholders' complaints received upto 31st March, 2021 | : | 06 |
| d) Number of complaints not solved to the satisfaction of the shareholders | : | Nil |
| e) Number of pending complaints | : | Nil |

7. RISK MANAGEMENT COMMITTEE#

- a) Brief description and terms of reference : Not Applicable
- b) Composition / name of members and chairperson : Not Applicable
- c) Meetings and attendance during the year : Not Applicable

In compliance to the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 effective from 5th May, 2021, the Board of Directors has constituted the Risk Management Committee on 25th May, 2021.

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

8. GENERAL BODY MEETINGS

a) Location and Time, where last three Annual General Meetings held

The two Annual General Meetings other than the last year were held on the following dates:

28.09.2018; 04.09.2019 at the Registered Office of the company at Prakash Nagar, Sankhol, Bahadurgarh-124 507 at 11:00 a.m and the Annual General Meeting for the 2019-20 was held on 23.09.2020 at 11:00 a.m. through Video Conferencing ('VC')

b) Special Resolutions passed in the previous three Annual General Meetings

Twelve Special Resolution were passed in the Annual General Meeting held on 28th September, 2018, seven Special Resolution were passed in the AGM held on 4th September, 2019 and one Special Resolution were passed in the AGM held on 23rd September, 2020.

c) Special Resolutions passed last year through Postal Ballot – Details of Voting Pattern

No resolution was passed through postal ballot last year

d) Person who conducted the Postal Ballot exercise: Not Applicable.

e) Whether any Special Resolution is proposed to be conducted through Postal Ballot – NIL

f) Procedure for Postal Ballot – As no resolution was passed through Postal Ballot last year hence the same is not applicable.

9. MEANS OF COMMUNICATION

- a) Quarterly results sent to each shareholders residence : No
- b) Newspapers in which quarterly results normally published : Business Standard / Economic Times
- c) Website where results or official news are displayed : www.surya.co.in
- d) Whether it also displays official news releases : Yes (if any)
- e) Presentations made to institutional investors or to the analysts: : Yes (if any)

10. GENERAL SHAREHOLDER INFORMATION

- a) AGM : Date and Time** : 16th September, 2021 at 11:00 a.m.
Mode : Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) as set out in the Notice convening the Annual General Meeting.
- b) Financial Year** : 1st April to 31st March
- c) Dividend payment date** : 23rd September, 2021 for electronic transfer to the shareholders who have furnished bank account details to the Company / its Registrar. Physical warrants shall be dispatched to the shareholders, who have not registered their ECS mandates.
- d) Listing on Stock Exchanges** : The securities of the company were listed on the following Stock Exchanges during the financial year 2020-21:
- | | |
|---|---|
| <p>The Stock Exchange, Mumbai
 Rotunda Building, Dalal Street,
 Fort, Mumbai – 400 001</p> | <p>The National Stock Exchange of India Ltd
 Exchange Plaza, Bandra- Kurla
 Complex, Bandra, Mumbai – 400 051.</p> |
|---|---|

The company has paid the Annual Listing Fees to the Stock Exchanges for the Financial Year 2020-21 and 2021-22

e) Stock Code

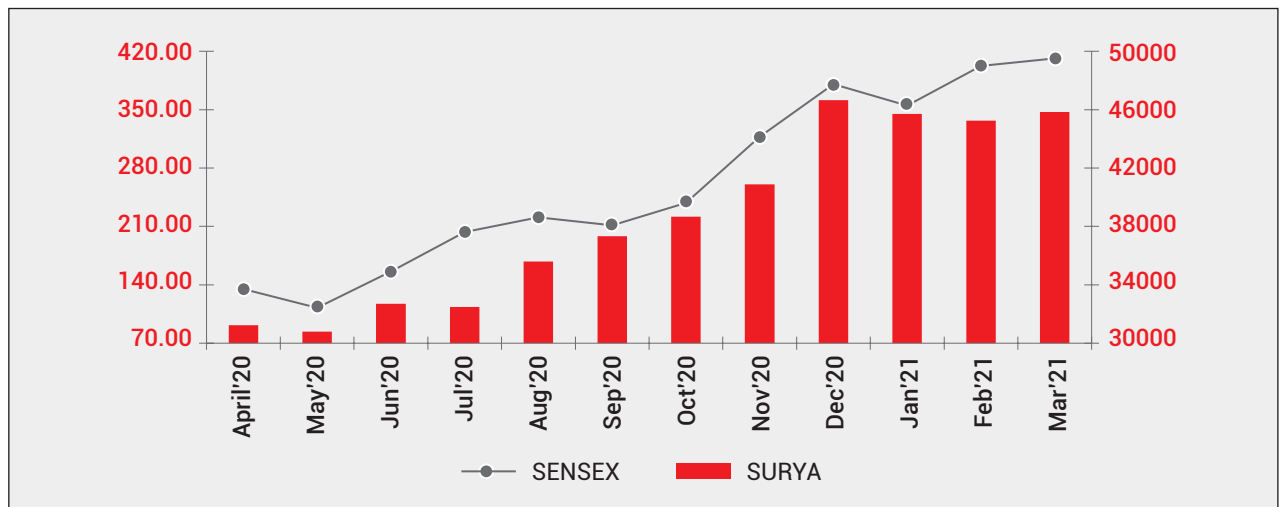
	National Stock Exchange (NSE)	The Stock Exchange Mumbai (BSE)	ISIN
Equity Shares- Symbol / Code	SURYAROSNI	500336	INE335A01012

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

f) Market Price Data:

MONTH	NSE		BSE	
	HIGH (₹)	LOW (₹)	HIGH (₹)	LOW (₹)
April, 2020	97.80	63.05	99.15	64.00
May, 2020	90.80	76.00	91.50	75.50
June, 2020	138.00	83.80	139.90	85.70
July, 2020	126.05	112.00	127.05	111.35
August, 2020	197.40	112.55	197.45	112.15
September, 2020	215.50	160.00	215.40	159.70
October, 2020	236.20	195.00	236.35	194.25
November, 2020	271.70	215.00	271.30	215.10
December, 2020	383.40	258.80	385.00	258.90
January, 2021	384.00	318.00	383.55	319.00
February, 2021	375.50	308.35	375.50	308.35
March, 2021	409.90	335.00	409.75	334.80

g) Performance in comparison to BSE SENSEX



h) Suspension of trading during the year (if any) :

NIL

i) Registrar :

MAS Services Limited

(Common for both Physical and Electronic share registry)

T-34, 2nd Floor, Okhla Industrial Area, Phase – II, New Delhi – 110 020

Tel. : (011) 2638 7281/ 82 / 83

Fax : (011) 2638 7384

E-Mail : info@masserv.com

j) Share Transfer System

The Company's share system are handled by MAS Services Ltd., Registrar and Transfer Agents (RTA). The share certificates received in physical mode (if any), sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies are processed expeditiously within the time limit, provided the documents are complete and are not under dispute. Confirmation in respect of the request for dematerialisation of shares is sent to the respective depositories – National Securities Depository Limited / Central Depository Services (India) Limited within 15 days. None of the transfer was pending for more than a fortnight as on 31st March, 2021.

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

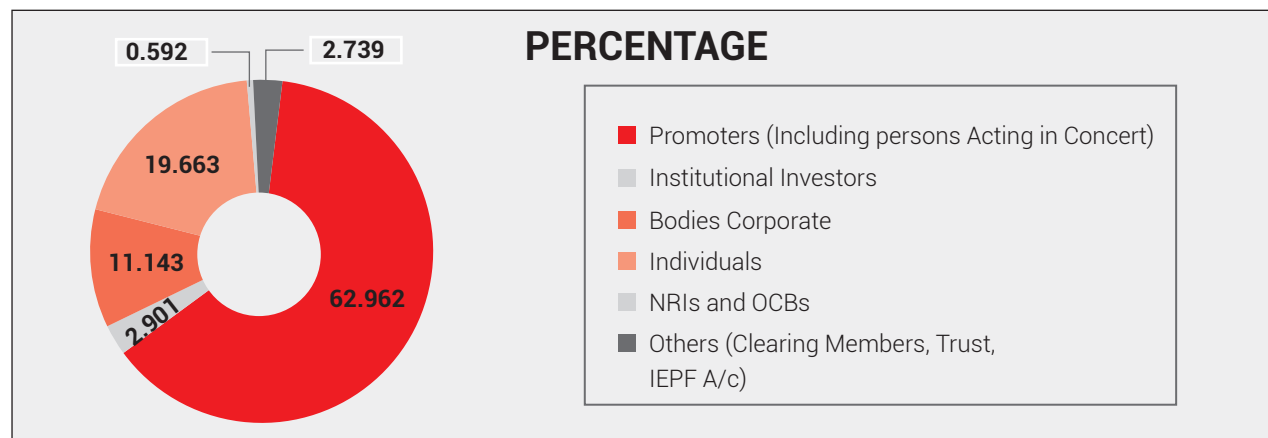
k) Distribution of Shareholding

Share Holding of Nominal Value of. ₹	Shareholders		Shares	
	Number	% of Total	Number	% of Total
1 - 5000	22,430	88.262	23,35,762	4.293
5001 - 10000	1493	5.875	11,30,800	2.078
10001 - 20000	757	2.979	11,19,973	2.058
20001 - 30000	253	0.995	6,32,342	1.162
30001 - 40000	97	0.382	3,44,112	0.633
40001 - 50000	83	0.327	3,88,969	0.715
50001 - 100000	140	0.551	10,39,477	1.911
100001 & Above	160	0.629	4,74,17,539	87.150
TOTAL	25,413	100.000	5,44,08,974	100.000

Shareholding Pattern as at 31.03.2021

CATEGORY	No. of Shares held	% age of Paid-up Capital
Promoters (including Persons Acting in Concert)	3,42,57,144	62.962
Institutional Investors	15,78,631	2.901
Bodies Corporate	60,62,693	11.143
Individuals	1,06,98,162	19.663
NRIs and OCBs	3,21,933	0.592
Others - Clearing Members	1,83,186	0.337
Trust	10,93,826	2.010
IEPF A/c	2,13,399	0.392
TOTAL	5,44,08,974	100.00

Graphical Representation of the Shareholding



l) Dematerialisation of Shares & Liquidity

: The company has obtained electronic connectivity with the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) for demat facility (ISIN: INE335A01012). As on 31st March, 2021, 5,40,35,927 equity shares, being 99.31% of the company's total paid-up equity shares had been dematerialised. The shares of company are regularly traded at NSE & BSE

m) Outstanding GDRs /ADRs /Warrants or any Convertible instruments, conversion date & likely impact on equity

: Nil



n) Commodity price risk or Foreign Exchange risk and hedging activities

: Please refer to Management Discussion and Analysis Report for the same.


ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

- o) Plant Locations**
- Steel Pipes & Strips Units :**
- › Prakash Nagar, Sankhol, Bahadurgarh, Haryana – 124 507
 - › Plot No.P-1 to P-20, Ghirongi Industrial Area Malanpur Dist. Bhind (M.P)
 - › Golapuram Industrial Area, Hindupur, Dist. Anantpur (A.P)
 - › Survey No.188,189 & 190/1 Village-Bhuvad Taluka –Anjar, Dist.-Kutch Anjar – (Bhuj) Gujarat -370130
- Lighting Units :**
- › 7 km Stone, Kashipur-Moradabad Road, Kashipur – 244 713 (Uttarakhand)
 - › Plot No. 9-13, Balaji Industrial Estate Mahuakherganj, Kashipur, District U.S. Nagar, Uttarakhand
 - › J-7,8 & 9, Malanpur Industrial Area, Malanpur, Distt.Bhind (M.P).
- p) Address for correspondence :** **SR. V.P & Company Secretary**
Surya Roshni Limited Padma Tower –I, 5 Rajendra Place, New Delhi – 110 008.
Tel. - (011) 47108000
Fax - (011) 25789560
E-Mail - cs@surya.in
investorgrievances@sroshni.com
- q) Credit Ratings obtained along with any revision thereto for all debt instruments. :** **CARE A1+ for Short term Bank Facilities**
CARE A+ for Long term Bank Facilities
CARE A1+ for Commercial Papers

11. OTHER DISCLOSURES

- a. The senior management has made disclosures to the board relating to all material financial and commercial transactions. There are no materially significant related party transactions that may have potential conflict with the interest of the company at large. The Company has formulated a policy on dealing with the Related Party transactions for determining the Material Related Party Transactions and necessary approval of the Audit Committee and the Board of Directors were taken whenever required in accordance with the policy.
- b. The Company has complied with all applicable requirements prescribed by the regulatory and statutory authorities including Stock Exchanges and SEBI during the preceding three financial years on all matters related to capital market and no penalties / strictures in this respect have been imposed on the Company except the unjust fine of ₹ 7,70,000 imposed by NSE vide their letter Ref. No. NSE/LIST/SOP/SURYAROSNI dated 13th April, 2021 for delayed compliance of Regulation 17(1) by rejecting company's waiver application and for the same said delay BSE had approved the Company's waiver of fine application on merits and had not imposed any fine. The Company will take suitable course of action against the order of NSE,
- c. Personnel of the Company have direct access to the management as the company has established Vigil Mechanism for directors and employees to report concerns about unethical behaviour , actual fraud or suspected fraud or violation of the company's code of conduct or ethics policy. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy was duly posted on the Website of the Company at the following link: https://surya.co.in/assets/upload/162928_whistle-blower-policy.pdf 
- d. The Company has complied with all mandatory requirements.
- e. **Web link where policy for determining 'material' subsidiaries is disclosed :** The policy for determining material subsidiaries has been posted on the website of the Company at the following link: https://surya.co.in/assets/upload/144606_Policy-for-Determining-Material-Subsidiary.pdf 

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

- f. **Web link where policy on dealing with related party transactions:** The Company has formulated a policy on dealing with the Related Party transactions for determining the Material Related Party Transactions and necessary approval of the audit committee and the Board of Directors were taken whenever required in accordance with the policy. The details of Related Party Transaction Policy are disseminated on the website at the following link : https://surya.co.in/assets/upload/143834_Related_Party_Transaction_Policy.pdf 
- g. **Commodity price risks and commodity hedging activities.** : Please refer to Management Discussion and Analysis Report for the same
- h. **Utilisation of funds raised through Preferential Allotment or qualified institutions placements:** Not Applicable
- i. **Certificate from Company Secretary in Practice in respect of Directors disqualification:** A Certificate from Anjali Yadav & Associates, Practicing Company Secretary Firm dated 01st May, 2021 confirmed that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any other Statutory Authorities.
- j. **Acceptance of Recommendations of the Board Committees:** No recommendations or submissions of any committee as constituted by the Board which is mandatorily required has been turned down by the Board of Directors during the financial year 2020-21.
- k. **Total Fees paid to Statutory Auditor for services rendered during the financial year 2020-21:** The total fees of ₹ 23,00,000/- had been paid / payable to M/s Ashok Kumar Goyal & Co., Chartered Accountants Firm having Registration No. 002777N for all the services rendered by them in respect of its services to the Company during the financial year 2020-21 on consolidated basis.
- l. **Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**
- | | |
|--|-------|
| a) Number of complaints received upto 31st March, 2021 | : Nil |
| b) Number of complaints disposed of during the financial year | : Nil |
| c) Number of complaints Pending at the end of the financial year | : Nil |

12. COMPLIANCES OF CORPORATE GOVERNANCE REQUIREMENTS

Company has complied all the mandatory requirements of Corporate Governance Report as envisaged in sub-paras (2) to (10) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2020-21 except that of delayed compliance of Regulation 17(1) in regard to Board Composition for appointment of woman independent director on the Board of the Company w.e.f. 2nd September, 2020 instead of 1st April, 2020. The said delayed was caused due to National Lockdown and consequent after effects of COVID 19 pandemic.

13. ADOPTION OF CORPORATE GOVERNANCE DISCRETIONARY REQUIREMENTS

Company has adopted the following Discretionary Requirements of Corporate Governance as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2020-21.

- Separate Posts of Chairman and Managing Director
- Reporting of Internal Auditor directly to the Audit Committee.

14. DISCLOSURES OF COMPLIANCES OF CORPORATE GOVERNANCE REQUIREMENTS

Company has complied all the mandatory requirements of Corporate Governance Report (tabulated below) as specified in Regulation 17 to 27, Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year 2020-21.

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

I. Disclosure of Website in terms of Listing Regulations

Items	Compliance status (Yes /No / N.A)
Details of Business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarisation programmes imparted to independent directors	Yes
Contact information of the designated officials who are responsible for assisting and handling Investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding Pattern	Yes
Details of agreements entered into with the media companies and or their associates	Not Applicable
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange.	Yes
New name and the old name of the Company	Not Applicable
Advertisements as per regulation 47 (1)	Yes
Credit rating or revision in credit rating obtained	Yes
Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	Yes
Whether company has provided information under separate section on its website as per Regulation 46(2)	Yes
Materiality Policy as per Regulation 30	Yes
Dividend Distribution policy as per Regulation 43A (as applicable)	Not Applicable
It is certified that the above disclosure / contents are on the website of the Company under the head Investors of the listed entity and are correct.	www.surya.co.in

II. Annual affirmation

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1), 17(1A) & 17(1B)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	Yes
Meeting of Stakeholder Relationship Committee	20(3A)	Yes
Composition & role of risk management committee	21(1),(2),(3) & (4)	Not Applicable
Meeting of Risk Management Committee	21(3A)	Not Applicable

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(1A),(5),(6)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Not Applicable
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	Not Applicable
Maximum Tenure	25(2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarisation of independent directors	25(7)	Yes
Declaration from Independent Directors	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	Not Applicable
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Adoption of Corporate Governance Discretionary Requirements	27(1)	Yes
Submission of Quarterly Compliance Report on Corporate Governance to the Stock Exchanges within 15 days from the close of the respective quarter or in time limit as provided / extended.	27(2)	Yes

Disclosure with respect to transfer of shares to IEPF suspense account as per the provisions of section 124 (6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

Year	Total No. of Shareholders at the beginning of the year	Outstanding Shares in IEPF demat suspense account at the beginning of the year	Total No. of Shareholders whose shares are transferred to IEPF demat suspense account during the year	Total No. of Shares transferred to IEPF suspense account during the year	Total No. of Shareholders who approached the company for transfer of shares from IEPF suspense account during the year	No. of Shares Transferred from IEPF Suspense Account during the year	Outstanding Shares in demat suspense account lying at the end of the year.	Voting Rights Frozen
2013-14	1747	1,98,192	108	15,469	1	262	2,13,399	Yes

Disclosure with respect to demat suspense account / unclaimed suspense account

Aggregate No. of Shareholders at the beginning of the year	Outstanding Shares in demat suspense account at the beginning of the year	No. of Shareholders who approached the company for transfer of shares from suspense account during the year	No. of Shareholders to whom shares were transferred from suspense account during the year	Aggregate No. of Shareholders lying at the end of the year*	Outstanding Shares in demat suspense account lying at the end of the year	Voting Rights Frozen
2	175	Nil	NIL	NIL	NIL	Yes

* 2 cases comprising 175 shares are transferred to IEPF Authority on 31st December, 2020

ANNEXURE – VI TO BOARD'S REPORT ON CORPORATE GOVERNANCE (Contd.)

Dealing with Corporate Benefits (in terms of securities accruing) and Voting Rights on such Unclaimed Shares: Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split etc., shall also be credited to demat suspense account or unclaimed suspense account, as applicable for a period of seven years and thereafter shall be transferred in accordance with provisions of Section 124(5) and 124 (6) of the Companies Act, 2013 and rules made thereunder.

SURYA CODE OF CONDUCT

The Board Members and Senior Management personnel have affirmed their compliance with the code of conduct. The Code of Conduct has already been posted on the website of the Company. The Chairman, Managing Director and CEOs has certified that the Board Members and senior management personnel have complied with the code of conduct and the same is placed before the Board. The declaration to this effect signed by the Chairman, Managing Director and CEOs is attached to this report.

DECLARATION

We hereby confirm that all the Board Members and senior management personnel of the company have affirmed their compliance of the '**Code of Conduct for Members of the Board and Senior Management**' for the year ended 31st March, 2021 in terms of clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

Place : New Delhi
Date: 25th May, 2021

Jai Prakash Agarwal
Chairman
DIN: 00041119

Raju Bista
Managing Director
DIN -01299297

Tarun Baldua
ED & CEO
(Steel Operations)

Nirupam Sahay
ED & CEO
(Lighting)

INDEPENDENT AUDITORS' CERTIFICATE

Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members

Surya Roshni Limited

1. The Corporate Governance Report prepared by Surya Roshni Limited ("the Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations') ('applicable criteria') with respect to Corporate Governance for the year ended 31st March, 2021. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificate for special Purposes and the Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
7. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 6 and 7 and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2021, referred to in paragraph 1 above.

Other Matters and Restriction on Use

9. This certificate 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.
10. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate

For Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration No. 002777N

CA. Ashok Kumar
Partner, FCA Membership No. 017644
UDIN:21017644AAAAV7418

Place: New Delhi
Dated: 25th May, 2021

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION OF THE COMPANY

1.	Corporate Identity Number	L31501HR1973PLC007543
2.	Name of the Company	Surya Roshni Limited
3.	Registered Address	Delhi Rohtak Road, Prakash Nagar, Sankhol, Bahadurgarh – 124507, Dist. Jhajjar, Haryana
4.	Website	www.surya.co.in
5.	Email id	cs@surya.in
6.	Financial Year Reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise) Industrial Group & Description	Steel Pipes & Strips and Lighting & Consumer Goods Please refer Annual Return as uploaded
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	1) Steel Pipes & Tubes 2) Cold Rolled (CR) Strips 3) Lighting Products
9.	Total number of locations where business activity is undertaken by the Company	Manufacturing Locations: 7
	a) Number of International locations (provide details of major 5)	Nil
	b) Number of National Locations	Total 7 locations: Steel Pipes & Strips Unit Locations: Bahadurgarh (Haryana), Malanpur (M.P), Hindupur (A.P) & Anjar (Gujarat) Lighting Unit Locations: 7km Stone, Kashipur Moradabad Road, Kashipur (Uttarakhand), Mahuakherganj, Kashipur (Uttarakhand) and Malanpur (M.P)
10.	Markets served by the Company	Sales presence in over 50 countries

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid-up Capital	53.61 crore
2.	Total turnover	5,554.37 crore
3.	Total Profit after taxes	156.50 crore
4.	Total spending on Corporate Social Responsibility (CSR) As percentage of Profit after tax(%)	3.17 crore 2.03%
5.	List of activities in which Corporate Social Responsibility (CSR) expenditure was incurred	1. Adarsh Gram Yojna (Rural Development) 2. Naturopathy

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/Companies?**
Yes, the Company has one wholly-owned subsidiary company, namely Surya Roshni LED Lighting Projects Limited.
- Do the Subsidiary Company/Companies participate in the BR initiatives of the present Company? If yes, then indicate the number of such Subsidiary Company(ies):**
The Code of Conduct and Vigil Mechanism and Whistle Blower Policy of the Company is also followed by the subsidiary.
- Do any other entity/entities (e.g. suppliers and distributors, among others), that the Company does business with, participate in the Company BR initiatives? If yes, then indicate the percentage of such entity/entities? (Less than 30%, 30-60%, more than 60%)**
The Company has long-lasting relationship with its suppliers/vendors. Awareness on sustainability is being created amongst vendors while training and awareness on energy, health and safety is also being imparted to strategic vendors.

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

For enhancing skills at the vendors end, focused drive in the following areas have been undertaken and organisation work structure for the same has been put in place. The areas covered are vendor capability building, vendor evaluation standard, supply risk mitigation and management.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

DIN Number : 01299297
Name : Raju Bista
Designation : Managing Director

b) Details of the BR head:

Name : Kaustubh Narsinh Karmarkar
Designation : HR-Director
Telephone No. : 011-47108000
E-mail id : ved@surya.in

2. Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N):

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility:

Principle 1	Business should conduct and govern itself with ethics, transparency and accountability
Principle 2	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	All the policies have been developed considering relevant national and international standards including, but not limited to, Companies Act, Factories Act, ISO Standards, UN Global Compact and GRI Standards
Principle 4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Business should respect and promote human rights
Principle 6	Business should respect, protect and make efforts to restore the environment
Principle 7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8	Business should support inclusive growth and equitable development
Principle 9	Business should engage with and provide value to their customers in a responsible manner

2(a). Details of Compliances (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with relevant stakeholders? (Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The spirit and content of the Code of Conduct and all the applicable laws and standards are captured in the policies articulated by the Company. The policies are based on, and are in compliance with, the applicable regulatory requirements.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	All statutory policies are approved by the Board of Directors, whereas other policies are signed by the respective business/function head								

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?									
6.	Indicate the link for the policy to be viewed online?									
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?									
8.	Does the Company have in-house structure to implement the policy/policies?									
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?									
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?									

Note 1: While there may not be formal consultation with all stakeholders, the relevant policies have been drafted after taking inputs from concerned internal stakeholders.

Linkages of various Company policies with BR Principles as per National Voluntary Guidelines (NVGs)

Principle No.	Principle	Reference Documents	Reference Links
1	Business should conduct and govern itself with ethics, transparency and accountability	1) Code of Conduct 2) Whistle Blower Policy (Vigil Mechanism) 3) Code of Practices and Procedure for Fair Disclosure of UPSI. 4) Prevention of Sexual Harassment Policy	https://surya.co.in/code_of_conduct https://surya.co.in/assets/upload/162928_whistle-blower-policy.pdf https://surya.co.in/assets/upload/143920_Surya-Roshni-Ltd_Fair-Disclosure-Code-on-Insider-Trading.pdf https://surya.co.in/assets/upload/POLICY%20ON%20PREVENTION%20OF%20SEXUAL%20HARASSMENT%20OF%20WOMEN.pdf

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

Principle No.	Principle	Reference Documents	Reference Links
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	• Environment, health and safety policy	https://surya.co.in/assets/upload/EOHS%20Policy.pdf
3	Businesses should promote the well-being of all employees	1) Code of Conduct 2) Environment, health and safety policy 3) Diversity policy	https://surya.co.in/code_of_conduct https://surya.co.in/assets/upload/EOHS%20Policy.pdf https://surya.co.in/assets/upload/Diversity%20Policy.pdf
4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	1) Code of Conduct 2) Corporate Social Responsibility Policy	https://surya.co.in/code_of_conduct https://surya.co.in/assets/upload/Revised-CSR-Policy.pdf
5	Business should respect and promote human rights	• Code of Conduct	https://surya.co.in/code_of_conduct
6	Business should respect, protect and make efforts to restore the environment	1) Corporate Social Responsibility Policy 2) Environment, health and safety policy	https://surya.co.in/assets/upload/Revised-CSR-Policy.pdf https://surya.co.in/assets/upload/EOHS%20Policy.pdf
7	Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner	• Code of Conduct	https://surya.co.in/code_of_conduct
8	Business should support inclusive growth and equitable development	• Corporate Social Responsibility Policy	https://surya.co.in/assets/upload/Revised-CSR-Policy.pdf
9	Business should engage with and provide value to customers in a responsible manner	• Code of Conduct	https://surya.co.in/code_of_conduct

2(b). If answer to Sr. No. 1 against any principles, is 'No', please explain why.

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the principles.	NA	NA	NA	NA	NA	NA	NA	NA	NA
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	The Company does not have financial or manpower resources available for the task.	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	It is planned to be done within next six months.	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within next one year.	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify).	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Governance related to BR

- (a) Indicate the frequency in which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Annually
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
The Company publishes the information on BR in the Annual Report which is available on the Company website.

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern itself with ethics, transparency and accountability.

- 1) Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company is committed to adhere to the highest standards of ethical, moral and legal code of conduct for business operations. In order to maintain these standards, the Company has formalised the 'Code of Conduct' for Directors as well as all employees of the Company. This lays down the principles and standards that govern the actions of the employees in the course of Conduct of Business of the Company. It covers all dealings with vendors, customers and other business partners. Any actual or potential violation of the Code, however insignificant or perceived as such, would be a matter of serious concern for the Company. All such policies are communicated to employees on joining.

The Company conducts its relationships and dealings in business, and otherwise, in accordance with the Code of Conduct. It mainly focusses on five values i.e. Personal Leadership, Courage, People Development, Innovation and Execution Excellence.

The Company has in place, different mechanisms for receiving and dealing with complaints from different stakeholders.

The Company has established a vigil mechanism for employees, Directors and vendors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy facilitates employees and vendors to report without fear, any wrongdoings or unethical or improper practice.

There is a separate Stakeholders Relationship Committee for shareholder grievances.

The Company has an exclusive e-mail id for redressal of investor grievances. Investors can email at investorgrievances@sroshni.com to lodge their complaints. All shareholder complaints received during the reporting year have been resolved successfully as on 31st March, 2021.

The Company has an exclusive e-mail id consumercare@surya.in for consumer care. Consumer can lodge their complaints/ suggestions/feedback accordingly.

In order to address workplace related issues, the senior management team has periodic interactions, with employees at different locations. The Managing Director regularly receives feedback from employees across the country through specially instituted mechanisms.

The Company has complied all statutory compliances well before/as close as possible to the actual due dates of compliances. Any deviations are highlighted for prompt corrective actions. Functional owners take responsibility for putting in preventive steps.

This compliance management system not only helps adhere to the regulatory requirements, but also develops a culture of self-regulation and accountability within the organisation. In the present times, when governance is looked upon as a critical aspect of sustainability, the Company believes that its compliance management system plays a significant role in ensuring good corporate governance practices.

- 2) How many stakeholder complaints have been received in the past financial year? What percentage was satisfactorily resolved by the management?

All stakeholders' complaints received and replied to their satisfaction during the year 2020-21.

Principle 2: Product Life Cycle Sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List three products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

Company being the largest exporter of ERW pipes and largest producer of ERW GI Pipes in India manufactures ERW Steel Pipes (GI Black, Hollow section), API & Spiral Pipes, 3LPE Coated Pipes and CR Strips and is also the Second Largest Manufacturing Lighting Company in India manufactures world class LED bulbs. LED Street Lights, LED Luminaire, Lighting products and provide Fans and Home appliances.

2. For each such product, provide the following details in respect of resource use (energy, water and raw material, among others) per unit of product (optional):

A.	Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?	The Company continues to give major emphasis on conservation of energy and the measures taken during the previous years in the said regard were continued.
B.	Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Steel Pipes & Tubes manufactured by the Company is used by diverse consumer range and therefore it is not possible to measure the usage (energy, water) by them. Exact saving figures are not ascertainable.

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company focuses on environmental impacts of sourcing and continually works with the vendors and suppliers to reduce the same. We are aware that most of the vendors/suppliers for key raw material are working on sustainable basis. Transportation and logistics optimisation is an ongoing activity to reduce the relative environmental impacts.

4. Steps taken to procure goods and services from local and small producers, including communities and capability building initiatives, undertaken for local and small vendors.

The Company is always been committed to provide skill development and employment to local businesses in rural areas recruitment of rural youth for local sales operations. A major portion of the procured goods and services are de-centralised to local offices in states.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste separately as 10%. Also, provide details thereof, in about 50 words or so.

The Environment Management Practices of the Company focus on the conservation of /natural resources. It has stringent waste management policies for internally generated wastes. Solid waste/sludge from water and waste treatment plants and process waste from the factories is disposed in a controlled manner as per policy.

Principle 3: Employees' well-being

Businesses should promote the well-being of all employees.

The Company has made concerted efforts towards creating, learning and development opportunities that continually enhance the employee value in line with the organisational objectives. The Company focusses on ensuring well-being of all its employees. Safety and health of employees is extremely important to the Company and it is committed to building and maintaining a safe and healthy workplace.

1.	Please indicate the total number of permanent employees	3407		
2.	Please indicate the total number of employees hired on temporary/contractual/casual basis	5234		
3.	Please indicate the Number of permanent women employees	18		
4.	Please indicate the Number of permanent employees with disabilities	3		
5.	Do you have an employee association that is recognised by management	Presently, the Company have an employee association at Bahadurgarh & Hindupur unit only.		
6.	What percentage of your permanent employees is members of this recognised employee association	100% workers of Bahadurgarh unit and 0.7% of Hindupur unit		
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year			
	No.	Category	No. of complaints filed during the financial year	No of complaints pending as on end of the financial year.
	1.	Child labour/Forced labour/involuntary labour	Nil	Nil
	2.	Sexual harassment	Nil	Nil
	3.	Discriminatory employment	Nil	Nil
8.	What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?			
	(a)	Permanent Employees		As Required
	(b)	Permanent Women Employees		As Required
	(c)	Casual/Temporary/Contractual Employees		As Required
	(d)	Employees with disability		As Required

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

Principle 4: Stakeholder engagement

- 1) Has the Company mapped its internal and external stakeholders?

Yes, the Company has mapped its internal and external stakeholders and has identified - employees, customers, business partners/suppliers, government and government agencies, lenders, shareholders/investors and society, as its stakeholders. The Company has various mechanism in place for engagement with these stakeholders such as employee satisfaction surveys, customer satisfaction surveys, organising plant visits for the suppliers and for the investors, regular dealers' meet and lenders' meet, among others. Investors base being large, as required, the Company has a dedicated email id for them to engage with the Company. The Company has also been engaging with the society, particularly in the areas around its manufacturing plants through its various community service initiatives.

- 2) Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders.

Yes, the Company has identified the disadvantaged and vulnerable stakeholders in and around the Company's plants.

- 3) Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders.

The CSR programmes/projects/activities of the Company are aimed at serving the local community and socio-economically disadvantaged sections of the society.

Principle 5 - Human rights

Businesses should respect and promote human rights.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company respects human rights of all relevant stakeholders and groups within and beyond the workplace including that of communities, consumers and marginalised groups. All the practices and policies of the Company, including engagement with suppliers and contractors, among others, ensure that human rights are honored and protected.

2. How many stakeholder complaints were received in the past financial year and what percentage was satisfactorily resolved by the management?

The Company did not receive any stakeholder's

complaint in the financial year 2020-21 for violation of human rights.

Principle 6 – Environment

Business should respect, protect and make efforts to restore the environment.

1. Coverage of the policy related to Principle 6 and its extension to the group/joint ventures/suppliers/contractors/NGO's/others

The Company is committed to improve health and safety of the society and protection of the environment. This policy applies to the entire Company and doesn't extend to other entities.

The Company focusses on four major areas related to climate change i.e. energy conservation, water conservation, use of renewable energy and waste minimisation. The Company's Environment, Health and Safety (EHS) Policy covers all employees and stakeholders across all manufacturing units. In Lighting manufacturing processes, high energy consumption equipment had been replaced with cost-effective energy-efficient equipment.

The Company regularly monitors the operations and capacity optimisation of pumps, motors and cooling tower operations, to take corrective actions.

2. The Company's strategies/initiatives to address global environmental issues, such as climate change, global warming and more.

The Company is contributing towards global environment by complying with ISO Certification i.e., ISO 9001, ISO 14001 & OHSAS 18001 under the Integrated Management System, in each and every process of the Company.

3. Does the Company identify and assess potential environmental risks?

Yes, the Company regularly assesses various environmental risk associated with its activities and its likely impact. The purpose of this procedure is to establish and maintain procedures for identifying environmental/hazard aspects of activities.

4. Does the Company have any project related to Clean Development Mechanism?

Protecting the natural environment is an important facet of Company's aim to enrich lives. The Company does this by continually seeking opportunities to make its processes more resource-efficient, using renewable energy sources and minimising the release of wastes in the environment.

At a strategic level, the Company has embedded

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

various Environment, Health & Safety (EHS) considerations in all aspects of its existing operations. All manufacturing locations are certified for IMS QMS 9001:2015 (Quality Management System), ISO 14001 (Environmental Management Systems) requirements and OHSAS 18001 (Occupational Health and Safety Management Systems) requirements.

The Company has adhered to the applicable standards and limits for emissions and waste prescribed by the respective State Pollution Control Board (SPCB)/ Central Pollution Control Board (CPCB)

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency and renewable energy, among others.

Yes. The manufacturing units have embraced initiatives on clean technology and energy efficiency. Innovative technologies have been implemented to reduce the impact on the environment. All CFL's have been replaced with LED's in its Plants.

During the year the Company has installed solar panel at its manufacturing facilities at Anjar Bhuj with a total capacity of 2 MW. Post reviewing the solar plant performance, the Company will be installing solar panel at all its other manufacturing units.

In the longer term, the Company aims to reduce CO2 emissions and generate energy at a lower cost at its factories in India. This, is in-sync with the Company's approach towards 'building a sustainable ecosystem through efficient energy consumption and optimum utilisation of natural resources such as solar power and wind energy.

Furthermore, this project will also enable significant operating cost-savings for the Company such as lower energy loss, reduced electricity bills and maintenance costs.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, all of the Company's emissions/waste generated during the reporting period were within the regulatory defined limits.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

This is to confirm that no show cause/legal notices were received from the Pollution Control Boards (PCB) during the last financial year and nothing is pending.

Principle 7 - Policy advocacy

Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Representation in any trade and chamber/association
The Company has its representation in several business and industrial associations such as the electrical lamp and component manufacturer's association (elcoma), Indian fan manufacturers association (ifma), confederation of Indian Industry (cii).
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes, specify the broad areas.

The Company has been extensively using platforms of the above Trade Association/ Chambers and has been taking advocacy positions from time to time in the areas of Corporate Legal Reforms, Economic Reforms, Social Security, Water Conservation and Sustainable business principles.

Principle 8 - Inclusive Growth

Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Yes. The Company has a well drafted CSR policy in line with Section 135/Schedule VII of the Companies Act, 2013. The CSR policy, inter alia, deals with the objectives of the Company's CSR initiatives, the guiding principles, the thrust areas of CSR, the responsibilities of the CSR Committee, the implementation plan and reporting framework.

Based on needs of the community around the projects, either observed or on the basis of requests, the initiatives for the benefit of society are chosen and implemented.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?

The CSR programmes/projects of the Company are run by its own foundation/organisation namely Surya Foundation (an NGO).

3. Have you done any impact assessment of your initiative?

The CSR Programmes/projects and their progress/ impacts/outcomes are monitored and reviewed periodically by the Corporate Social Responsibility Committee and by the Board of Directors.

ANNEXURE-VII TO BOARD REPORT BUSINESS RESPONSIBILITY REPORT (Contd.)

4. What is your company's direct contribution to community development projects - Amount and the details of the projects undertaken.

Please refer to ANNEXURE - IV to the Board Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

The Company is committed to improve the quality of life of the communities around its plant locations and communities at large, through need-based CSR initiatives in the areas of healthcare, education, livelihood enhancement and environment. The Company encourages participation by the community in various CSR initiatives of the Company. Extensive engagement with the community helps in identifying needs of the stakeholders and leads to greater sense of ownership among the people, ensuring sustained outcomes. This ensures successful adoption by communities to the extent possible.

Principle 9 - Customer Value

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. Percentage of customer complaints/consumer cases pending as on the end of financial year

The Company has a designated email id for customer complaints i.e. consumercare@surya.in and call centre toll free no. 1800 102 5657. No customer complaints/consumer cases were pending as on end of financial year 2020-21.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes, the Company adheres to all product labeling and product information requirements as per the local laws/Statutory and relevant acts.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour, during the last five years and pending as on end of financial year.

No court case has been filed by any stakeholders against the Company regarding unfair trade practices and/or irresponsible advertising during the last five years or pending as on end of the financial year.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, we carry out consumer surveys to identify needs of consumers and use this information for product development.

for and on behalf of
the Board of Directors

Place: New Delhi
Dated: 25th May, 2021

J P AGARWAL
CHAIRMAN
DIN- 00041119

ANNEXURE- VIII TO BOARD'S REPORT

Certification by Chairman, Managing Director and Executive Director & Group Chief Financial Officer (GCFO) of the Company

- A. We hereby certify that for the financial year ending 31st March, 2021 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) 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. There are, to the best of our knowledge and belief, no transactions entered into by the company during the financial year 2020-2021 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal controls, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee that:
- 1) There have been no significant changes in internal control over financial reporting during this year.
 - 2) There have been no significant changes in accounting policies during this year.
 - 3) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Dated: 25th May, 2021

J P Agarwal
Chairman
DIN-00041119

Raju Bista
Managing Director
DIN- 01299297

R N Maloo
ED & Group CFO

ANNEXURE -IX TO BOARD'S REPORT

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule (5) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The Percentage increase in remuneration of each Director, Chief Financial officer and Company Secretary during the financial year 2020-21, ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21.

Sr. No	Name of the Director/ KMP and Designation	Remuneration of Director / KMP for the financial year 2020-21 (₹ in crore)	% increase in Remuneration in the Financial year 2020-21	Ratio of remuneration of each Director / to median remuneration of employees
1	Jai Prakash Agarwal (Executive Chairman)	6.737	*	174.76
2	Raju Bista (Managing Director)	4.913	**	127.46
3.	Vinay Surya (Whole-time Director)	1.801	***	46.71
4.	Kaustubh N Karmarkar (Whole-time Director)	0.795	#	20.62
5	Tarun Baldua (ED & CEO – Steel Operations)	1.172	Nil	Not Applicable
6	Nirupam Sahay (ED & CEO–Lighting)	0.703	\$	Not Applicable
7	R N Maloo (ED & Group CFO)	0.863	Nil	Not Applicable
8	B B Singal (Sr. V.P & C.S)	0.442	Nil	Not Applicable

* No increase in salary of Jai Prakash Agarwal during the 2020-21 He is also entitled for commission @ 1.5% of the Profit before tax (PBT) derived on the basis of Audited Financial Statements of the Company for the concerned financial year per annum basis for the period served under the agreement accordingly commission entitled for the 2020-21 stands to ₹ 3.137 crore.

** No increase in salary of Raju Bista during the 2020-21 on account of COVID 19 Pandemic outbreak in the country He is also entitled for commission @ 1% of the Profit before tax (PBT) derived on the basis of Audited Financial Statements of the Company for the concerned financial year per annum basis for the period served under the agreement accordingly commission entitled for the 2020-21 stands to ₹ 2.091 crore.

*** No increase in salary of Vinay Surya during the 2020-21 on account of COVID 19 Pandemic outbreak in the country.

Voluntarily draws 50% salary of from the entitled ₹ 11.50 lakhs p.m as per agreement.

\$ Appointed w.e.f. 29th October, 2020 hence no figures are not comparable.

- (ii) In the financial year, there was no increase in the median remuneration of employees;
- (iii) There were 3407 number of permanent employees on the rolls of company;
- (iv) No increase was made in the salaries / remuneration of employees including the managerial personnel in the last financial year i.e. 2020-21 on account of outbreak of COVID 19 Pandemic. We affirmed that the remuneration paid / payable is as per remuneration policy of the Company.

During the year, the Company granted Stock Options to the Shri Raju Bista, Managing Director, Shri Kaustubh N Karmarkar, Whole-Time Director, Shri Tarun Baldua, ED & CEO- Steel Operations, Shri Nirupam Sahay, ED & CEO-Lighting Shri Roop Narain Maloo – Executive Director & Group CFO and Shri Bharat Bhushan Singal, Sr. V.P. & Company Secretary under its Employee Stock Option Scheme at ₹ 75/- per option. Since, such Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Options, and accordingly the said grants have not been considered as remuneration (For details refer Note No. 46 of Standalone Financial Statements).

ANNEXURE -IX TO BOARD'S REPORT (Contd.)

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY								
		Sh. Jai Prakash Agarwal	Sh. Raju Bista	Sh. Vinay Surya	Sh. Kaustubh N Karmarkar	Sh. Nirupam Sahay	Sh. Ramanjit Singh	Sh. Tarun Baldua
(i)	designation of the employee;	Executive Chairman	Managing Director	Whole-time Director	Whole-time Director	E.D & CEO (Lighting)	Ex-CEO- Lighting Operations	E.D & CEO- Steel Operations
(ii)	remuneration received; (in crore)	6.737	4.913	1.801	0.795	0.703	0.925	1.172
(iii)	nature of employment, whether contractual or otherwise;	As per Agreement from 1st Jan., 2017 to 31st Dec. 2021	As per Agreement from 14th Nov., 2018 to 13th Nov., 2023	As per Agreement from 18th May, 2018 to 17th May, 2023	As per Agreement from 10th Aug., 2018 to 9th Aug., 2023	Whole-time employee	Whole-time employee-Superannuated	Whole-time employee
(iv)	qualifications and experience of the employee;	B.Com	M.B.A	M.B.A from Australia	M.B.A	M.B.A from NMIMS Mumbai & AMP Whanton	M.B.A	C.A
(v)	date of commencement of employment;	01.04.1986	01.08.2004	1-01-2018	11-01-2018	29.10.2020	13-08-2015	05-01-2013
(vi)	the age of such employee;	70 years	35 years	48 years	42 years	50 years	60 years	59 years
(vii)	the last employment held by such employee before joining the company	Jindal Industries Limited (Executive Director)	Not Applicable	Not Applicable	Not Applicable	Philips Lighting (now called Signify)	Philips India Ltd.	Maral Overseas Ltd.
(viii)	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	2.04%	Not Applicable	0.48%	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(ix)	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	Smt. Urmil Agarwal & Shri Vinay Surya	Not Applicable	Sh. J P Agarwal & Smt. Urmil Agarwal	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore two lakh rupees;	Yes	Yes	Yes	Yes	Not Applicable	Not Applicable	Yes

ANNEXURE -IX TO BOARD'S REPORT (Contd.)

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY

	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Yes	Yes	Not Applicable
The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs fifty thousand rupees per month;							
The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.							

for and on behalf of
the Board of Directors

J P Agarwal
Chairman
DIN-00041119

Place : New Delhi
Dated: 25th May, 2021

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED

REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of **SURYA ROSHNI LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021 and the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021 and profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. Key Audit Matters No.	Auditor's Response
<p>1. Warranty Provisions</p> <p>The Company offers warranties on certain products sold in lighting and consumer durable segment and accordingly company has recorded warranty provisions which are judgemental in nature. These provisions are required to be recorded based on appropriate estimates of the cost of repair and replacements of the products. Warranty provisions of ₹ 43.15 crores as on 31st March, 2021.</p> <p>Refer Note 42 to the Standalone Financial Statement</p>	<p>Principal Audit Procedures</p> <p>We have</p> <ul style="list-style-type: none"> examined the products categories where the Company has offered warranties and also its tenure so as to determine the warranty provisions. reviewed the sales, volume of the respective product categories and the outstanding warranty commitments their against. gone through the procedures of issuance of the credit notes and replacement for warranties/repairs of the products. reviewed the historical trends and cost estimates considering the agreement with customers and back to back arrangement with vendors, for requirement of warranty provisions. <p>Based on evidence obtained, we concluded that management's process for identifying and quantifying warranty provisions was appropriate and that the resulting provision was reasonable.</p>

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public

disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) 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 standalone financial statements

– Refer **Note No. 41** to the standalone financial statements.

- ii. The Company did not have any long term derivative contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay and in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Membership No. 017644
UDIN: 21017644AAAAAS7461**

**Place: Hisar
Date: 25th May, 2021**

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

The Annexure as referred in paragraph (1) ‘Report on Other Legal and Regulatory Requirements of our Independent Auditors’ Report to the members of SURYA ROSHNI LIMITED the financial statements for the year ended 31st March, 2021, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a phased program of physical verification of its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this program, certain fixed assets were physically verified by the Management during the year and no material discrepancies were noticed on such verification as compared to the books of accounts.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. We have been explained by the management that the inventory have been physically verified at reasonable intervals during the year. As far as we could ascertain and according to information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 with respect to the loans, investments, guarantees, security provided.
- v. According to the information and explanations given to us, during the year the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company is generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income tax, custom duty, Goods and Service Tax (GST), Cess and any other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2021.
- (b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, or value added tax, Goods and Service Tax (GST), Cess which have not been deposited on account of any dispute except as given below:

Name of Statute	VAT & CST	
Nature of Disputed Dues	Tax & Interest	
Forum where disputes are pending	Tribunal	Additional Commissioner / Joint Commissioner
Amount (in crore)	1.67	0.82
- viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks and Financial Institutions. The Company has not obtained any loans from debenture holders and Government.
- ix. According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purpose for which they were raised.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT (CONTD.)

of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and relevant details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records

of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him during the year. Accordingly, clause 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Membership No. 017644
UDIN: 21017644AAAAAS7461**

**Place: Hisar
Date: 25th May, 2021**

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SURYA ROSHNI LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls with reference to financial statements of **SURYA ROSHNI LIMITED** ("the Company") as of 31st March, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use,

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2021, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Place: Hisar
Date: 25th May, 2021**

**Membership No. 017644
UDIN: 21017644AAAAAS7461**

STANDALONE BALANCE SHEET

AS AT 31st MARCH, 2021

Particulars	Note No.	(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
I ASSETS			
1 Non-current assets			
a Property, plant and equipment	5	1,015.39	1,049.20
b Capital work-in-progress	5	9.66	14.99
c Right of use Assets	5	13.77	11.92
d Investment in Subsidiary	6	3.85	3.85
e Financial assets			
i Other financial assets	7	33.82	32.81
f Other non-current assets	8	27.99	20.00
		1,104.48	1,132.77
2 Current assets			
a Inventories	9	868.22	912.81
b Financial assets			
i Trade receivables	10	753.23	697.81
ii Cash and cash equivalents	11	0.25	1.00
iii Bank balances other than (ii) above	12	0.68	0.58
iv Other financial assets	13	44.68	37.46
c Current tax assets (net)	14	11.43	8.81
d Other current assets	15	156.11	178.91
		1,834.60	1,837.38
Total Assets		2,939.08	2,970.15
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	53.61	54.41
Other equity	17	1,311.59	1,184.54
		1,365.20	1,238.95
LIABILITIES			
1 Non-current liabilities			
a Financial liabilities			
i Borrowings	18	172.22	270.03
ii Other financial liabilities	19	11.59	10.74
b Provisions	20	60.16	58.30
c Deferred tax liabilities (net)	21	63.85	61.08
		307.82	400.15
2 Current liabilities			
a Financial liabilities			
i Borrowings	22	493.06	761.75
ii Trade payables			
A) Total outstanding dues of micro enterprises and small enterprises;	23	49.34	23.90
B) Total outstanding dues of creditors other than micro enterprises and small enterprises;	23	431.12	270.85
iii Other financial liabilities	24	187.44	181.81
b Other current liabilities	25	50.88	32.09
c Provisions	26	52.80	60.65
d Current tax liabilities (net)	27	1.42	-
		1,266.06	1,331.05
Total Equity and liabilities		2,939.08	2,970.15

See accompanying notes to the standalone financial statements

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(₹ in crore)

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I REVENUE FROM OPERATIONS	29	5,554.37	5,469.02
II OTHER INCOME	30	4.67	3.35
III TOTAL INCOME (I+II)		5,559.04	5,472.37
IV EXPENSES			
Cost of materials consumed	31	4,057.75	4,067.57
Purchases of stock-in-trade	32	264.77	262.96
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	15.66	(96.21)
Employee benefits expense	34	307.12	303.80
Finance costs	35	69.79	114.11
Depreciation and amortization expense	36	102.70	103.47
Other expenses	37	532.11	577.30
Total expenses		5,349.90	5,333.00
V PROFIT BEFORE TAX (III-IV)		209.14	139.37
VI TAX EXPENSE			
Current tax	28	50.29	28.50
Deferred tax	21	2.35	8.66
		52.64	37.16
VII PROFIT FOR THE YEAR (V-VI)		156.50	102.21
VIII OTHER COMPREHENSIVE INCOME	38		
(i) Items that will not be reclassified to profit or loss		1.67	(2.76)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.42)	0.69
Total other comprehensive income		1.25	(2.07)
IX TOTAL COMPREHENSIVE INCOME(VII+VIII)		157.75	100.14
Earnings per equity shares (face value of ₹ 10/-each)	39		
1) Basic (in ₹)		29.01	18.78
2) Diluted (in ₹)		28.76	18.78

See accompanying notes to the standalone financial statements

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

Particulars	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
a. Net operating profit before tax	209.14	139.37
Adjustment for :		
Re-measurement gain / loss on defined benefit plans routed through OCI	1.68	(2.76)
Depreciation and amortisation of Property, Plant and Equipment	102.70	103.47
(Profit)/Loss on Sale/Retirement of Property Plant and Equipment (Net)	0.40	0.04
Allowance for doubtful debts	3.00	1.73
ESOS Expenses	1.37	-
Lease Rent Paid	(6.57)	(6.93)
Finance cost	69.79	114.11
b. Operating profit before Working Capital changes	381.51	349.03
Adjustment for :		
(Increase) / Decrease in Trade receivables	(58.42)	138.13
(Increase) / Decrease in Other financial assets	(8.24)	14.24
(Increase) / Decrease in Other assets	22.73	(78.38)
(Increase)/Decrease in Inventories	44.59	(69.28)
Increase / (Decrease) in Trade payables/ provisions	179.73	(39.36)
Increase / (Decrease) in Other financial liabilities	12.34	13.57
Increase / (Decrease) in Other liabilities	18.79	(9.09)
	211.52	(30.17)
c. Cash generated from Operations before tax (a+b)	593.03	318.86
d. Net Direct Taxes paid	(53.11)	(38.60)
Net cash flow from operating activities A = (c+d)	539.92	280.26
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment.	(59.81)	(50.87)
Sale of Property, Plant and Equipment	1.92	2.70
Amount given for Capital Advances	(7.99)	-
Investment in subsidiary Company	-	(3.80)
Net cash flow used in investing activities	(65.88)	(51.97)
Net cash flow from operating and investing activities (A+B)	474.04	228.29
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowing (Non Current)	(130.08)	(115.08)
Proceeds from borrowings(Non Current)	25.00	48.82
Short term borrowings Increase /(Decrease) during the year (net)	(268.70)	(34.91)
Purchase of Company's Shares for ESOS through trust	(13.83)	-
Payment of dividend	(19.04)	(10.88)
Payment of dividend distribution tax	-	(2.24)
Finance cost	(68.14)	(114.63)
Net cash used in financing activities	(474.79)	(228.92)
Net cash (used) in/from operating, investing and financing activities ((A+B)+C)	(0.75)	(0.63)
Net increase/(decrease) in Cash & Cash equivalent	(0.75)	(0.63)
Opening balance	1.00	1.63
Closing balance of Cash & Cash equivalent (refer note no.11)	0.25	1.00

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. EQUITY SHARE CAPITAL

(₹ in crore)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	5,44,08,974	54.41	5,44,08,974	54.41
Less: Treasury Shares acquired by the Surya Roshni Employees Welfare Trust (refer note no. 46)	8,00,000	0.80	-	-
Balance at the end of the reporting period	5,36,08,974	53.61	5,44,08,974	54.41

B. OTHER EQUITY

(₹ in crore)

Particulars	Reserves and surplus								Total
	Forfeiture reserve	Securities premium	Capital redemption reserve	Capital reserve	General reserve	Share Option Outstanding Account	Retained earnings	Other comprehensive income	
Balance as at April 1, 2019	17.63	142.71	3.00	124.69	84.36		736.97	(11.84)	1,097.52
Profit for the year							102.21	(2.07)	100.14
Total comprehensive income for the year	-	-	-	-	-		102.21	(2.07)	100.14
Payment of dividend							(10.88)		(10.88)
Payment of dividend distribution tax							(2.24)		(2.24)
Transfer of profit for the year to General reserve					10.00		(10.00)	-	-
Balance as at March 31, 2020	17.63	142.71	3.00	124.69	94.36	-	816.06	(13.91)	1,184.54
Profit for the year							156.50	1.25	157.75
Total comprehensive income for the year	-	-	-	-	-		156.50	1.25	157.75
Payment of dividend							(19.04)		(19.04)
Impact of ESOP Trust consolidation		(13.03)							(13.03)
Share Option Outstanding Account						1.37			1.37
Transfer of profit for the year to General reserve					16.00		(16.00)		-
Balance as at 31st March, 2021	17.63	129.68	3.00	124.69	110.36	1.37	937.52	(12.66)	1,311.59

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

1 CORPORATE AND GENERAL INFORMATION

Surya Roshni Limited ("SRL" or "the Company") is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the BSE Limited ('BSE'), in India. The registered office of SRL is situated at Prakash Nagar, Sankhol, Rohtak Road, Bahadurgarh – 124507 (Haryana) India. Company is the largest GI Steel Pipe Manufacturer and the second largest in lighting products in India. The Corporate Identification Number (CIN) of the Company is L31501HR1973PLC007543

SRL is more than four decade old manufacturing conglomerate with business interest spanning Steel Pipes, colled rolled sheets and 3LPE Coated API Pipes, LED and conventional Lighting Products, Fans, electric Appliances, PVC pipes etc. Besides enjoying market presence across the length and breadth of India, it also export products to more than 50 countries globally.

2 BASIS OF PREPARATION OF STANDALONE FINANCIAL STATEMENTS AND USE OF ESTIMATES

2.1 Basis of preparation of standalone financial statements

The separate financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value

In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

a) An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

b) A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

c) Deferred tax assets and liabilities are classified as non-current only

2.2 Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.3 Use of estimates

The preparation of the standalone financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimate, judgements and assumptions affect the application of accounting policies and the reported balances of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

financial statements and reported amounts of revenues and expenses during the period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimations of uncertainty at the date of the standalone financial statements, which may cause a material adjustments to the carrying amount of assets and liabilities in the next financial years; are in respect of useful life of PPE, provision for warranties, recognition of government grants and claim receivables and estimations of contingent assets and liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Measurement

These standalone financial statements have been prepared under the historical cost principle except for certain financial assets and liabilities which have been measured at fair value:

The standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency and all amounts are rounded to the nearest crore and two decimals thereof, except as stated otherwise.

3.2 Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price (net of GST/ CENVAT / duty credits, Government Grants (wherever applicable) and all direct costs attributable to bringing the asset to its working condition for intended use and includes the borrowing costs for qualifying assets if the recognition criteria's are met. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

Capital work-in-progress includes cost of property, plant and equipment under installation and not put to use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

3.3 Depreciation and Amortisation

i Depreciation on the property, plant and equipment is provided over the useful life of assets which is coincide with the life specified in Schedule II to the Companies Act, 2013. The range of useful lives of the Property, Plant and Equipment are as follows:

Property, plant and equipment	Useful life in Years
Plant and equipments	08 – 15
Buildings	05-60
Office equipment's	05
Vehicles	08
Furniture and fixtures	10
Computers	03 – 06

However, in case of the following category of plant and equipments, the depreciation has been provided, based on the technical evaluation of the remaining useful life as under :-

Plant and Equipments - Pipe and cold rolling Mills and 3 LPE Plant in Steel Pipe and Strip Division.	25 years
--	----------

The useful lives of assets as mentioned above is on single shift basis, if an asset is used for any time during the year for double shift, the depreciation increased by 50% and for triple shift by 100% for that period.

- ii Property, plant and equipment (PPE) which are added/ disposed- of during the year, depreciation is provided on pro-rata basis from (up- to) the date on which the PPE is available for use (disposed-off).
- iii The residual values and useful lives of PPE are reviewed in every financial year considering the physical condition, benchmarking analysis or indicators for review of residual value and useful life of the respective assets and the same

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

is adjusted prospectively. Lease hold land is amortised over the period of lease.

- iv Free-hold land are not subject to amortisation.
- v The "Right of use Assets" arising from Leases are amortised on straightline method basis over the life of the respective leases.

3.4 Impairment of PPE and other non-financial assets

Property, plant and equipment and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset and recognised in the statement of Profit and Loss. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised immediately in Statement of Profit and Loss.

3.5 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and Cheques / drafts in hand, balances with banks, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS) 7 statement of cash flows.

3.6 Inventories

Inventories are carried in the balance sheet as follows:

Raw material	At lower of cost or net realisable value
Work-in Progress	At lower of cost or net realisable value
Finished Goods / Stock in trade	At lower of cost or net realisable value
Stores, spares and consumable	At lower of cost or net realisable value

The cost of inventories comprises of cost of purchase, cost of conversion and other related costs incurred in bringing the inventories to their respective present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind-AS 19 – Employee Benefits.

a) Defined contribution plan

- i Provident Fund: Contribution to the provident fund with the government at pre-determined rates is a defined contribution scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.
- ii National pension scheme : Contribution to the national pension scheme with the at pre-determined rates is a defined contribution scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.

b) Defined benefit plan

Gratuity : The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations is recognised in Other Comprehensive Income. The effect of any plan amendments are recognised in net profits in the Statement of Profit and Loss.

- c) **Long term employee benefits:** Provisions for other long term employee benefits-compensated absences, a defined benefit scheme, is made on the basis of actuarial valuation at the end of each financial year and are charged to the statement of profit and loss. All actuarial gains or losses are recognised immediately in the statement of profit and loss.
- d) **Other Short-term employee benefits:** All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

3.8 Foreign currency reinstatement and translation

a) Functional and presentation currency

The standalone financial statements have been presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

b) Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date and exchange gain and losses arising on settlement and restatement are recognised in statement of profit and loss. Non-monetary items are measured in terms of historical cost in foreign currencies and are therefore not retranslated.

3.9 Financial instruments –

Initial recognition: The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement:

- i **Financial assets carried at amortised cost:** A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii **Financial assets carried at fair value through other comprehensive income:** A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii **Financial assets at fair value through profit or loss:** A financial asset which is not classified in any of (i) & (ii) above categories are subsequently fair valued through profit or loss.
- iv **Financial Liabilities:** Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition

The company de-recognises of financial assets when the contractual rights to receive cash flows from the financial asset expire or transfer the financial asset and transfer qualifies for de-recognition under IND AS 109. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished is recognised in profit or loss as other income.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

3.10 Investments in subsidiary :

The investments in subsidiary is carried in these standalone financial statements at historical 'cost'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

3.11 Derivative financial instruments:

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency exposure. The recognizing of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

3.12 Borrowing costs

- Borrowing costs that are attributable to the acquisition, construction, or production of a

qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

- All other borrowing costs are recognised as expense in the period in which they are incurred.

3.13 Taxation

Income tax expense represents the sum of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet approach for all taxable temporary differences to the extent that it is probable that future taxable profits will be available. Deferred tax assets and liabilities are measured at the applicable tax rates and tax laws those are enacted or substantively enacted. Deferred tax assets and deferred tax liabilities are set-off, and presented on net basis. The carrying amount of deferred tax is reviewed at each balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.14 Revenue recognition and other income

The Company is in the business of sale of Steel Pipes and 3LPE Coated API Pipes and Colled Rolled Sheets, LED and conventional lighting Products, fans,

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

appliances, PVC pipes and fittings etc. The Company also provide extended warranties for its LED street lighting.

Revenue from contracts with customers is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

a) Sale of Product/Goods

Revenue from sale of Product/Goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the Product/Goods and there is no uncertainty in receiving the same and there is reasonable assurance that the Company will comply with the conditions attached to them in recognition of revenue from sale of goods.

The Company also considers the effects of sales returns, volume rebates, schemes discount, incentives, price concessions and financing components.

Extended warranty: The extended warranties provided to the customers having separate performance obligation are considered as the separate contract and revenue from these contact recognised accordingly.

Volume rebates and schemes discounts: The Company provides volume rebates and schemes discounts to its customers based on quantity of products sold to them during the period. To estimate for the expected future outgo for revenue recognition, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Financing component: In case of extended trade credit agreed with the customers containing significant financing component, the transaction price for such contract are discounted, using the effective interest rate that would be considered separate financing transaction at transaction inception, to take into consideration the significant financing component.

b) Rendering of Service

Revenue from Services is recognised as per terms of the contract with customers based on stage of completion when the outcome of the transaction involving rendering of services can be estimated reliably.

c) Export incentives:

Export benefits are accounted for in the year of exports based on eligibility as well as reasonable assurance that the Company will comply with the conditions attached to them and when there is no uncertainty in receiving the same.

d) Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding, the rate applicable and reasonable certainty of receiving the same.

3.15 Government grants / Assistance

Government grants/Assistance recognised in profit and loss account on a systematic basis where there is reasonable assurance that the same will be received and the eligibility criteria is met out. The same are periodically reviewed and adjusted for changes in policies and regulations.

3.16 Dividend Distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution, if leviable, is recognised directly in equity.

3.17 Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.18 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares

outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the Net profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3.19 Provisions

a) Provisions

Provisions (excluding employee benefits) are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the standalone financial statements.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, it is recognised as an asset.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

c) Warranty Provisions

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

3.20 Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

3.21 Leases

The company has applied Ind AS 116 as at 1 April, 2019 using the modified retrospective approach.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date by discounting the lease payment by using the company's incremental borrowing rate.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term up to 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.22 Share based payments

Equity-settled share-based payments to employees are measured at fair value of the equity instrument as at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest to the employees

At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. However, fair value of options is not remeasured subsequently.

Company has created an Employee Benefit Trust for the share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee Stock option schemes. The Trust buys shares of the Company from the market, for granting shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

3.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which comprises of the Board of Directors, Chairman, Executive Director and Chief financial officer which assesses the financial performance and position of the Company and makes strategic decisions. The Company primarily operates in the steel Pipe and lighting segment. The reportable segments are Steel pipes & strips and Lighting & consumer durable

4.1 Critical accounting estimates, assumptions and judgements

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the standalone financial statement:

a) **Property, plant and equipment - Useful lives of assets**

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expenses in future periods.

b) **Warranties**

The Company generally offers Warranties for

its consumer products and the liability towards warranty-related costs are recognized in the year of sales or service provided to the customers. Management ascertain and measure the liability for warranty claims based on historical experience and trend. The assumptions made in relation to current year are consistent of those are in prior years.

c) **Provision**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

d) **Contingent Liabilities and Contingent Assets**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the standalone financial statements.

e) **Exceptional Items**

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc

4.2 Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- (i) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- (ii) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- (iii) Specified format for disclosure of shareholding of promoters.
- (iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- (v) Details of unutilised funds borrowed from banks and financial institutions for specified purposes

- (vi) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- (vii) Details of charges or satisfaction yet to be registered with ROC beyond the statutory period
- (viii) 11 Ratios and reasons for any changes beyond 25% in comparison to the preceding year;

Statement of profit and loss

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Land- Freehold	Land- Leasehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment's	Computers	Total	Capital work in progress
GROSS CARRYING VALUE										
As at April 1, 2019	21.03	10.97	212.21	1,162.26	6.36	8.97	3.00	6.88	1,431.68	24.57
Additions	6.31	-	3.50	47.52	0.38	1.28	0.76	0.70	60.45	19.19
Disposals	-	-	-	6.21	0.09	0.62	0.13	0.05	7.10	28.77
As at March 31, 2020	27.34	10.97	215.71	1,203.57	6.65	9.63	3.63	7.53	1,485.03	14.99
Additions	5.42	-	19.14	36.38	0.17	2.27	0.83	0.93	65.14	38.45
Disposals	-	-	-	4.68	0.25	0.09	0.09	1.08	6.19	43.78
As at March 31, 2021	32.76	10.97	234.85	1,235.27	6.57	11.81	4.37	7.38	1,543.98	9.66
DEPRECIATION										
As at April 1, 2019	-	1.39	29.63	299.89	3.01	2.95	1.67	4.56	343.10	-
Depreciation for the year	-	0.34	8.24	84.65	0.75	1.16	0.50	1.44	97.08	-
Disposals	-	-	-	3.87	0.09	0.26	0.08	0.05	4.35	-
As at March 31, 2020	-	1.73	37.87	380.67	3.67	3.85	2.09	5.95	435.83	-
Depreciation for the year	-	0.34	8.33	84.98	0.63	1.02	0.93	0.41	96.64	-
Disposals	-	-	-	2.41	0.25	0.06	0.09	1.07	3.88	-
As at March 31, 2021	-	2.07	46.20	463.24	4.05	4.81	2.93	5.29	528.59	-
Net carrying value										
As at March 31, 2020	27.34	9.24	177.84	822.90	2.98	5.78	1.54	1.58	1,049.20	14.99
As at March 31, 2021	32.76	8.90	188.65	772.03	2.52	7.00	1.44	2.09	1,015.39	9.66

Explanatory Notes:

- The above property plant and equipment are under charge as security against borrowing see note no.18 & 22
- The company has acquired exclusive used right for certain premises being used for its offices and classified them as Right of use assets.

Particulars	(₹ in crore) Right of use Assets
Gross carrying value	
As at April 1, 2019	15.08
Additions	3.23
Disposals	-
As at March 31, 2020	18.31
Additions	7.91
Disposals	-
As at March. 31, 2021	26.22
Depreciation	
As at April 1, 2019	-
Additions(Depreciation)	6.39
Disposals	-
As at March 31, 2020	6.39
Additions(Depreciation)	6.06
Disposals	-
As at March. 31, 2021	12.45
Net carrying value	
As at March 31, 2020	11.92
As at March. 31, 2021	13.77

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

6 INVESTMENT CARRIED AT COST

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Investment in Subsidiary		
Unquoted		
38,50,000 (previous year 38,50,000) Equity shares of Surya Roshni LED Lighting projects Limited of ₹ 10/- each fully paid-up (100% holding -38,49,940 equity shares held in the name of Company and balance 60 equity shares held through six nominees)	3.85	3.85
Aggregate amount of quoted investments Market value of ₹ Nil (Previous year ₹ Nil)	3.85	3.85
Aggregate amount of unquoted investments	3.85	3.85

7 OTHER FINANCIAL ASSETS AT AMORTISED COST (NON CURRENT)

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good		
Deferred Receivable	5.49	7.46
Unbilled receivables /Contract Assets	18.60	15.51
Security deposits	9.73	9.84
	33.82	32.81

8 OTHER NON CURRENT ASSETS

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	27.99	20.00
	27.99	20.00

9 INVENTORIES (CURRENT)

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Raw materials	302.03	326.98
Work-in-progress	124.87	148.21
Finished goods	421.53	413.85
Stores, spares and consumables	19.79	23.77
	868.22	912.81

The mode of valuation has been stated in note no.3.6

Inventories are hypothecated as security against borrowings see note no.18 & 22

10 TRADE RECEIVABLES (CURRENT)

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Trade receivables considered good-secured	-	-
Trade receivables considered good-unsecured	749.47	692.06
Trade receivables considered good-unsecured from wholly owned subsidiary (refer note 47)	3.76	5.75
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables-credit impaired	7.08	6.08
Less : Allowance for doubtful debts	7.08	6.08
Net Trade receivables-credit impaired	-	-
	753.23	697.81

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

11 CASH AND CASH EQUIVALENTS

	As at 31st March, 2021	As at 31st March, 2020
(₹ in crore)		
a. Balance with banks		
In Current Accounts	0.04	0.71
b. Cash on hand	0.21	0.29
Cash and cash equivalents as per statement of cash flow	0.25	1.00

12 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31st March, 2021	As at 31st March, 2020
(₹ in crore)		
Fixed deposits	0.23	0.16
Earmarked Balances with banks		
Unpaid dividend account (Earmarked against the corresponding provision refer note 24)	0.45	0.42
	0.68	0.58

13 OTHER FINANCIAL ASSETS (CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
(₹ in crore)		
Unbilled receivables / Contract Assets	5.05	4.71
Other recoverables	39.63	32.75
	44.68	37.46

14 CURRENT TAX ASSETS (NET)

	As at 31st March, 2021	As at 31st March, 2020
(₹ in crore)		
Current Tax Asset	11.43	8.81
	11.43	8.81

15 OTHER CURRENT ASSETS

	As at 31st March, 2021	As at 31st March, 2020
(₹ in crore)		
Considered good, unless otherwise stated		
Recoverable from government authorities	108.65	136.24
Balances with statutory authorities	12.27	12.08
Prepaid expenses	3.91	2.50
Forward Contract Receivable	-	11.35
Advances to Supplier	31.28	16.74
	156.11	178.91

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

16 SHARE CAPITAL

		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
I	Equity Share Capital		
	Authorised		
	26,13,00,000 (Previous year 26,13,00,000) Equity Shares of ₹ 10/- each with voting rights	261.30	261.30
	Issued, subscribed and fully paid up Equity share capital		
	5,44,08,974 (previous year 5,44,08,974) Equity Shares of ₹ 10/- each with voting rights	54.41	54.41
	Less: 8,00,000 Treasury Shares of ₹ 10/- each acquired up to 31st March, 2021 (Previous year - NIL)	0.80	-
		53.61	54.41
	Movement of Equity Shares		
	Balance at the beginning of the reporting period	5,44,08,974	5,44,08,974
	Less: Treasury Shares acquired by the Surya Roshni Employees Welfare Trust outstanding at the end of year (refer note no. 46)	8,00,000	-
	Balance at the end of the reporting period	5,36,08,974	5,44,08,974
II	Preference share capital		
	Authorised		
	6,20,000 (previous year 6,20,000) Preference shares of ₹ 100/- each (There are no issued, subscribed and paid up preference share capital)	6.20	6.20

Terms / rights attached to equity shares

The company has one class of equity shares having at par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. 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 to their shareholding.

		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
Cash dividends on equity shares declared and paid			
	Dividend for the year ended 31st March, 2020: ₹ 2.00 per share (Previous year ₹ 2.00 per share)	10.88	10.88
	Dividend Distribution Tax on above	Not Applicable	2.24
	Interim Dividend Paid for the Financial Year 2020-21: ₹ 1.50 per share (Previous Year - NIL)	8.16	-
	Dividend Distribution Tax on above	Not Applicable	-
Proposed dividends on equity shares			
	Dividend for the year ended 31st March, 2021: ₹ 1.50 per share (Previous year ₹ 2.00 per share)	8.16	10.88
	Dividend Distribution Tax on proposed dividend	Not Applicable	Not Applicable

Details of shares held by each shareholder holding more than 5% shares:

Names	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Diwakar Marketing Private Limited	56,37,500	10.36	56,37,500	10.36
Cubitex Marketing Private Limited	48,61,000	8.93	48,61,000	8.93
Shreyansh Mercantile Private Limited	31,78,000	5.84	31,78,000	5.84
Sahaj Tie-Up Private Limited	31,25,087	5.74	31,25,087	5.74

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

17 OTHER EQUITY

	As at 31st March, 2021	As at 31st March, 2020
	(₹ in crore)	
a. Capital redemption reserve	3.00	3.00
b. Capital Reserve	124.69	124.69
c. Securities premium	129.68	142.71
d. Share Option Outstanding Account	1.37	-
e. Forfeiture reserve	17.63	17.63
f. General reserve	110.36	94.36
g. Retained earnings	937.52	816.06
h. Other comprehensive income	(12.66)	(13.91)
Balance at the end of the Financial year	1,311.59	1,184.54

Notes : For movements in reserves refer statement of change in equity

Nature and purpose of reserves

a. Capital Redemption Reserve

Capital Redemption Reserve was created on redemption of preference share capital. The Company may issue fully paid-up bonus share to its members out of the capital redemption reserve

b. Capital Reserve

Capital reserve has been created on Business Combination on appointed date i.e. 1st April, 2016 Pursuant to the Scheme of Arrangement amongst company and its associate e-Surya Global Steel Tubes Limited as per order of NCLT dated 11th December, 2017.

c. Securities premium

Securities premium is used to record the premium on issue of shares. The premium should be utilised in accordance with the provisions of the Companies Act.

d. Share Option Outstanding Account

The Share option outstanding account relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in note 46.

e. Forfeiture reserve

Forfeiture Reserve represents the forfeiture of amount of consideration received on allotment of warrants of the cases where option to take equity shares were not exercised within the prescribed time in accordance with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

f. General reserve

The general reserve is created time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another equity, hence items included in general reserve will not be reclassified subsequently to profit and loss.

g. Dividend

During the Year 2020-21, Interim Dividend of ₹ 8.16 crore has been paid. Final Dividend of ₹ 8.16 crore for the Year 2020-21 (₹ 10.88 crore for the Year 2019-20) is accounted in the year of approval by the shareholders

18 BORROWINGS (NON CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
	(₹ in crore)	
Secured measured at amortised cost		
Term loans from banks		
Rupee loans	64.43	186.83
Foreign currency loans	98.30	69.79
Term loans from financial institutions		
Rupee loans	-	18.75
Foreign currency loans	60.80	53.24
	223.53	328.61
Less : Loan repayment within one year (refer note 24)	51.31	58.58
	51.31	58.58
	172.22	270.03

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

- A** Term Loans of ₹ 159.10 crore (₹ 282.61 crore as at 31st March, 2020) are secured by way of first pari-passu charge on all fixed Assets including equitable mortgage of Land and Building and further secured by way of second pari-passu charge on Company's entire Current Assets both present and future and personal guarantee of the Chairman of the Company.
- a Foreign Currency Term Loan from banks aggregating ₹ 98.30 crore (₹ 69.79 crore as at 31st March, 2020) are payable in 18 (maximum) quarterly installments, with last repayment date 30th September, 2025, carrying floating interest rate LIBOR + 175 to 200 bps spread with periodical interest reset.
- b Foreign Currency Term Loans from financial institution aggregating ₹ 60.80 crore (₹ 53.24 crore as at 31st March, 2020) are payable in 34 (maximum) quarterly instalments, with last repayment date 1st July, 2029, carrying floating interest rate LIBOR + 200 bps spread with periodical interest reset.
- B** Term Loans of ₹ 64.43 crore (₹ 46.00 crore as at 31st March, 2020) are secured by way of first pari-passu charge on all fixed Assets including equitable mortgage of Land and Building and further secured by way of second pari-passu charge on Company's entire Current Assets both present and future.
- a Rupee Term Loan from one bank of ₹ 39.43 crore (₹ 46.00 crore as at 31st March, 2020) is payable in 25 quarterly instalments, with last repayment date 31st May, 2028, carrying floating interest rate of 6.25% p.a. LINKED WITH REPO RATE with periodical interest reset.
- b Rupee Term Loan from one financial institution aggregating ₹ 25.00 crore (₹ NIL as at 31st March, 2020) is payable in 29 quarterly instalments, with last repayment date 1st April, 2030, carrying fixed interest rate of 6.50% p.a. with periodical interest reset.

Change in Liability arising from financing activities

	As at 1st April, 2020	Receipts	Payments	As at 31st March, 2021
Current Borrowings (Net Basis) (refer note 22)	761.75	-	268.69	493.06
Non-Current Borrowings including Loan repayment within one year	328.61	25.00	130.08	223.53
Total	1,090.36	25.00	398.77	716.59

	As at 1st April, 2019	Receipts	Payments	As at 31st March, 2020
Current Borrowings (Net Basis) (refer note 22)	796.67	-	34.92	761.75
Non-Current Borrowings including Loan repayment within one year	394.86	48.82	115.07	328.61
Total	1,191.53	48.82	149.99	1,090.36

19 OTHERS FINANCIAL LIABILITIES (NON CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
Security deposits	11.59	10.74
	11.59	10.74

20 PROVISION (NON CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (refer note 45)	47.29	45.82
Compensated absences (refer note 45)	12.87	12.48
	60.16	58.30

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

21 DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

	As at 31st March, 2020	Recognised in P & L	Recognised in OCI	As at 31st March, 2021
Deferred tax liabilities / assets are attributable to the following items;				
Deferred tax liabilities				
Difference between books depreciation and tax depreciation	90.84	(2.72)	-	88.12
Sub- (a)	90.84	(2.72)	-	88.12
Opening as on 31st March, 2020				
Deferred tax assets				
Disallowed under section 43B of the Income tax Act. on payment basis	22.39	(4.34)	(0.42)	17.63
Allowance for doubtful debts	2.65	0.25	-	2.90
Others	4.72	(0.98)	-	3.74
Sub- (b)	29.76	(5.07)	(0.42)	24.27
Net deferred tax liability (a-b)	61.08	2.35	0.42	63.85
MAT Receivable - (c)	-	-	-	-
Net deferred tax liability after MAT Receivable	61.08	2.35	0.42	63.85

(₹ in crore)

Deferred tax liabilities (Net)	As at 1st April, 2019	Recognised in P & L	Recognised in OCI	As at 31st March, 2020
Deferred tax liabilities / assets are attributable to the following items;				
Deferred tax liabilities				
Difference between books depreciation and tax depreciation	104.32	(13.48)	-	90.84
Sub- (a)	104.32	(13.48)	-	90.84
Deferred tax assets				
Disallowed under section 43B of the Income tax Act. on payment basis	20.32	1.38	0.69	22.39
Allowance for doubtful debts	4.06	(1.41)		2.65
Others	-	4.72		4.72
Sub- (b)	24.38	4.69	0.69	29.76
Net deferred tax liability (a-b)	79.94	(18.17)	(0.69)	61.08
MAT Receivable - (c)	26.83	(26.83)	-	-
Net deferred tax liability after MAT Receivable	53.11	8.66	(0.69)	61.08

22 BORROWINGS (CURRENT)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Secured		
Loans repayable on demand		
From banks		
Rupee loans	413.06	584.48
Foreign currency loans	-	117.27
	413.06	701.75
Unsecured		
Commercial paper	80.00	60.00
	493.06	761.75

The above working Capital borrowings of ₹ 413.06 crore are secured against current assets both present and future and further secured by way of second charge on all Fixed Assets including equitable mortgage of Land and Building and personal guarantee of the Chairman of the Company. The Rupee Loans of ₹ 169.45 crore (EPC & Export Bill Discounting) linked with T Bill / MCLR carrying interest rate of 2.25% ~ 4.50% (net of 3% Interest Subvention), ₹ 191.00 crore (WCDL) is at 4.30% linked with Repo Rate, ₹ 52.61 crore (Cash Credit) linked with MCLR of respective banks of which Interest ranging from 0 to 95 bps spread over MCLR and Commercial papers carrying interest rate of 5.60% ~ 5.90%.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

23 TRADE PAYABLES

		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
	outstanding dues of micro enterprises and small enterprises	49.34	23.90
	outstanding dues other than micro enterprises and small enterprises	431.12	270.85
		480.46	294.75
I	The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the group as under:		
I	The Principal amount and the interest due thereon remaining unpaid to any supplier.		
	Principal Amount :	60.08	30.90
	Interest :	Nil	Nil
ii	The amount of interest paid by the company along with the amount of the payment made to the supplier beyond the appointed day for the year ending.	Nil	Nil
iii	The amount of Interest due and payable for the period of delay in making payment (beyond the appointed day during the year.	Nil	Nil
iv	The amount of interest accrued and remaining unpaid for the year ending	Nil	Nil
v	The amount of further interest remaining due and payable for the earlier years.	Nil	Nil

The Information has been given in respect of such suppliers to the extent they could be identified as "Micro and Small" enterprises on the basis of information submitted to the Company.

24 OTHER FINANCIAL LIABILITIES (CURRENT)

		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
	Current maturities of long-term borrowings (refer note 18)	51.31	58.58
	Interest accrued but not due on borrowings	0.85	0.37
	Unpaid dividends* (refer note 12)	0.45	0.42
	Forward Contract payable	12.00	-
	Payable to employees	34.75	35.91
	Expenses Payable	72.63	73.59
	Lease Liability	15.45	12.94
		187.44	181.81

*There are no amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2021

25 OTHER LIABILITIES (CURRENT)

		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
	Advances from customers	33.02	22.69
	Statutory dues payables	17.86	9.40
		50.88	32.09

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

26 PROVISIONS (CURRENT)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (refer note 45)	6.80	6.86
Compensated Absences (refer note 45)	2.85	3.07
	9.65	9.93
Other payables		
Warranty Payable (refer note 42)	43.15	50.72
	43.15	50.72
	52.80	60.65

27 CURRENT TAX LIABILITIES (NET)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Current Tax Liability(Net)	1.42	-
	1.42	-

28 INCOME TAX

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
a Income tax recognised in profit or loss		
Current tax expense	50.29	28.50
Deferred tax expense		
Origination and reversal of temporary differences	2.35	8.66
Total tax expenses	52.64	37.16
b Reconciliation of effective tax rate		
Profit before tax	209.14	139.37
Domestic tax rate	25.168%	25.168%
Tax using the Company's domestic tax rate	52.64	35.07
Increase / reduction in Taxes on account of		
Deduction / exemptions in taxable income/ Other non deductible expenses (Net)	-	2.09
Income tax expenses charged to statement of profit and loss	52.64	37.16
Effective tax rate	25.17%	26.66%

Pursuant to the Taxation Laws (Amendment) Act, 2019, tax rates have changed w.e.f. from 1st April, 2019, and accordingly, the Company has exercised the option permitted under Section 115BAA of the Income-Tax Act, 1961 for reduced tax rates. Accordingly current tax expenses have been accounted for.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

29 REVENUE FROM OPERATIONS

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Sale of products		
i. Steel pipe and strips	4,308.83	4,163.62
ii. Lighting and consumer durables	1,228.14	1,217.43
	5,536.97	5,381.05
Less Inter Segment Sales	6.85	9.47
	5,530.12	5,371.58
b. Other operating revenue;		
i. Investment promotion assistance (refer note 43)	-	50.70
ii. Export incentives and claims	18.30	40.36
	18.30	91.06
c. Sale of services	5.95	6.38
	5.95	6.38
	5,554.37	5,469.02

30 OTHER INCOME

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Interest Income from financial assets	4.05	3.09
b. Profit on sale of property, plant and equipment	0.05	0.08
c. Miscellaneous income	0.57	0.18
	4.67	3.35

31 COST OF MATERIALS CONSUMED

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
i. Steel pipe and strips		
a. Raw materials (Imported)	204.12	164.88
b. Raw materials (Indigenous)	3,415.90	3,405.52
ii. Lighting and consumer durables		
a. Raw materials (Imported)	141.54	170.90
b. Raw materials (Indigenous)	265.72	298.43
c. Packing materials consumed	37.32	37.31
	4,064.60	4,077.04
Less Inter Segment Consumption	6.85	9.47
	4,057.75	4,067.57

32 PURCHASE OF STOCK-IN-TRADE

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Lighting and consumer durables (outsourced)	264.77	262.96
	264.77	262.96

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the end of the year		
Finished goods	421.53	413.85
Work in Progress	124.87	148.21
	546.40	562.06
Inventories at the beginning of the year		
Finished goods (Net)	413.85	321.80
Work in Progress	148.21	144.05
	562.06	465.85
	15.66	(96.21)

34 EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Salaries, wages and bonus	286.80	283.56
b. ESOS Expenses (refer note 46)	1.37	-
c. Contribution to provident and other funds	12.82	13.66
d. Staff welfare expenses	6.13	6.58
	307.12	303.80

35 FINANCE COST

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Interest expenses	62.49	107.84
b. Interest on Lease Liability	1.17	1.56
c. Other borrowing cost	6.13	4.71
	69.79	114.11

36 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Depreciation (refer note 5)	96.64	97.08
b. Right of use Assets (refer note 5)	6.06	6.39
	102.70	103.47

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

37 OTHER EXPENSES

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Consumption of stores and spares	35.03	37.82
b. Power, fuel and water charges	91.77	104.95
c. Repairs and maintenance :		
- plant and machinery	2.33	2.53
- buildings	0.80	1.06
- others	0.78	1.21
d. Product warranties	35.70	51.26
e. Sales promotion expenses	33.33	33.21
f. Commission on sales	12.67	18.45
g. Advertisement and publicity	12.94	15.64
h. Freight and forwarding expenses	199.54	191.88
i. Allowance for doubtful debts / bad debts W/off	3.43	2.64
j. Rent	3.33	3.28
k. Rates and taxes	0.31	0.23
l. Insurance	3.25	2.54
m. Postage, telegraph and telephone	2.38	2.36
n. Travelling and conveyance	16.61	24.52
o. Loss on discard / disposal of property, plant and equipment	0.45	0.11
p. Corporate social responsibility expenses (refer note 40)	3.17	3.02
q. Legal and professional expenses	3.45	3.45
r. Auditor's remuneration		
for audit	0.19	0.15
for tax audit	0.06	0.06
for certification work	0.03	0.03
for reimbursement of out of pocket expenses	0.01	0.01
s. Miscellaneous expenses	70.55	76.89
	532.11	577.30

38 OTHER COMPREHENSIVE INCOME

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
i. Items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit plans	1.67	(2.76)
ii. Income tax relating to items that will not be reclassified to profit or loss		
- Related to remeasurements of the defined benefit plans	(0.42)	0.69
	1.25	(2.07)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

39 EARNING PER SHARE

		For the year ended 31st March, 2021	For the year ended 31st March, 2020	
The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:				
A	Issued equity shares	No's	5,44,08,974	5,44,08,974
	Less: Treasury Shares held by the Surya Roshni Employees welfare Trust		8,00,000	-
	Issued equity shares after taking effect of Treasury Shares		5,36,08,974	5,44,08,974
B	Weighted average equity shares outstanding - Basic	No's	5,39,47,511	5,44,08,974
C	Weighted average equity shares outstanding - Diluted	No's	5,44,08,974	-
D	Net profit after tax	₹ in crore	156.50	102.21
	Basic Earning per equity share (D/B)	Per / ₹	29.01	18.78
	Diluted Earning per equity share (D/C)	Per / ₹	28.76	18.78
	Face Value per Equity Share		10.00	10.00

40 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with schedule III are as below: The said amount has been spent through Surya Foundation.

		For the year ended 31st March, 2021	For the year ended 31st March, 2020
(₹ in crore)			
A	Gross amount required to be spent by the Company during the year	3.17	3.02
B	Amount spent during the year		
i	Construction/ acquisition of asset	NIL	NIL
ii	On purpose other than (i) above –		
	(a) Rural Development	2.87	2.64
	(b) Naturopathy	0.19	0.23
	(c) Other administrative expenses	0.11	0.15
		3.17	3.02

41 CONTINGENT LIABILITIES

		For the year ended 31st March, 2021	For the year ended 31st March, 2020
(₹ in crore)			
I	Guarantees		
	Bank Guarantees issued by banks for which counter guarantee given by the Company	385.69	425.68
II	Other contingent liabilities		
a)	Export obligation under EPCG Scheme		
	Bonds given to customs of ₹ 3.89 crore (₹ 3.26 crore in previous year)		
	(Duty involved on imports made by the Company)	1.83	1.64
b)	Estimated amount of contract remaining to be executed on capital account and not provided for	29.30	10.13
c)	Claims against the company not acknowledged as debt	2.87	4.79

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

III Entry of Goods into Local Area Act, 2008 :

The Haryana Government levied Local Area Development Tax by (The LADT Act) w.e.f. 5th May, 2000, The said act was declared ultra vires by the Hon'ble Punjab & Haryana High Court on 14th March, 2007. Later on, the Haryana Government has repealed the LADT Act w.e.f. 8th April, 2008 and introduced in its place, 'The Haryana Tax on Entry of Goods into local Areas Act, 2008', which was also held ultra vires by the Hon'ble High Court on 1st October, 2008 (Rules not yet notified). Both these Acts were declared unconstitutional on the ground of non-compensatory but Subsequently, on the SLP of the Haryana Government, the Hon'ble Supreme Court Constitutional Bench vide its judgment dated 11th November, 2016 held the applicability of entry tax valid on compensatory grounds. However, directed its Divisional bench for examining the provisions on the other issues of discrimination, local area etc. The divisional bench remanded back the matters to the Hon'ble Punjab & Haryana High Court on 21st March, 2017 with a direction to file fresh writ petitions in this regard for factual backgrounds and other constitutional statutory issues.

IV Income Tax Act

In respect of Income-tax assessments of the Company (for the year 2009-10, 2010-11 & 2012-13) demands of ₹ 56.34 crore were raised wherein, Company had appealed and the cases were decided in favour of the Company by CIT (A). However revenue has preferred an appeal before ITAT. Based on the decision in favour of the company, interpretations and decisions of appellate authorities and Courts in similar cases and as per the consultations made, the Company is not liable for such demand and accordingly no provision has been made.

42 MOVEMENT IN WARRANTY PROVISION

	As at 31st March, 2021	As at 31st March, 2020
(₹ in crore)		
Movement in warranty provision during the financial year are provided below:		
Opening Balance	50.72	44.41
Provision Made	35.70	51.26
Utilised during the year	43.27	44.95
Closing Balance	43.15	50.72

The company gives warranties on certain products, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of expected cost of meeting such obligation on account of repair/ replacement. It is expected that significant portion of these cost is to be incurred within a period of two years.

43 GOVERNMENT GRANTS (INVESTMENT PROMOTION ASSISTANCE)

The Company has made investments of ₹ 362.35 crore up to 31st March, 2021 in the State of Madhya Pradesh, Andhra Pradesh and Gujarat for establishing manufacturing facilities at Malanpur, Hindupur and Anjar respectively as per provisions of the Industrial Investment Promotion Assistance Schemes/ Policy of these states. The Company has been eligible for periodical Grants during the specified period by way of assistance/ reimbursement of VAT/ CST/ SGST/ Power Cost and recognised the same in revenue on satisfying the conditions mentioned under the respective schemes/ policies. These incentive claims are periodically evaluated and necessary adjustments /reversals have been made time to time for deductions made or expected in processing, verifications, clarifications or change in policies/guidelines.

Accordingly, The Company has recognised grants of ₹ 122.33 crore up to 31st March, 2021 (₹ 133.29 crore up to 31st March, 2020 (Out of which ₹ 86.86 crore remained outstanding as on 31st March, 2021 ₹ 97.82 crore as on 31st March, 2020).

44 PROJECT FOR SUPPLY, IMPLEMENTATION, OPERATION AND MAINTENANCE OF ORISSA GREENFIELD STREET LIGHTING SYSTEM THROUGH SPV COMPANY

The Company has been awarded project by Directorate of Municipal Administration (DMA), Orissa for designing, implementing, operating, maintaining the Greenfield Pubic Street Lighting System along with other infrastructure including CCMS and automation. The project is required to be executed through Special Purpose Vehicle Company (SPV) as per terms of LOA and accordingly Company has incorporated a wholly-owned subsidiary namely SURYA ROSHNI LED LIGHTING PROJECTS LIMITED on 21st January, 2019. Further, Company has executed Supply Installation Operation and Maintenance (SIOM)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

Agreement on 29th December, 2018 with the DMA and 21 Urban Local Bodies. As per terms of SIOM, the company had executed shareholder agreement with the SPV Company on 30th August 2019 and novation agreement with the DMA and the SPV company. Company has committed the funding requirement of SPV for project completion including enhancement in the value of project. The company has also committed to compensate the losses/ damages, if any. The required funding has been mandatory provided by the company and project is being implemented efficiently.

45 EMPLOYEE BENEFITS

Disclosures pursuant to Ind AS -19 "Employee Benefits" (Specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below

Contribution to Defined Contribution Plan, recognised as expenses are as under :

	Year Ended	
	31st March, 2021	31st March, 2020
Employer's Contribution to defined contribution plans	12.82	13.66

(₹ in crore)

I The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

	Valuation as at	
	31st March, 2021	31st March, 2020
Attrition rate for various ages in %	1.00 to 5.00	1.00 to 5.00
Discount Rate in %	6.80	6.80
Expected Rate of increase in salary in %	5.35	5.35
Mortality rate - Indian Assured Lives Mortality (2006-08)	IALM (2012-14)	IALM (2012-14)
Expected Average remaining working lives of employees (years)	15.19	15.71

- a) Discount rate is based on the prevailing market yields of Indian Government securities as at the balances sheet date for the estimated term of obligations.
- b) The assumption of future salary increase takes into account the inflation, seniority, promotion, business plan, HR Policy and other relevant factors such as supply and demand in employment market.

II Movement in Obligation

Particulars	(₹ in crore)			
	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity (partly funded)	Compensated absences (Unfunded)	Gratuity (partly funded)	Compensated absences (Unfunded)
Present value of obligation as at the beginning of the period	52.70	15.55	45.57	13.08
Current Service cost	3.68	1.75	3.77	1.89
Past Service Cost including curtailment Gain/Losses	-	-	-	-
Interest cost	3.58	1.06	3.49	1.00
Benefits paid	(4.18)	(1.34)	(2.89)	(1.01)
Actuarial loss / (gain) arising from changes in Demographic assumptions	-	-	(0.01)	-
Actuarial loss / (gain) arising from changes in Financial assumptions	-	-	1.90	0.60
Actuarial loss / (gain) arising from experience adjustment	(1.67)	(1.30)	0.87	(0.01)
Present value of obligation as at the end of the period	54.11	15.72	52.70	15.55

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

III Amount recognised in the statement of Profit and Loss:

(₹ in crore)

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current Service cost	3.68	1.75	3.77	1.89
Interest cost	3.58	1.06	3.49	1.00
Remeasurement - Actuarial loss/(gain)	-	(1.30)	-	0.59
Expenses recognised in the statement of Profit and Loss	7.26	1.51	7.26	3.48

IV Component of defined benefit costs recognised in other comprehensive income

(₹ in crore)

Particulars	Gratuity	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Actuarial loss / (gain) arising from changes in demographic assumptions	-	(0.01)
Actuarial loss / (gain) arising from changes in Financial assumptions	-	1.90
Actuarial loss / (gain) arising from experience adjustment	(1.67)	0.87
Actuarial loss / (gain) arising on plan asset	-	-
Component of defined benefit costs recognised in other comprehensive income	(1.67)	2.76

V Current and non-current provision for Gratuity and Compensated absences

(₹ in crore)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current provision	6.80	2.85	6.86	3.07
Non-current provision	47.29	12.87	45.82	12.48
Total provision	54.09	15.72	52.68	15.55

VI Maturity profile of Defined Benefit Obligation are as under :-

(₹ in crore)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 Year	6.80	2.85	6.86	3.07
1 to 5 Years	11.16	2.42	10.72	2.35
5 Year Onwards	36.15	10.45	35.12	10.13

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

VII Movements in the fair value of the plan assets are as follows:

(₹ in crore)

	Gratuity	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening fair value of plan assets	0.02	0.02
Interest income	-	-
Return on plan assets (excluding amounts included in net interest expenses)	-	-
Benefits paid	-	-
Closing fair value of the plan assets	0.02	0.02

Note:

The Company has invested the plan assets in India only with Life insurance corporation of India & SBI Life and closing value of the plan assets are the fair value of plan assets

VIII Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rate. The sensitivity analyses below have been determined based on reasonably possible changes of respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

(₹ in crore)

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Effect on Gratuity Obligation	Effect on Compensated absences Obligation	Effect on Gratuity Obligation	Effect on Compensated absences Obligation
One percentage point increase in discount rate	(4.25)	(1.35)	(4.06)	(1.29)
One percentage point decrease in discount rate	4.55	1.46	4.68	1.50
One percentage point increase in salary growth rate	4.59	1.47	4.70	1.51
One percentage point decrease in salary growth rate	(4.32)	(1.37)	(4.15)	(1.32)
One percentage point increase in attrition rate	0.43	0.17	0.42	0.14
One percentage point decrease in attrition rate	(0.45)	(0.16)	(0.47)	(0.16)

Note :

- The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.
- There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

46 INFORMATION IN RESPECT OF OPTIONS GRANTED UNDER THE COMPANY'S EMPLOYEE STOCK OPTION SCHEME ('SCHEME'):

S.No.	Particulars (during the financial year ended 31st March, 2021)		SRL- ESOS (2018)
1	Date of Shareholders' approval	:	September 28, 2018
2	Total number of Options approved under the Scheme	:	8,00,000
3	Vesting Schedule	:	The vesting period for conversion of Options is as follows: On completion of 1 year from the date of grant of the Options: 33% vests On completion of 2 years from the date of grant of the Options: 33% vests On completion of 3 years from the date of grant of the Options: 34% vests
4	Exercise price	:	The exercise price has been fixed at ₹ 75/- per share of 6,44,000 options granted on 29th October, 2020 by Nomination and Remuneration Committee ("Compensation Committee")
5	Maximum term of Options granted	:	3 years from the date of vesting
6	Source of Shares	:	Secondary - Market purchase by Surya Roshni Employees Welfare Trust (Trust)
7	Variation in terms of Options	:	None
8	Method used for accounting of : share based payment plans	:	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2020-21 is ₹ 1.37 crore (Previous Year – NIL)
9	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	:	Each Option entitles the holder thereof to apply for and be allotted one Equity Share of the Company of ₹ 10/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting. The above is in addition to the other terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore
10	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	:	Weighted average exercise price per Option : ₹ 75.00 Weighted average fair value per Option : ₹ 152.61
11	Option movements during the year		
	(a) Number of options outstanding at the beginning of the year	:	NIL
	(b) Number of options granted during the year	:	6,44,000
	(c) Number of options forfeited / lapsed during the year	:	NIL
	(d) Number of options vested and exercisable during the year (net of Options lapsed and exercised)	:	NIL
	(e) Number of options exercised during the year	:	NIL
	(f) Number of shares arising as a result of exercise of options	:	NIL

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

S.No.	Particulars (during the financial year ended 31st March, 2021)	SRL- ESOS (2018)						
	(g) Number of options outstanding at the end of the year	:	6,44,000					
	(h) Number of options exercisable at the end of the year	:	NIL					
	(i) Money realized by exercise of options (₹ In crore), if scheme is implemented directly by the company	:	Not Applicable since the scheme is implemented through Trust					
12	Loan repaid by the Trust during the year from exercise price received	:	NIL					
13	Summary of the status of Options		As at 31st March, 2021		As at 31st March, 2020			
	Particulars		No. of Options	Weighted average Exercise Prices (in ₹)	No. of Options	Weighted average Exercise Prices (in ₹)		
	Outstanding at the beginning of the year	:	NIL	-	NIL	-		
	Add: Granted during the year	:	6,44,000	75	NIL	-		
	Less: Lapsed during the year	:	NIL	-	NIL	-		
	Less: Exercised during the year	:	NIL	-	NIL	-		
	Outstanding at the end of the year	:	6,44,000	75	NIL	-		
	Options exercisable at the end of the year	:	NIL	-	NIL	-		
14	Weighted average share price of Shares arising upon exercise of Options	:	Not Applicable since Exercise of options is to be commenced on or after 29th October, 2021					
15	Summary of Options outstanding, scheme-wise:		As at 31st March, 2021			As at 31st March, 2020		
	Particulars		No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life	No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life
	SRL- ESOS (2018)		6,44,000	75	4.59 Years	NIL	-	-
16	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted	:	The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹ 75.00 Weighted average fair value per Option : ₹ 152.61					
	The significant assumptions used to ascertain the above	:	The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis: (i) Risk-free interest rate - 4.66% to 5.17% (ii) Expected life – 2.5 to 4.5 years (iii) Expected volatility -47.33% to 50.96% (iv) Expected dividends 1.50% (v) The price of the underlying shares in market at the time of Option grant – ₹ 222.90					
17	Methodology for determination of expected volatility	:	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements and the movement due to abnormal events if any gets evened out. Estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued.					

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

S.No.	Particulars (during the financial year ended 31st March, 2021)	:	SRL- ESOS (2018)			
18	Options granted to : (a) Senior managerial personnel	:	As provided below:			
			1	Raju Bista	Managing Director	1,00,000
			2	Kaustubh Narsinh Karmarkar	Whole-time Director	20,000
			3	Roop Narain Maloo	ED & Group CFO	35,000
			4	Tarun Baldua	ED & CEO- Steel Operations	35,000
			5	Nirupam Sahay	ED & CEO- Lighting	30,000
			6	Bharat Bhushan Singal	Sr. V.P. & Company Secretary	7,500
	The Optionees were granted Options on 29th October, 2020 at the exercise price of ₹ 75.00 per Option.					
	(b) Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year.	:	None			
	(c) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	:	None			

47 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported here

List of related parties

1 Related parties where control exists.

Subsidiary Company:-Surya Roshni LED Lighting projects Limited (Wholly owned subsidiary)

2 Key Management Personnel

S.No.	Name	Designation
1	Mr. Jai Prakash Agarwal	Executive Chairman
2	Mr. Raju Bista	Managing Director
3	Mr. Vinay Surya	Whole Time Director
4	Mr. Kaustubh N Karmarkar	Whole Time Director
5	Mrs. Urmil Agarwal	Director
6	Mr. Krishan Kumar Narula	Independent Director
7	Mr. Ravinder Kumar Narang	Independent Director
8	Mr. Tara shankar sudhir Bhattacharya	Independent Director
9	Mr. Sudhanshu Kumar Awasthi	Independent Director
10	Mr. Surendra Singh Khurana	Independent Director
11	Mr. Sunil Sikka	Independent Director
12	Mrs. Bhavna Kasturia (w.e.f. 2nd september 2020)	Independent Director
13	Mr. R.N. Maloo	ED & Group CFO
14	Mr. Tarun Baldua	ED and CEO- Steel Operations
15	Mr. Ramanjit Singh (Superannuated from 29th October, 2020)	Ex CEO-Lighting Operations
16	Mr. Nirupam Sahay (w.e.f. 29th October, 2020)	ED & CEO Lighting
17	Mr. B B Singal	Sr. VP & Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

3 Relatives of key management personnel where transactions have taken place

S.No.	Name of Relatives	Relationship
1	Mr. Rajesh Bista	Brother of Mr. Raju Bista
2	Mrs. Puja Surya	Spouse of Mr. Vinay Surya
3	Master Jaivardhan Surya	Son of Mr. Vinay Surya
4	Ms. Parinistha Surya	Daughter of Mr. Vinay Surya
5	Ms. Vasudha Surya	Daughter of Mr. Vinay Surya
6	Mrs. Bharti Bangur	Daughter of Mr. Jai Prakash Agarwal
7	Mrs. Padmini Agarwal	Daughter of Mr. Jai Prakash Agarwal

The following transactions were carried out with the related parties in the ordinary course of business

i With the Subsidiary Company

- Surya Roshni LED Lighting projects Limited

(₹ in crore)			
S.No.	Nature of transaction/ relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
i	Sales of Goods and others	24.14	6.01
ii	Investment made in Equity Shares	-	3.80
iii	Balances at year end		
	- Receivables	3.76	5.75

ii Compensation of Key Management Personnel of the Company

(₹ in crore)			
S.No.	Nature of transaction/ relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a)	Short Term Benefit (See notes below)	13.14	12.79
b)	Directors commission	5.23	3.49
	Total Short-Term benefits	18.37	16.28
c)	Director sitting Fee's	0.36	0.24

Notes:

- Short-term benefits comprises the expenses recorded under the head employee benefit expenses (eg. Salary and wages, contribution to provident fund, NPS, Leave encashment payments, and taxable value of perquisites etc).
- The liability for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.
- The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.
- During the year, the Company granted 6,44,000 Stock Options to eligible employees, including Executive Directors and KMPs, under its Employee Stock Option Scheme @ ₹ 75/- each [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]. However, in accordance with Ind AS -102, the Company has recorded employee benefits expense by way of share based payments to employees at ₹ 1.37 crore for the year ended 31st March, 2021 [2020 - ₹ Nil], of which ₹ 0.48 crore [2020 - ₹ Nil] is attributable to the Executive Directors and KMPs.

(₹ in crore)			
S.No.		For the year ended 31st March, 2021	For the year ended 31st March, 2020
iii	Loan given to Key Management Personnel		
	Balance at the beginning of the year	-	0.19
	Transaction during the year - Loan given / (repaid)	-	(0.19)
	Balance at year end	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

			(₹ in crore)	
S.No.		For the year ended 31st March, 2021	For the year ended 31st March, 2020	
iv	Advance made to Key Management Personnel for Purchase of his Property			
	Balance at the beginning of the year	-	-	
	Transaction during the year - advance given	3.25	-	
	Transaction during the year - advance returned back	(3.25)	-	
	Balance at year end	-	-	
v	Dividend paid to Key Management Personnel	0.65	0.43	
vi	Payment of Salaries and perquisites to relatives of Key Management Personal	0.48	0.40	
vii	Dividend paid to relatives of Key Management Personnel	0.31	0.11	

Disclosure under Regulation 53(f) and 34(3) read together with Para A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and Advances in the nature of loans given to Subsidiary:

Surya Roshni LED Lighting Projects Limited

			(₹ in crore)	
Particulars	Amount Outstanding as at the year end 31st March, 2021	Maximum Principal Amount Outstanding during the year ending 31st March, 2021		
Investment	3.85	3.85		

			(₹ in crore)	
Particulars	Amount Outstanding as at the year end 31st March, 2020	Maximum Principal Amount Outstanding during the year ending 31st March, 2020		
Investment	3.85	3.85		
Advance Recoverable	-	0.22		

48 SEGMENT INFORMATION

Description of segments and principal activities

The Chief operational decision makers (CODM) monitor the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/ services and have been identified as per the quantitative criteria specified in the Ind AS.

Specifically, the Company's reportable segments under Ind AS are as follows:

- 1 Steel Pipe and Strips (comprises Steel pipes and cold rolled strips)
- 2 Lighting and consumer durables (comprises Lamps, fittings, street light, fans, electric appliances and allied items)

Identification of Segments:

For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors. For financial statements presentation purposes, these individual operating segment's have been aggregated into a single operating segment taking into account the following factors:

- i. These operating segments have similar long-term gross profit margins;

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

- ii. The nature of the products and production processes are similar; and
- iii. The methods used to distribute the products to the customer are same

The additional factors taken into consideration for aggregation into a single operating segment are as follows:

- i. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.
- ii. Finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.
- iii. Segment assets represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude derivative financial assets, deferred tax assets and income tax recoverable.
- iv. Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.
- v. Segment capital expenditure comprises additions to property, plant and equipment and intangible assets (net of rebates, where applicable).
- vi. Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

I. Segment revenues and results

Particulars		(₹ in crore)	
		For the year ended 31st March, 2021	For the year ended 31st March, 2020
Segment revenue	Steel Pipe and Strips	4,328.11	4,234.66
	Lighting and consumer durables	1,233.11	1,243.83
		5,561.22	5,478.49
Less : Inter Segment revenue		6.85	9.47
		5,554.37	5,469.02
Segment profit (earning before interest and taxes)	Steel Pipe and Strips	182.69	182.03
	Lighting and consumer durables	96.24	71.45
		278.93	253.48
Finance costs		69.79	114.11
Profit before tax		209.14	139.37
Tax expense		52.64	37.16
Profit after tax		156.50	102.21

II. Segment Assets and Liabilities

Particulars		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
Segment assets	Steel Pipe and Strips	2,097.88	1,989.72
	Lighting and consumer durables	829.77	971.62
	Total Segment assets	2,927.65	2,961.34
	Unallocated assets	11.43	8.81
		2,939.08	2,970.15
Segment liabilities	Steel Pipe and Strips	435.96	276.65
	Lighting and consumer durables	356.05	303.11
	Total Segment Liabilities	792.01	579.76
	Unallocated Liabilities	781.87	1,151.44
		1,573.88	1,731.20

Notes :

- I Unallocated assets comprises of income tax refundable.
- II Unallocated liabilities comprises of borrowings, provision for income tax, deferred tax etc.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

III. Other segment information

		(₹ in crore)	
Particulars		For the year ended 31st March, 2021	For the year ended 31st March, 2020
Cost incurred on acquisition of Property, plant and equipment	Steel Pipe and Strips	40.58	37.89
	Lighting and consumer durables	19.23	12.98
		59.81	50.87
Depreciation and amortisation expense of Property, plant and equipment	Steel Pipe and Strips	73.42	73.71
	Lighting and consumer durables	23.22	23.37
		96.64	97.08

IV. Geographical information

The Company operates in seven geographical areas: India (country of domicile), Asia, Africa, North-America, Central America, South-America and Europe.

The Company's revenue from operations from customers by location of operations and information about its non-current assets by location of assets are detailed below:

a. Revenue from external customers

		(₹ in crore)	
		For the year ended 31st March, 2021	For the year ended 31st March, 2020
India		4,832.38	4,542.84
Outside India		721.99	926.18
Total		5,554.37	5,469.02

b. Non-current assets

		(₹ in crore)	
Particulars		As at 31st March, 2021	As at 31st March, 2020
Non-Current Assets	Within India	1,104.48	1,132.77
	Outside India	Nil	Nil
		1,104.48	1,132.77

V. Information about major customers

Company has no single customer from whom the revenue is not less than 10 % of the revenue from external customers of the company

49 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

		(₹ in crore)	
Particulars		As at 31st March, 2021	As at 31st March, 2020
Dividend proposed for Equity shareholders @ ₹ 1.50 per share (previous year ₹ 2.00 per share)		8.16	10.88

There are no other significant subsequent event items which require an adjustment in financial statements

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

50 FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities

The carrying value and fair value of financial assets and liabilities by categories were as follows:

As at 31st March, 2021

(₹ in crore)				
S. No.	Particulars	Measured at Amortised cost	Measured at Fair value (Level 2)	Total carrying value
Assets:				
i	Cash and cash equivalents	0.25		0.25
ii	Bank Balances other than (ii) above	0.68		0.68
iii	Trade receivables	753.23		753.23
iv	Other financial assets	78.50		78.50
	Total	832.66	-	832.66
Liabilities:				
i	Non Current Borrowings	223.53	-	223.53
ii	Current Borrowings	493.06	-	493.06
iii	Trade payables	480.46	-	480.46
iv	Other financial liabilities	135.72	12.00	147.72
	Total	1,332.77	12.00	1,344.77

The financial liability measured at fair value are derivative contracts outstanding as at 31 March, 2021.

As at 31st March, 2020

(₹ in crore)				
S. No.	Particulars	Measured at Amortised cost	Measured at Fair value (Level 2)	Total carrying value
Assets:				
i	Cash and cash equivalents	1.00	-	1.00
ii	Bank Balances other than (ii) above	0.58	-	0.58
iii	Trade receivables	697.81	-	697.81
iv	Other financial assets	70.27	-	70.27
	Total	769.66	-	769.66
Liabilities:				
i	Non Current Borrowings	328.61	-	328.61
ii	Current Borrowings	761.75	-	761.75
iii	Trade payables	294.75	-	294.75
iv	Other financial liabilities	133.97	-	133.97
	Total	1,519.08	-	1,519.08

The fair value hierarchy is based on inputs to valuation techniques that are use to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

51 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

of risk management controls and procedures, the results of which are reported to the audit committee. The company is exposed to financial market risk, credit risk and liquidity risk.

I Financial Market risk

Financial market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of change in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency trade receivables, trade payables and borrowings.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimize the company's position with regards to interest and to manage the interest rate risk, finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate with reset clause and floating rate financial instruments in its total portfolio. The borrowings of the company are on floating interest rate along with periodical interest reset.

The company is not exposed to significant interest rate risk at the respective reporting dates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings are taken.

Interest rate sensitivity	Effect on profit before tax	
	Decrease by 50 basis point	Increase by 50 basis point
For the year ended March 31, 2021	3.58	(3.58)
For the year ended March 31, 2020	5.45	(5.45)

(₹ in crore)

b Foreign currency risk

The company transacts business primarily in Indian Rupee, USD and Pound sterling (GBP). The company has taken foreign currency loans and has trade payables as well as receivables in foreign currency. The company evaluates foreign currency exposure time to time and follows established risk management policies by taking foreign exchange forward contracts mostly with a maturity less than one year from the reporting date. The company do not use derivate financial instrument for trading or speculation purpose to hedge exposure of foreign currency risk.

The particulars of forward contract taken are given below

	Type	No. of Contract	USD (million)	Equivalent (₹ In crore)
As at 31st March, 2021	Sell	11	11.05	80.79
	Buy	48	60.05	439.04
As at 31st March, 2020	Sell	15	13.61	102.96
	Buy	75	50.55	382.51

The net foreign currency exposure towards pending import / (export) orders in hand stands at USD 5.08 million as at 31st March, 2021 (Previous year (USD 7.74 million))

II Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and cash and cash equivalents. To manage this, the Company periodically assesses the financial risk limits of the customers, taking into account the payment behaviour, aging of outstanding, credit ratings, current economic trends, and analysis of historical bad debts, Further the Company makes provision for bad and doubtful debts on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

Trade Receivable

The company's exposure to credit risk is influenced by the individual characteristics of each customer, Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Not past due	505.03	356.77
1-180 days past due	190.45	275.89
181-365 days past due	24.95	30.04
More than one year	32.80	35.11
	753.23	697.81

Expected credit loss assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the company to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk

The movement in the allowances for impairment in respect of trade receivables during the year was as follows:

Particulars	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Opening Balances	6.08	11.69
Add : Impairment loss recognised	3.00	1.73
Less : Impairment Loss Reversed/Bad debts written off	2.00	7.34
Closing balance	7.08	6.08

Cash and Cash Equivalents, Deposit in Banks and other Financial instruments

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances as it has sufficient vacant cash credit limits with its bankers. For other financial assets the company monitors ratings, credit spreads and financial strengths of its counterparties. Based on its ongoing assessment of the counter party's risk, the company adjust its exposures to various counter parties. Based on the assessment there is no impairment in other financial assets.

III Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's finance department manage the liquidity through verity of sources of borrowings, by ensuring sufficient liquidity to meet its liabilities when due, under all circumstances, without incurring unacceptable losses or risk to the company's reputation. The current committed working capital facilities are used 70% to 80% and sufficient to meet its requirement. The Company monitor rolling forecast for its liquidity requirements.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

(₹ in crore)			
As at 31st March, 2021	Less than 1 year	Above 1 year	Total
Non Current Borrowings	51.31	172.22	223.53
Current Borrowings	493.06	-	493.06
Trade payables	480.46	-	480.46
Other financial liabilities	147.72	-	147.72
Total	1,172.55	172.22	1,344.77
As at 31st March, 2020			
Non Current Borrowings	58.58	270.03	328.61
Current Borrowings	761.75	-	761.75
Trade payables	294.75	-	294.75
Other financial liabilities	133.97	-	133.97
Total	1,249.05	270.03	1,519.08

52 CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The Board of Directors monitors the return on capital, dividend to shareholders, maintain balance between capital and borrowing in the light of changes in economic environment and the business requirements. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings

Further the Company monitors capital using gearing ratio, which is net debt divided by Equity and net debt. as under: -

(₹ in crore)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Debt (consist of long term and short term borrowings refer note 18 and 22)	716.59	1,090.36
Less: Cash and cash equivalents	0.25	1.00
Net Debt	716.34	1,089.36
Equity	1,365.20	1,238.95
Equity and Net Debt	2,081.54	2,328.31
Gearing ratio in %	34.41%	46.79%

53 The Company has introduced SRL Employees Stock Option scheme-2018 for its employees and has acquired 8 Lakhs equity shares by way of secondary acquisition through Surya Roshni Employees Welfare Trust and for the same provided funds of ₹ 13.83 Crores by way of interest free loan to the Trust in compliance of provisions of the Companies Act, 2013 and SEBI (SBEB Regulations,2014).

54 The Company has perpetual system of balance confirmation and reconciliation of Trade receivables and Trade payables, however at year end some of the balances remain subject to confirmation and reconciliation.

55 Previous reported/ year figures have been recompanied/restated wherever necessary

56 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 25th May, 2021

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of SURYA ROSHNI LIMITED ("the Parent"/ "the Holding Company") and its subsidiary, (the Parent/ Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2021, and their consolidated profit, their consolidated total comprehensive income, their

consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. Key Audit Matters No.	Auditor's Response
<p>1. Warranty Provisions</p> <p>The Company offers warranties on certain products sold in lighting and consumer durable segment and accordingly company has recorded warranty provisions which are judgemental in nature. These provisions are required to be recorded based on appropriate estimates of the cost of repair and replacements of the products. Warranty provisions of ₹ 43.15 crores as on 31st March, 2021.</p> <p>Refer Note 41 to the Consolidated Financial Statement</p>	<p>Principal Audit Procedures</p> <p>We have</p> <ul style="list-style-type: none"> examined the products categories where the Company has offered warranties and also its tenure so as to determine the warranty provisions. reviewed the sales, volume of the respective product categories and the outstanding warranty commitments their against. gone through the procedures of issuance of the credit notes and replacement for warranties/repairs of the products. reviewed the historical trends and cost estimates considering the agreement with customers and back to back arrangement with vendors, for requirement of warranty provisions. <p>Based on evidence obtained, we concluded that management's process for identifying and quantifying warranty provisions was appropriate and that the resulting provision was reasonable.</p>

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Parent's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's/ Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent/ Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent/ Holding Company has adequate internal

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Parent/ Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be

expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable 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 purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent/ Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Company and its subsidiary company, none of the directors of the Group companies, is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" . Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURYA ROSHNI LIMITED (Contd.)

- given to us, the remuneration paid by the Parent/ Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. – Refer Note No. 40 to the consolidated Financial Statements.

- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent/ Holding Company.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A
Membership No. 017644
UDIN: 21017644AAAAAT7140**

**Place: Hisar
Date: 25th May, 2021**

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SURYA ROSHNI LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 1(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls with reference to consolidated financial statements of **SURYA ROSHNI LIMITED** ("the Parent"/ "the Holding Company") and its subsidiary as of 31st March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of company and its subsidiary based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statements of company and its subsidiary.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management and directors of the entity; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company and its subsidiary have, in all material respects, an adequate internal financial

controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2021, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

**For Ashok Kumar Goyal & Co.
Chartered Accountants
(Firm Registration – 002777N)**

**(CA. Ashok Kumar)
Partner, F.C.A**

**Membership No. 017644
UDIN: 21017644AAAAAT7140**

**Place: Hisar
Date: 25th May, 2021**

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2021

Particulars	Note No.	(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
I ASSETS			
1 Non-current assets			
a Property, plant and equipment	5	1,015.39	1,049.20
b Capital work-in-progress	5	9.66	14.99
c Right of use Assets	5	13.77	11.92
d Financial assets			
i Other financial assets	6	36.34	33.47
f Other non-current assets	7	27.99	20.00
		1,103.15	1,129.58
2 Current assets			
a Inventories	8	868.69	917.51
b Financial assets			
i Trade receivables	9	756.14	696.07
ii Cash and cash equivalents	10	0.26	1.01
iii Bank balances other than (ii) above	11	0.68	0.58
iv Other financial assets	12	44.68	37.46
c Current tax assets (net)	13	11.57	8.81
d Other current assets	14	156.24	180.00
		1,838.26	1,841.44
Total Assets		2,941.41	2,971.02
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	53.61	54.41
Other equity	16	1,313.67	1,184.81
		1,367.28	1,239.22
LIABILITIES			
1 Non-current liabilities			
a Financial liabilities			
i Borrowings	17	172.22	270.03
ii Other financial liabilities	18	11.59	10.74
b Provisions	19	60.16	58.30
c Deferred tax liabilities (net)	20	63.85	61.08
		307.82	400.15
2 Current liabilities			
a Financial liabilities			
i Borrowings	21	493.06	761.75
ii Trade payables			
A) Total outstanding dues of micro enterprises and small enterprises;	22	49.35	23.90
B) Total outstanding dues of creditors other than micro enterprises and small enterprises;	22	431.12	271.21
iii Other financial liabilities	23	187.45	181.83
b Other current liabilities	24	51.11	32.10
c Provisions	25	52.80	60.65
d Current tax liabilities (net)	26	1.42	0.21
		1,266.31	1,331.65
Total Equity and liabilities		2,941.41	2,971.02

See accompanying notes to the consolidated financial statements

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(₹ in crore)

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
I REVENUE FROM OPERATIONS	28	5561.39	5471.05
II OTHER INCOME	29	4.70	3.35
III TOTAL INCOME (I+II)		5,566.09	5,474.40
IV EXPENSES			
Cost of materials consumed	30	4,061.99	4,068.56
Purchases of stock-in-trade	31	264.77	262.96
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	15.66	(96.21)
Employee benefits expense	33	307.30	303.98
Finance costs	34	69.86	114.13
Depreciation and amortization expense	35	102.70	103.47
Other expenses	36	532.34	577.56
Total expenses		5,354.62	5,334.45
V PROFIT BEFORE TAX (III-IV)		211.47	139.95
VI TAX EXPENSE			
Current tax	27	50.81	28.71
Deferred tax	20	2.35	8.69
		53.16	37.40
VII PROFIT FOR THE YEAR (V-VI)		158.31	102.55
VIII OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to profit or loss	37	1.67	(2.76)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.42)	0.69
Total other comprehensive income		1.25	(2.07)
IX TOTAL COMPREHENSIVE INCOME(VII+VIII)		159.56	100.48
Earnings per equity shares (face value of ₹ 10/-each)	38		
1) Basic (in ₹)		29.35	18.85
2) Diluted (in ₹)		29.10	18.85

See accompanying notes to the consolidated financial statements

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

Particulars	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
a. Net operating profit before tax	211.47	139.95
Adjustment for :		
Re-measurement gain / loss on defined benefit plans routed through OCI	1.68	(2.76)
Depreciation and amortisation of Property, Plant and Equipment	102.70	103.47
(Profit)/Loss on Sale/Retirement of Property Plant and Equipment (Net)	0.40	0.04
Allowance for doubtful debts	3.00	1.73
ESOS Expenses	1.37	-
Lease Rent Paid	(6.58)	(6.93)
Finance cost	69.86	114.13
b. Operating profit before Working Capital changes	383.90	349.63
Adjustment for :		
(Increase) / Decrease in Trade receivables	(63.08)	137.52
(Increase) / Decrease in Other financial assets	(10.10)	13.35
(Increase) / Decrease in Other assets	23.69	(78.94)
(Increase)/Decrease in Inventories	48.83	(71.99)
Increase / (Decrease) in Trade payables/ provisions	179.36	(38.99)
Increase / (Decrease) in Other financial liabilities	12.33	13.58
Increase / (Decrease) in Other liabilities	19.02	(9.09)
	210.05	(34.56)
c. Cash generated from Operations before tax (a+b)	593.95	315.07
d. Net Direct Tax Paid	(53.96)	(38.60)
Net cash flow from operating activities A = (c+d)	539.99	276.47
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment.	(59.81)	(50.87)
Sale of Property, Plant and Equipment	1.92	2.71
Amount given for Capital Advances	(7.99)	-
Net cash flow used in investing activities	(65.88)	(48.16)
Net cash from operating and investing activities (A+B)	474.11	228.31
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowing (Non Current)	(130.08)	(115.08)
Proceeds from borrowings(Non Current)	25.00	48.82
Short term borrowings Increase /(Decrease) during the year (net)	(268.70)	(34.91)
Purchase of Company's Shares through ESOP trust	(13.83)	-
Payment of dividend	(19.04)	(10.88)
Payment of dividend distribution tax	-	(2.24)
Finance cost	(68.21)	(114.65)
Net cash used in financing activities	(474.86)	(228.94)
Net cash (used) in/from operating, investing and financing activities ((A+B)+C)	(0.75)	(0.63)
Net increase/(decrease) in Cash & Cash equivalent	(0.75)	(0.63)
Opening balance	1.01	1.64
Closing balance of Cash & Cash equivalent (refer note no.10)	0.26	1.01

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. EQUITY SHARE CAPITAL

(₹ in crore)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	5,44,08,974	54.41	5,44,08,974	54.41
Less: Treasury Shares acquired by the Surya Roshni Employees Welfare Trust (refer note no. 45)	8,00,000	0.80	-	-
Balance at the end of the reporting period	5,36,08,974	53.61	5,44,08,974	54.41

B. OTHER EQUITY

(₹ in crore)

Particulars	Reserves and surplus								Total
	Forfeiture reserve	Securities premium	Capital redemption reserve	Capital reserve	General reserve	Share Option Outstanding Account	Retained earnings	Other comprehensive income	
Balance as at April 1, 2019	17.63	142.71	3.00	124.69	84.36	-	736.90	(11.84)	1,097.45
Profit for the year							102.55	(2.07)	100.48
Total comprehensive income for the year	-	-	-	-	-		102.55	(2.07)	100.48
Payment of dividend							(10.88)		(10.88)
Payment of dividend dividend distribution tax							(2.24)		(2.24)
Transfer of profit for the year to General reserve					10.00		(10.00)	-	-
Balance as at March 31, 2020	17.63	142.71	3.00	124.69	94.36	-	816.33	(13.91)	1,184.81
Profit for the year							158.31	1.25	159.56
Total comprehensive income for the year	-	-	-	-	-		158.31	1.25	159.56
Payment of dividend							(19.04)		(19.04)
Impact of ESOP Trust Consolidation		(13.03)							(13.03)
Share Option Outstanding Account						1.37			1.37
Transfer of profit for the year to General reserve					16.00		(16.00)		-
Balance as at 31st March, 2021	17.63	129.68	3.00	124.69	110.36	1.37	939.60	(12.66)	1,313.67

As per our report of even date

For and on behalf of the Board

For **Ashok Kumar Goyal & Co.**

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar
Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

1 CORPORATE AND GENERAL INFORMATION

Surya Roshni Limited ("SRL" or "the Company") is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the BSE Limited ('BSE'), in India. The registered office of SRL is situated at Prakash Nagar, Sankhol, Rohtak Road, Bahadurgarh – 124507 (Haryana) India. Company is the largest GI Steel Pipe Manufacturer and the second largest in lighting products in India. The Corporate Identification Number (CIN) of the Company is L31501HR1973PLC007543

SRL is more than four decade old manufacturing conglomerate with business interest spanning Steel Pipes, colled rolled sheets and 3LPE Coated API Pipes, LED and conventional Lighting Products, Fans, electric Appliances, PVC pipes etc. Besides enjoying market presence across the length and breadth of India, it also export products to more than 50 countries globally.

SRL together with its subsidiary M/s Surya Roshni LED Lighting Projects Limited is hereinafter refer to as 'the Group'

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND USE OF ESTIMATES

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value

In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

- a) An asset is classified as current when it satisfies any of the following criteria:-
- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is expected to be realised within 12 months after the reporting date; or
 - It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

- b) A liability is classified as current when it satisfies any of the following criteria:-
- It is expected to be settled in the Company's normal operating cycle;
 - It is held primarily for the purpose of being traded;
 - It is due to be settled within 12 months after the reporting date; or
 - The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

- c) Deferred tax assets and liabilities are classified as non-current only

2.2.1 Basis of consolidation

The consolidated financial statements relates to Surya Roshni Limited ('the Company') and its wholly owned subsidiary Surya Roshni LED Lighting Projects Limited (incorporated on 21st January, 2019). The Subsidiary operates in lighting business. Subsidiary is entity that is controlled by the Company. Control is achieved when the Company :-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

- Has power over the investee;
- Is expected, or has right, to variable returns from its involvement with the investee;
- Has the ability to use its power to affect the returns

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Consolidation procedure:

The financial statements of the Company and its subsidiary company have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances, intra-group transactions and unrealised profits on intra-group transactions.

The excess of cost to the Group of its investments in the subsidiaries over its share of equity of the subsidiaries, at the dates on which the investments in the subsidiaries were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the

consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary and such amounts are not set off between different entities.

Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the non-controlling shareholders at the date on which investments in the subsidiaries were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to non-controlling interest is identified and adjusted against the profit / loss after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

2.2.2 Business combination

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the profit and loss as incurred. The acquiree's identified assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair value at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition after reassessing the fair value of the net assets and contingent liabilities, the excess is recognised as capital revenue.

The interest of non-controlling shares is initially measured either at fair value or at the non-controlled interests proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlled interest is the amount of those interests at initial recognition plus the non-controlling interests share of subsequent charges in equity of subsidiaries.

Business combinations arising from transfer of interest in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate given and the aggregate historical carrying amounts of the assets and liabilities of the acquired entity are recorded in shareholders' equity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

2.3 Statement of compliance

The Group's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

2.4 Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimate, judgements and assumptions affect the application of accounting policies and the reported balances of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Estimates and under lying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimations of uncertainty at the date of the consolidated financial statements, which may cause a material adjustments to the carrying amount of assets and liabilities in the next financial years; are in respect of useful life of PPE, provision for warranties, recognition of government grants and claim receivables and estimations of contingent assets and liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Measurement

These consolidated financial statements have been prepared under the historical cost principle except for certain financial assets and liabilities which have been measured at fair value:

The consolidated financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Crore and two decimals thereof, except as stated otherwise.

3.2 Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price (net of GST/ CENVAT / duty credits, Government Grants (wherever applicable) and all direct costs attributable to bringing the

asset to its working condition for intended use and includes the borrowing costs for qualifying assets if the recognition criteria's are met. All other repair and maintenance costs are recognised in the consolidated statement of profit and loss as incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated Statement of Profit and Loss on the date of disposal or retirement.

Capital work-in-progress includes cost of property, plant and equipment under installation and not put to use as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

3.3 Depreciation and Amortisation

i Depreciation on the property, plant and equipment is provided over the useful life of assets which is coincide with the life specified in Schedule II to the Companies Act, 2013. The range of useful lives of the Property, Plant and Equipment are as follows:

Property, plant and equipment	Useful life in Years
Plant and equipments	08 – 15
Buildings	05-60
Office equipment's	05
Vehicles	08
Furniture and fixtures	10
Computers	03 – 06

However, in case of the following category of plant and equipments, the depreciation has been provided, based on the technical evaluation of the remaining useful life as under :-

Plant and Equipments - Pipe and cold rolling Mills and 3 LPE Plant in Steel Pipe and Strip Division.	25 years
--	----------

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

The useful lives of assets as mentioned above is on single shift basis, if an asset is used for any time during the year for double shift, the depreciation increased by 50% and for triple shift by 100% for that period.

- ii Property, plant and equipment (PPE) which are added/ disposed- of during the year, depreciation is provided on pro-rata basis from (up- to) the date on which the PPE is available for use (disposed-off).
- iii The residual values and useful lives of PPE are reviewed in every financial year considering the physical condition, benchmarking analysis or indicators for review of residual value and useful life of the respective assets and the same is adjusted prospectively. Lease hold land is amortised over the period of lease.
- iv Free-hold land are not subject to amortisation.
- v The "Right of use Assets" arising from Leases are amortised on straightline method basis over the life of the respective leases.

3.4 Impairment of PPE and other non-financial assets

Property, plant and equipment and other non-financial assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset and recognised in the consolidated statement of Profit and Loss. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization

or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss is recognised immediately in consolidated Statement of Profit and Loss.

3.5 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and Cheques / drafts in hand, balances with banks, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS) 7 statement of cash flows.

3.6 Inventories

Raw material	At lower of cost or net realisable value
Work-in Progress	At lower of cost or net realisable value
Finished Goods / Stock in trade	At lower of cost or net realisable value
Stores, spares and consumable	At lower of cost or net realisable value

The cost of inventories comprises of cost of purchase, cost of conversion and other related costs incurred in bringing the inventories to their respective present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind-AS 19 – Employee Benefits.

a) Defined contribution plan

- i Provident Fund: Contribution to the provident fund with the government at pre-determined rates is a defined contribution scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.
- ii National pension scheme : Contribution to the national pension scheme with the at pre-determined rates is a defined contribution

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

scheme and is charged to the statement of Profit and Loss when employees have rendered services entitling them to such benefit.

b) Defined benefit plan

Gratuity : The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognised in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations is recognised in Other Comprehensive Income. The effect of any plan amendments are recognised in net profits in the consolidated Statement of Profit and Loss.

c) **Long term employee benefits**: Provisions for other long term employee benefits-compensated absences, a defined benefit scheme, is made on the basis of actuarial valuation at the end of each financial year and are charged to the consolidated statement of profit and loss. All actuarial gains or losses are recognised immediately in the consolidated statement of profit and loss.

d) **Other Short-term employee benefits**: All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

3.8 Foreign currency reinstatement and translation

a) Functional and presentation currency

The consolidated financial statements have been presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

b) Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date and exchange gain and losses arising on settlement and restatement are recognised in statement of profit and loss. Non-monetary items are measured in terms of historical cost in foreign currencies and are therefore not retranslated.

3.9 Financial instruments –

Initial recognition: The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition.

Subsequent measurement:

- i) **Financial assets carried at amortised cost**: A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii) **Financial assets carried at fair value through other comprehensive income**: A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii) **Financial assets at fair value through profit or loss**: A financial asset which is not classified in any of (i) & (ii) above categories are subsequently fair valued through profit or loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

- iv **Financial Liabilities:** Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition

The Group de-recognises of financial assets when the contractual rights to receive cash flows from the financial asset expire or transfer the financial asset and transfer qualifies for de-recognition under IND AS 109. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished is recognised in profit or loss as other income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

In accordance with IND AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

3.10 Derivative financial instruments:

The Group uses derivative financial instruments, such as forward contracts to hedge its foreign currency exposure. The recognizing of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the

nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

3.11 Borrowing costs

- a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.
- b) All other borrowing costs are recognised as expense in the period in which they are incurred.

3.12 Taxation

Income tax expense represents the sum of current tax and deferred tax. Tax is recognised in the consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act. The Group's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period as applicable to SRL and its subsidiary.

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet approach for all taxable temporary differences to the extent that it is probable that future taxable profits will be available. Deferred tax assets and liabilities are measured at the applicable tax rates and tax laws those are enacted or substantively enacted. Deferred tax assets and deferred tax liabilities are set-off, and presented on net basis. The carrying amount of deferred tax is reviewed at each balance sheet date. The measurement of deferred tax

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.13 Revenue recognition and other income

The Group is in the business of sale of Steel Pipes and 3LPE Coated API Pipes and Colled Rolled Sheets, LED and conventional lighting Products, fans, appliances, PVC pipes and fittings etc. The Group also provide extended warranties for its LED street lighting.

Revenue from contracts with customers is recognised when control of the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

a) Sale of Product/Goods

Revenue from sale of Product/Goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the Product/Goods and there is no uncertainty in receiving the same and there is reasonable assurance that the Group will comply with the conditions attached to them in recognition of revenue from sale of goods. The Group also considers the effects of sales returns, volume rebates, schemes discount, incentives, price concessions and financing components.

Extended warranty:- The extended warranties provided to the customers having saperate Performance obligation are considered as separate contract and revenue from these contracts recognised accordignly.

Volume rebates and schemes discounts: The Group provides volume rebates and schemes discounts to its customers based on quantity of products sold to them during the period. To estimate for the expected future outgo for revenue recognition, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract.

Financing component: In case of extended trade credit agreed with the customers containing significant financing component, the transaction price for such contract are discounted, using the effective interest rate that would be considered separate financing transaction at transaction inception, to take into consideration the significant financing component.

b) Rendering of Service

Revenue from Services is recognised as per terms of the contract with customers based on stage of completion when the outcome of the transaction involving rendering of services can be estimated reliably.

c) Export incentives:

Export benefits are accounted for in the year of exports based on eligibility as well as reasonable assurance that the Group will comply with the conditions attached to them and when there is no uncertainty in receiving the same.

d) Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding ,the rate applicable and reasonable certainty of receiving the same.

3.14 Government grants / Assistance

Government grants/Assistance recognised in consolidated statement of profit and loss account on a systematic basis where there is reasonable assurance that the same will be received and the eligibility criteria is met out. The same are periodically reviewed and adjusted for changes in policies and regulations.

3.15 Dividend Distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution, if leviable, is recognised directly in equity.

3.16 Fair Value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i.) In the principal market for the asset or liability,
or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-

assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.17 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the Net profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3.18 Provisions

a) Provisions

Provisions (excluding employee benefits) are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events,

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the consolidated financial statements.

Contingent assets are not recognised. However, when the realisation of income is virtually certain, it is recognised as an asset.

c) **Warranty Provisions**

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

3.19 Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- a) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- b) Its intention to complete and its ability and intention to use or sell the asset
- c) How the asset will generate future economic benefits
- d) The availability of resources to complete the asset
- e) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

3.20 Leases

The Group has applied Ind AS 116 as at 1 April, 2019 using the modified retrospective approach.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date by discounting the lease payment by using the company's incremental borrowing rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term up to 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

3.21 Share based payments

Equity-settled share-based payments to employees are measured at fair value of the equity instrument as at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest to the employees. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. However, fair value of options is not remeasured subsequently.

Company has created an Employee Benefit Trust for the share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee Stock option schemes. The Trust buys shares of the Company from the market, for granting shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are fulfilled with treasury shares.

3.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which comprises of the Board of Directors, Chairman, Executive Director and Chief financial officer which assesses the financial performance and position of the Company and makes strategic decisions. The Group primarily operates in the steel Pipe and lighting segment. The reportable segments are Steel pipes & strips and Lighting & consumer durable

4.1 Critical accounting estimates, assumptions and judgements

In the process of applying the Group's accounting

policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the consolidated financial statement:

a) **Property, plant and equipment - Useful lives of assets**

The Group reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation expenses in future periods.

b) **Warranties**

The Group generally offers Warranties for its consumer products and the liability towards warranty-related costs are recognized in the year of sales or service provided to the customers. Management ascertain and measure the liability for warranty claims based on historical experience and trend. The assumptions made in relation to current year are consistent of those are in prior years.

c) **Provision**

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

d) **Contingent Liabilities and Contingent Assets**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the consolidated financial statements.

e) **Exceptional Items**

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

4.2 Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- (i) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- (ii) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- (iii) Specified format for disclosure of shareholding of promoters.

- (iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- (v) Details of unutilised funds borrowed from banks and financial institutions for specified purposes
- (vi) Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- (vii) Details of charges or satisfaction yet to be registered with ROC beyond the statutory period
- (viii) 11 Ratios and reasons for any changes beyond 25% in comparison to the preceding year;

Statement of profit and loss

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

5 PROPERTY, PLANT AND EQUIPMENT

Particulars	Land-Freehold	Land-Leasehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment's	Computers	Total	Capital work in progress
GROSS CARRYING VALUE										
As at April 1, 2019	21.03	10.97	212.21	1,162.26	6.36	8.97	3.00	6.88	1,431.68	24.57
Additions	6.31	-	3.50	47.52	0.38	1.28	0.76	0.70	60.45	19.19
Disposals	-	-	-	6.21	0.09	0.62	0.13	0.05	7.10	28.77
As at March 31, 2020	27.34	10.97	215.71	1,203.57	6.65	9.63	3.63	7.53	1,485.03	14.99
Additions	5.42	-	19.14	36.38	0.17	2.27	0.83	0.93	65.14	38.45
Deletion / adjustments	-	-	-	4.68	0.25	0.09	0.09	1.08	6.19	43.78
As at March. 31, 2021	32.76	10.97	234.85	1,235.27	6.57	11.81	4.37	7.38	1,543.98	9.66
DEPRECIATION										
As at April 1, 2019	-	1.39	29.63	299.89	3.01	2.95	1.67	4.56	343.10	-
Depreciation for the year	-	0.34	8.24	84.65	0.75	1.16	0.50	1.44	97.08	-
Disposals	-	-	-	3.87	0.09	0.26	0.08	0.05	4.35	-
As at March 31, 2020	-	1.73	37.87	380.67	3.67	3.85	2.09	5.95	435.83	-
Depreciation for the year	-	0.34	8.33	84.98	0.63	1.02	0.93	0.41	96.64	-
Deletion / adjustments	-	-	-	2.41	0.25	0.06	0.09	1.07	3.88	-
As at March. 31, 2021	-	2.07	46.20	463.24	4.05	4.81	2.93	5.29	528.59	-
Net carrying value	27.34	9.24	177.84	822.90	2.98	5.78	1.54	1.58	1,049.20	14.99
As at March 31, 2020	32.76	8.90	188.65	772.03	2.52	7.00	1.44	2.09	1,015.39	9.66

Explanatory Notes:

- The above property plant and equipment are under charge as security against borrowing see note no. 17 & 21
- The company has acquired exclusive used right for certain premises being used for its offices and classified them under as Right of use Assets.

Particulars	(₹ in crore) Right of use Assets
Gross carrying value	15.08
As at April 1, 2019	15.08
Additions	3.23
Disposals	-
As at March 31, 2020	18.31
Additions	7.91
Disposals	-
As at March. 31, 2021	26.22
Depreciation	-
As at April 1, 2019	-
Additions(Depreciation)	6.39
Disposals	-
As at March 31, 2020	6.39
Additions(Depreciation)	6.06
Disposals	-
As at March. 31, 2021	12.45
Net carrying value	11.92
As at March 31, 2020	11.92
As at March. 31, 2021	13.77

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

6 OTHER FINANCIAL ASSETS AT AMORTISED COST (NON CURRENT)

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good		
Deffered Receivable	8.01	8.12
Unbilled receivable /Contract Assets	18.60	15.51
Security deposits	9.73	9.84
	36.34	33.47

7 OTHER NON CURRENT ASSETS

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	27.99	20.00
	27.99	20.00

8 INVENTORIES (CURRENT)

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Raw materials	302.50	326.64
Work-in-progress	124.87	153.25
Finished goods	421.53	413.85
Stores, spares and consumables	19.79	23.77
	868.69	917.51

The mode of valuation has been stated in note no.3.6

Inventories are hypothecated as security against borrowings see note no.17 & 21

9 TRADE RECEIVABLES (CURRENT)

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Trade receivables considered good-secured		
Trade receivables considered good-unsecured	756.14	696.07
Trade receivables-credit impaired	7.08	6.08
Less : Allowance for doubtful debts	7.08	6.08
Net Trade receivables-credit impaired	-	-
	756.14	696.07

10 CASH AND CASH EQUIVALENTS

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
a. Balance with banks		
In Current Accounts	0.05	0.72
b. Cash on hand	0.21	0.29
Cash and cash equivalents as per statement of cash flow	0.26	1.01

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31st March, 2021	As at 31st March, 2020
Fixed deposits	0.23	0.16
Earmarked Balances with banks		
Unpaid dividend account (Earmarked against the corresponding provision refer note 23)	0.45	0.42
	0.68	0.58

12 OTHER FINANCIAL ASSETS (CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
Unbilled receivables/ Contract Assets	5.05	4.71
Other recoverables	39.63	32.75
	44.68	37.46

13 CURRENT TAX ASSETS (NET)

	As at 31st March, 2021	As at 31st March, 2020
Current Tax Asset (net)	11.57	8.81
	11.57	8.81

14 OTHER CURRENT ASSETS

	As at 31st March, 2021	As at 31st March, 2020
Considered good, unless otherwise stated		
Recoverable from government authorities	108.65	136.24
Balances with statutory authorities	12.27	13.00
Prepaid expenses	4.04	2.67
Forward Contract Receivable	-	11.35
Advances to Supplier	31.28	16.74
	156.24	180.00

15 SHARE CAPITAL

	As at 31st March, 2021	As at 31st March, 2020
I Equity Share Capital		
Authorised		
26,13,00,000 (Previous year 26,13,00,000) Equity Shares of ₹ 10/- each with voting rights	261.30	261.30
Issued, subscribed and fully paid up Equity share capital		
5,44,08,974 (previous year 5,44,08,974) Equity Shares of ₹ 10/- each with voting rights	54.41	54.41
Less: 8,00,000 Treasury shares acquired of ₹ 10 each up to 31st March 2021 (Previous Year : Nil)	0.80	-
	53.61	54.41
Movement of Equity Shares		
Balance at the beginning of the reporting period	5,44,08,974	5,44,08,974
Less: Treasury Shares acquired by the Surya Roshni Employees Welfare Trust outstanding at the end of Year (refer note no. 45)	8,00,000	-
Balance at the end of the reporting period	5,36,08,974	5,44,08,974

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
II Preference share capital		
Authorised		
6,20,000 (previous year 6,20,000) Preference shares of ₹ 100/- each (There are no issued, subscribed and paid up preference share capital)	6.20	6.20

Terms / rights attached to equity shares

The company has one class of equity shares having at par value of ₹10 per share. Each shareholder is eligible for one vote per share. 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 to their shareholding.

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Cash dividends on equity shares declared and paid		
Dividend for the year ended 31st March, 2020: ₹ 2.00 per share (Previous year ₹ 2.00 per share)	10.88	10.88
Dividend Distribution Tax on above	Not Applicable	2.24
Interim Dividend Paid for the Financial Year 2020-21: ₹ 1.50 per share (Previous Year - NIL)	8.16	
Dividend Distribution Tax on above	Not Applicable	
Proposed dividends on equity shares		
Dividend for the year ended 31st March, 2021: ₹ 1.50 per share (Previous year ₹ 2.00 per share)	8.16	10.88
Dividend Distribution Tax on proposed dividend	Not Applicable	Not Applicable

Details of shares held by each shareholder holding more than 5% shares:

Names	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Diwakar Marketing Private Limited	56,37,500	10.36	56,37,500	10.36
Cubitex Marketing Private Limited	48,61,000	8.93	48,61,000	8.93
Shreyansh Mercantile Private Limited	31,78,000	5.84	31,78,000	5.84
Sahaj Tie-Up Private Limited	31,25,087	5.74	31,25,087	5.74

16 OTHER EQUITY

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
a. Capital redemption reserve	3.00	3.00
b. Capital Reserve	124.69	124.69
c. Securities premium	129.68	142.71
d. Share Option Outstanding Account	1.37	-
e. Forfeiture reserve	17.63	17.63
f. General reserve	110.36	94.36
g. Retained earnings	939.60	816.33
h. Other comprehensive income	(12.66)	(13.91)
Balance at the end of the Financial year	1,313.67	1,184.81

Notes : For movements in reserves refer statement of change in equity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

Nature and purpose of reserves

a. Capital Redemption Reserve

Capital Redemption Reserve was created on redemption of preference share capital. The Company may issue fully paid-up bonus share to its members out of the capital redemption reserve.

b. Capital Reserve

Capital reserve has been created on Business Combination on appointed date i.e. 1st April 2016 Pursuant to the Scheme of Arrangement amongst company and its associate e-Surya Global Steel Tubes Limited as per order of NCLT dated 11th December 2017.

c. Securities premium

Securities premium is used to record the premium on issue of shares. The premium should be utilised in accordance with the provisions of the Companies Act.

d. Share Option Outstanding Account

The share option outstanding account relates to share options granted by the company to its employees under its employee share option Plan. Further information about share based payments to employees is set out in Note 45.

e. Forfeiture reserve

Forfeiture Reserve represents the forfeiture of amount of consideration received on allotment of warrants of the cases where option to take equity shares were not exercised within the prescribed time in accordance with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

f. General reserve

The general reserve is created time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another equity, hence items included in general reserve will not be reclassified subsequently to profit and loss.

g. Dividend

During the Year 2020-21, Interim Dividend of ₹ 8.16 crores has been paid. Final Dividend of ₹ 8.16 crores for the Year 2020-21 (₹10.88 crores for the Year 2019-20) is accounted in the year of approval by the shareholder

17 BORROWINGS (NON CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
	(₹ in crore)	
Secured measured at amortised cost		
Term loans from banks		
Rupee loans	64.43	186.83
Foreign currency loans	98.30	69.79
Term loans from financial institutions		
Rupee loans	-	18.75
Foreign currency loans	60.80	53.24
	223.53	328.61
Less : Loan repayment within one year (refer note 23)	51.31	58.58
	51.31	58.58
	172.22	270.03

A Term Loans of ₹159.10 crore (₹ 282.61 crore as at 31st March 2020) are secured by way of first pari-passu charge on all fixed Assets including equitable mortgage of Land and Building and further secured by way of second pari-passu charge on Company's entire Current Assets both present and future and personal guarantee of The Chairman of the Company.

a Foreign Currency Term Loan from banks aggregating ₹ 98.30 crore (₹ 69.79 crore as at 31st March 2020) are payable in 18 (maximum) quarterly installments, with last repayment date 30th September, 2025, carrying floating

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

interest rate LIBOR + 175 to 200 bps spread with periodical interest reset.

- b Foreign Currency Term Loans from financial institution aggregating ₹ 60.80 crore (₹ 53.24 as at 31st March 2020) are payable in 34 (maximum) quarterly instalments, with last repayment date 1st July, 2029, carrying floating interest rate LIBOR + 200 bps spread with periodical interest reset.
- B** Term Loans of ₹ 64.43 crore (₹ 46.00 crore as at 31st March 2020) are secured by way of first pari-passu charge on all fixed Assets including equitable mortgage of Land and Building and further secured by way of second pari-passu charge on Company's entire Current Assets both present and future.
- a Rupee Term Loan from one bank of ₹ 39.43 crore (₹ 46.00 crore as at 31st March 2020) is payable in 25 quarterly instalments, with last repayment date 31st May 2028, carrying floating interest rate of 6.25% p.a. LINKED WITH REPO RATE with periodical interest reset.
- b Rupee Term Loan from one financial institution aggregating ₹ 25.00 crore (₹ NIL as at 31st March 2020) is payable in 29 quarterly instalments, with last repayment date 1st April, 2030, carrying fixed interest rate of 6.50% p.a. with periodical interest reset and also convertible into foreign currency at Libor+200 bps spread.

Change in Liability arising from financing activities

	As at 1st April, 2020	Receipts	Payments	As at 31st March, 2021
Current Borrowings (Net Basis) (refer note 21)	761.75	-	268.69	493.06
Non-Current Borrowings	328.61	25.00	130.08	223.53
Total	1,090.36	25.00	398.77	716.59

	As at 1st April, 2019	Receipts	Payments	As at 31st March, 2020
Current Borrowings (Net Basis) (refer note 21)	796.67	-	34.92	761.75
Non-Current Borrowings	394.86	48.82	115.07	328.61
Total	1,191.53	48.82	149.99	1,090.36

18 OTHERS FINANCIAL LIABILITIES (NON CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
Security deposits	11.59	10.74
	11.59	10.74

19 PROVISION (NON CURRENT)

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (refer note 44)	47.29	45.82
Compensated absences (refer note 44)	12.87	12.48
	60.16	58.30

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

20 DEFERRED TAX LIABILITIES (NET)

	(₹ in crore)			
	As at 31st March, 2020	Recognised in P & L	Recognised in OCI	As at 31st March, 2021
Deferred tax liabilities / assets are attributable to the following items;				
Deferred tax liabilities				
Difference between books depreciation and tax depreciation	90.84	(2.72)	-	88.12
Sub- (a)	90.84	(2.72)	-	88.12
Opening as on 31.03.2019				
Deferred tax assets				
Disallowed under section 43B of the Income tax Act. on payment basis	22.39	(4.34)	(0.42)	17.63
Allowance for doubtful debts	2.65	0.25	-	2.90
Others	4.72	(0.98)	-	3.74
Sub- (b)	29.76	(5.07)	(0.42)	24.27
Net deferred tax liability (a-b)	61.08	2.35	0.42	63.85
MAT Receivable - (c)	-	-	-	-
Net deferred tax liability after MAT Receivable	61.08	2.35	0.42	63.85

	(₹ in crore)			
	As at 1st April, 2019	Recognised in P & L	Recognised in OCI	As at 31st March, 2020
Deferred tax liabilities / assets are attributable to the following items;				
Deferred tax liabilities				
Difference between books depreciation and tax depreciation	104.32	(13.48)	-	90.84
Sub- (a)	104.32	(13.48)	-	90.84
Deferred tax assets				
Disallowed under section 43B of the Income tax Act. on payment basis	20.32	1.38	0.69	22.39
Allowance for doubtful debts	4.06	(1.41)	-	2.65
Others	0.03	4.69	-	4.72
Sub- (b)	24.41	4.66	0.69	29.76
Net deferred tax liability (a-b)	79.91	(18.14)	(0.69)	61.08
MAT Receivable - (c)	26.83	(26.83)	-	-
Net deferred tax liability after MAT Receivable	53.08	8.69	(0.69)	61.08

21 BORROWINGS (CURRENT)

	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Secured		
Loans repayable on demand		
From banks		
Rupee loans	413.06	584.48
Foreign currency loans	-	117.27
	413.06	701.75
Unsecured		
Commercial paper	80.00	60.00
	493.06	761.75

The above working Capital borrowings of ₹ 413.06 crore are secured against current assets both present and future and further secured by way of second charge on all Fixed Assets including equitable mortgage of Land and Building and personal guarantee of the Chairman of the Group. The Rupee Loans of ₹ 169.45 crore (EPC & Export Bill Discounting) linked with T Bill / MCLR carrying interest rate of 2.25% ~ 4.50% (net of 3% Interest Subvention), ₹ 191.00 crore (WCDL) is at 4.30% linked with Repo Rate, ₹ 52.61 crore (Cash Credit) linked with MCLR of respective banks of which Interest ranging from 0 to 95 bps spread over MCLR and Commercial papers carrying interest rate of 5.60% ~ 5.90%.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

22 TRADE PAYABLES

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
outstanding dues of micro enterprises and small enterprises	49.35	23.90
outstanding dues other than micro enterprises and small enterprises	431.12	271.21
	480.47	295.11
I The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Group as under		
I The Principal amount and the interest due thereon remaining unpaid to any supplier.		
Principal Amount :	60.08	30.90
Interest :	Nil	Nil
ii The amount of interest paid by the company along with the amount of the payment made to the supplier beyond the appointed day for the year ending.	Nil	Nil
iii The amount of Interest due and payable for the period of delay in making payment (beyond the appointed day during the year.	Nil	Nil
iv The amount of interest accrued and remaining unpaid for the year ending	Nil	Nil
v The amount of further interest remaining due and payable for the earlier years.	Nil	Nil

The Information has been given in respect of such suppliers to the extent they could be identified as "Micro and Small" enterprises on the basis of information submitted to the Group.

23 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long-term borrowings (refer note 17)	51.31	58.58
Interest accrued but not due on borrowings	0.85	0.37
Unpaid dividends* (refer note 11)	0.45	0.42
Forward Contract payable	12.00	-
Payable to employees	34.75	35.90
Expenses Payable	72.64	73.62
Lease Liability	15.45	12.94
	187.45	181.83

There are no amount due and outstanding to be credited to the investor education and Protection fund as at 31st March 2021.

24 OTHER LIABILITIES (CURRENT)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Advances from customers	33.01	22.69
Statutory dues payables	18.10	9.41
	51.11	32.10

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

25 PROVISIONS (CURRENT)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Gratuity (Refer Note 44)	6.80	6.86
Compensated Absences (Refer Note 44)	2.85	3.07
	9.65	9.93
Other payables		
Warranty Payable (Refer Note 41)	43.15	50.72
	43.15	50.72
	52.80	60.65

26 CURRENT TAX LIABILITIES (NET)

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
Current Tax Liability(Net)	1.42	0.21
	1.42	0.21

27 INCOME TAX

(₹ in crore)

	As at 31st March, 2021	As at 31st March, 2020
a Income tax recognised in profit or loss		
Current tax expense	50.81	28.71
Deferred tax expense		
Origination and reversal of temporary differences	2.35	8.69
Total tax expenses	53.16	37.40
b Reconciliation of effective tax rate		
Profit before tax	211.47	139.95
Domestic tax rate	25.168%	25.168%
Tax using the Company's domestic tax rate	53.22	35.22
Increase / reduction in Taxes on account of		
Deduction / exemptions in taxable income/Other Non Deductible Expenses (Net)	(0.06)	2.18
Income tax expenses charged to statement of profit and loss	53.16	37.40
Effective tax rate	25.14%	26.72%

Pursuant to the Taxation Laws (Amendment) Act, 2019, tax rates have changed w.e.f. from 1st April, 2019, and accordingly, the Group has exercised the option permitted under Section 115BAA of the Income-Tax Act, 1961 for reduced tax rates. Accordingly current tax expenses have been accounted for.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

28 REVENUE FROM OPERATIONS

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Sale of products		
i. Steel pipe and strips	4,308.83	4,163.62
ii. Lighting and consumer durables	1,233.31	1,221.57
	5,542.14	5,385.19
Less Inter Segment Sales	6.85	11.58
	5,535.29	5,373.61
b. Other operating revenue;		
i. Investment promotion assistance (refer note 42)	-	50.70
ii. Export incentives and claims	18.30	40.36
	18.30	91.06
c. Sale of services	7.80	6.38
	7.80	6.38
	5,561.39	5,471.05

29 OTHER INCOME

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Interest Income from financial assets	4.07	3.09
b. Profit on sale of property, plant and equipment	0.05	0.08
c. Miscellaneous income	0.58	0.18
	4.70	3.35

30 COST OF MATERIALS CONSUMED

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
i. Steel pipe and strips		
a. Raw materials (Imported)	204.12	164.88
b. Raw materials (Indigenous)	3,415.90	3,405.52
ii. Lighting and consumer durables		-
a. Raw materials (Imported)	141.54	170.90
b. Raw materials (Indigenous)	269.96	301.49
c. Packing materials consumed	37.32	37.31
	4,068.84	4,080.10
Less Inter Segment Consumption	6.85	11.54
	4,061.99	4,068.56

31 PURCHASE OF STOCK-IN-TRADE

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Lighting and consumer durables (outsourced)	264.77	262.96
	264.77	262.96

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

32 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the end of the year		
Finished goods	421.53	413.85
Work in Progress	124.87	148.21
	546.40	562.06
Inventories at the beginning of the year		
Finished goods (Net)	413.85	321.80
Work in Progress	148.21	144.05
	562.06	465.85
	15.66	(96.21)

33 EMPLOYEE BENEFIT EXPENSES

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Salaries, wages and bonus	286.97	283.74
b. ESOS Expenses (Refer Note 45)	1.37	-
c. Contribution to provident and other funds	12.82	13.66
d. Staff welfare expenses	6.14	6.58
	307.30	303.98

34 FINANCE COST

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Interest expenses	62.52	107.84
b. Interest on Lease Liability	1.17	1.56
c. Other borrowing cost	6.17	4.73
	69.86	114.13

35 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in crore)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Depreciation (refer note 5)	96.64	97.08
b. Right of Use Assets (Refer Note 5)	6.06	6.39
	102.70	103.47

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

36 OTHER EXPENSES

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a. Consumption of stores and spares	35.03	37.82
b. Power, fuel and water charges	91.77	104.95
c. Repairs and maintenance :		
- plant and machinery	2.33	2.53
- buildings	0.80	1.06
- others	0.78	1.21
d. Product warranties	35.70	51.26
e. Sales promotion expenses	33.33	33.21
f. Commission on sales	12.67	18.45
g. Advertisement and publicity	12.94	15.64
h. Freight and forwarding expenses	199.54	191.88
i. Allowance for doubtful debts / bad debts W/off	3.43	2.64
j. Rent	3.35	3.30
k. Rates and taxes	0.31	0.24
l. Insurance	3.30	2.57
m. Postage, telegraph and telephone	2.38	2.37
n. Travelling and conveyance	16.61	24.52
o. Loss on discard / disposal of property, plant and equipment	0.45	0.11
p. Corporate social responsibility expenses	3.17	3.02
q. Legal and professional expenses	3.59	3.61
r. Auditor's remuneration		-
for audit	0.20	0.16
for tax audit	0.06	0.06
for certification work	0.03	0.03
for reimbursement of out of pocket expenses	0.01	0.01
s. Miscellaneous expenses	70.56	76.91
	532.34	577.56

37 OTHER COMPREHENSIVE INCOME

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
i Items that will not be reclassified to profit or loss		
- Remeasurements of the defined benefit plans	1.67	(2.76)
ii Income tax relating to items that will not be reclassified to profit or loss		
- Related to remeasurements of the defined benefit plans	(0.42)	0.69
	1.25	(2.07)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

38 EARNING PER SHARE

			For the year ended 31st March, 2021	For the year ended 31st March, 2020
The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:				
A	Issued equity shares	No's	5,44,08,974	5,44,08,974
	Less : Treasury Shares held by the Surya Roshni Employees welfare Trust	No's	8,00,000	-
	Issued equity shares after taking effect of treasury shares	No's	5,36,08,974	5,44,08,974
B	Weighted average equity shares outstanding - Basic	No's	5,39,47,511	5,44,08,974
C	Weighted average equity shares outstanding - Diluted	No's	5,44,08,974	5,44,08,974
D	Net profit after tax	₹ In Crores	158.31	102.55
	Basic Earning per equity share (D/B)	Per / ₹	29.35	18.85
	Diluted Earning per equity share (D/C)	Per / ₹	29.10	18.85
	Face Value per Equity Share		10.00	10.00

39 EXPENDITURE INCURRED ON CORPORATE SOCIAL RESPONSIBILITY

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with schedule III are as below: The said amount has been spent through surya foundation.

(₹ in crore)

			For the year ended 31st March, 2021	For the year ended 31st March, 2020
A	Gross amount required to be spent by the Group during the year		3.17	3.02
B	Amount spent during the year			
	i Construction/ acquisition of asset		NIL	NIL
	ii On purpose other than (i) above –			
	(a) Rural Development		2.87	2.64
	(b) Naturopathy		0.19	0.23
	(c) Other administrative expenses		0.11	0.15
			3.17	3.02

40 CONTINGENT LIABILITIES

(₹ in crore)

			For the year ended 31st March, 2021	For the year ended 31st March, 2020
I	Guarantees			
	Bank Guarantees issued by banks for which counter guarantee given by the Group		385.69	425.68
II	Other contingent liabilities			
	a) Export obligation under EPCG Scheme (Duty involved on imports made by the group.)		1.83	1.64
	Bonds to customs (₹ 3.89 Crores (₹ 3.26 Crores in previous year))			
	b) Estimated amount of contract remaining to be executed on capital account and not provided for		29.30	10.13
	c) Claims against the Group not acknowledged as debt		2.87	4.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

III Entry of Goods into Local Area Act, 2008 :

"The Haryana Government levied Local Area Development Tax by (The LADT Act) w.e.f. 5th May, 2000, the said act was declared ultra vires by the Hon'ble Punjab & Haryana High Court on 14th March, 2007. Later on, the Haryana Government has repealed the LADT Act w.e.f. 8th April, 2008 and introduced in its place, 'The Haryana Tax on Entry of Goods into local Areas Act, 2008' (Rules not yet notified), which was also held ultra vires by the Hon'ble High Court on 1st October, 2008. Both these Acts were declared unconstitutional on the ground of non-compensatory. Subsequently, on the SLP of the Haryana Government, the Hon'ble Supreme Court Constitutional Bench vide its judgment dated 11th November, 2016 held the applicability of entry tax valid on compensatory grounds. However, directed its Divisional bench for examining the provisions on the other issues of discrimination, local area etc. The divisional bench remanded back the matters to the Hon'ble Punjab & Haryana High Court on 21st March, 2017 with a direction to file fresh writ petitions in this regard for factual backgrounds and other constitutional statutory issues.

IV Income Tax Act

In respect of Income-tax assessments of the Group (for the year 2009-10, 2010-11 & 2012-13) demands of ₹ 56.34 Crores were raised wherein, Group had appealed and the cases were decided in favour of the Group by CIT (A). However revenue has preferred an appeal before ITAT. Based on the decision in favour of the Group, interpretations and decisions of appellate authorities and Courts in similar cases and as per the consultations made, the Group is not liable for such demand and accordingly no provision has been made.

41 MOVEMENT IN WARRANTY PROVISION

	As at 31st March, 2021	As at 31st March, 2020
(₹ in crore)		
Movement in warranty provision during the financial year are provided below:		
Opening Balance	50.72	44.41
Provision Made	35.70	51.26
Utilised during the year	43.27	44.95
Closing Balance	43.15	50.72

The Group gives warranties on certain products, which fail to perform satisfactorily during the warranty period. Provision made represents the amount of expected cost of meeting such obligation on account of repair/ replacement. It is expected that significant portion of these cost is to be incurred within a period of two years.

42 GOVERNMENT GRANTS (INVESTMENT PROMOTION ASSISTANCE)

The Group has made investments of ₹ 362.35 Crores up to 31st March, 2021 in the State of Madhya Pradesh, Andhra Pradesh and Gujarat for establishing manufacturing facilities at Malanpur, Hindupur and Anjar respectively as per provisions of the Industrial Investment Promotion Assistance Schemes/ Policy of these states. The Group has been eligible for periodical Grants during the specified period by way of assistance/ reimbursement of VAT/ CST/ SGST/ Power Cost and recognised the same in revenue on satisfying the conditions mentioned under the respective schemes/ policies. These incentive claims are periodically evaluated and necessary adjustments /reversals have been made time to time for deductions made or expected in processing, verifications, clarifications or change in policies/guidelines. Accordingly, The Group has recognised grants of ₹ 122.33 Crores up to 31st March, 2021 (₹ 133.29 Crores up to 31st March, 2020) (Out of which ₹ 86.86 Crores remained outstanding as on 31st March, 2021, ₹ 97.82 Crores as on 31st March, 2020).

43 PROJECT FOR SUPPLY, IMPLEMENTATION, OPERATION AND MAINTENANCE OF ORISSA GREENFIELD STREET LIGHTING SYSTEM THROUGH SPV GROUP

"SRL has been awarded project by Directorate of Municipal Administration(DMA), Orissa for designing, implementing, operating, maintaining the Greenfield Pubic Street Lighting System along with other infrastructure including CCMS and automation. The project is required to be executed through Special Purpose Vehicle Company (SPV) as per terms of LOA and accordingly SRL has incorporated a wholly-owned subsidiary namely SURYA ROSHNI LED LIGHTING PROJECTS LIMITED on 21st January, 2019. Further, Company has executed Supply Installation Operation and Maintenance (SIOM) Agreement on

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

29th December 2018 with the DMA and 21 Urban Local Bodies. As per terms of SIOM, the company had executed shareholder agreement with the SPV Company on 30th August 2019 and novation agreement with the DMA and the SPV company. company has committed the funding requirement of SPV for project completion including enhancement in the value of project. The group has also committed to compensate the losses/ damages, if any. The required funding has been mandatory provided by the company and project is being implemented efficiently.

44 EMPLOYEE BENEFITS

Disclosures pursuant to Ind AS -19 "Employee Benefits" (Specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below

Contribution to Defined Contribution Plan, recognised as expenses are as under :

(₹ in crore)

	Year Ended	
	31st March, 2021	31st March, 2020
Employer's Contribution to defined contribution plans	12.82	13.66

I The principal actuarial assumptions used for estimating the Group's defined benefit obligations are set out below:

	Valuation as at	
	31st March, 2021	31st March, 2020
Attrition rate for various ages in %	1.00 to 5.00	1.00 to 5.00
Discount Rate in %	6.80	6.80
Expected Rate of increase in salary in %	5.35	5.35
Mortality rate - Inclusive of Provision for disability	IALM-2012-14	IALM-2012-14
Expected Average remaining working lives of employees (years)	15.19	15.71

- Discount rate is based on the prevailing market yields of Indian Government securities as at the balances sheet date for the estimated term of obligations.
- The assumption of future salary increase takes into account the inflation, seniority, promotion, business plan, HR Policy, and other relevant factors such as supply and demand in employment market.

II Movement in Obligation

(₹ in crore)

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity (partly funded)	Compensated absences (Unfunded)	Gratuity (partly funded)	Compensated absences (Unfunded)
Present value of obligation as at the beginning of the period	52.70	15.55	45.57	13.08
Current Service cost	3.68	1.75	3.77	1.89
Past Service Cost including curtailment Gain/Losses	-	-	-	-
Interest cost	3.58	1.06	3.49	1.00
Benefits paid	(4.18)	(1.34)	(2.89)	(1.01)
Actuarial loss / (gain) arising from changes in Demographic assumptions	-	-	(0.01)	-
Actuarial loss / (gain) arising from changes in Financial assumptions	-	-	1.90	0.60
Actuarial loss / (gain) arising from experience adjustment	(1.67)	(1.30)	0.87	(0.01)
Present value of obligation as at the end of the period	54.11	15.72	52.70	15.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

III Amount recognised in the statement of Profit and Loss:

Particulars	(₹ in crore)			
	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current Service cost	3.68	1.75	3.77	1.89
Interest cost	3.58	1.06	3.49	1.00
Remeasurement - Actuarial loss/(gain)	-	(1.30)	-	0.59
Expenses recognised in the statement of Profit and Loss	7.26	1.51	7.26	3.48

IV Component of defined benefit costs recognised in other comprehensive income

Particulars	Gratuity	
	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Actuarial loss / (gain) arising from changes in demographic assumptions	-	(0.01)
Actuarial loss / (gain) arising from changes in Financial assumptions	-	1.90
Actuarial loss / (gain) arising from experience adjustment	(1.67)	0.87
Actuarial loss / (gain) arising on plan asset	-	-
Component of defined benefit costs recognised in other comprehensive income	(1.67)	2.76

V Current and non-current provision for Gratuity and Compensated absences

Particulars	(₹ in crore)			
	As at 31st March, 2021		As at 31st March, 2020	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Current provision	6.80	2.85	6.86	3.07
Non-current provision	47.29	12.87	45.82	12.48
Total provision	54.09	15.72	52.68	15.55

VI Maturity profile of Defined Benefit Obligation are as under :-

Particulars	(₹ in crore)			
	As at 31st March, 2021		As at 31st March, 2020	
	Gratuity	Compensated absences	Gratuity	Compensated absences
0 to 1 Year	6.80	2.85	6.86	3.07
1 to 5 Years	11.16	2.42	10.72	2.35
5 Year Onwards	36.15	10.45	35.12	10.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

VII Movements in the fair value of the plan assets are as follows:

(₹ in crore)

	Gratuity	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening fair value of plan assets	0.02	0.02
Interest income	-	-
Return on plan assets (excluding amounts included in net interest expenses)	-	-
Benefits paid	-	-
Closing fair value of the plan assets	0.02	0.02

Note:

The Group has invested the plan assets in India only with Life insurance corporation of India & SBI Life and closing value of the plan assets are the fair value of plan assets.

VIII Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

(₹ in crore)

Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
	Effect on Gratuity Obligation	Effect on Compensated absences Obligation	Effect on Gratuity Obligation	Effect on Compensated absences Obligation
One percentage point increase in discount rate	(4.25)	(1.35)	(4.06)	(1.29)
One percentage point decrease in discount rate	4.55	1.46	4.68	1.50
One percentage point increase in salary growth rate	4.59	1.47	4.70	1.51
One percentage point decrease in salary growth rate	(4.32)	(1.37)	(4.15)	(1.32)
One percentage point increase in attrition rate	0.43	0.17	0.42	0.14
One percentage point decrease in attrition rate	(0.45)	(0.16)	(0.47)	(0.16)

Note :

- The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.
- There was no change in the method and assumptions used in preparing the sensitivity analysis from prior years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

45 INFORMATION IN RESPECT OF OPTIONS GRANTED UNDER THE COMPANY'S EMPLOYEE STOCK OPTION SCHEME ('SCHEME'):

S.No.	Particulars (during the financial year ended 31st March, 2021)		SRL- ESOS (2018)
1	Date of Shareholders' approval	:	September 28, 2018
2	Total number of Options approved under the Scheme	:	8,00,000
3	Vesting Schedule	:	The vesting period for conversion of Options is as follows: On completion of 1 year from the date of grant of the Options: 33% vests On completion of 2 years from the date of grant of the Options: 33% vests On completion of 3 years from the date of grant of the Options: 34% vests
4	Exercise price	:	The exercise price has been fixed at ₹ 75/- per share of 6,44,000 options granted on 29th October, 2020 by Nomination and Remuneration Committee ("Compensation Committee")
5	Maximum term of Options granted	:	3 years from the date of vesting
6	Source of Shares	:	Secondary - Market purchase by Surya Roshni Employees Welfare Trust (Trust)
7	Variation in terms of Options	:	None
8	Method used for accounting of : share based payment plans	:	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the Company's Employee Stock Option Scheme. The employee compensation cost as per fair value method for the financial year 2020-21 is ₹ 1.37 Crores (Previous Year – NIL)
9	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	:	Each Option entitles the holder thereof to apply for and be allotted one Equity Share of the Company of ₹ 10/- each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting. The above is in addition to the other terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore
10	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	:	Weighted average exercise price per Option : ₹ 75.00 Weighted average fair value per Option : ₹ 152.61
11	Option movements during the year		
	(a) Number of options outstanding at the beginning of the year	:	NIL
	(b) Number of options granted during the year	:	6,44,000
	(c) Number of options forfeited / lapsed during the year	:	NIL
	(d) Number of options vested and exercisable during the year (net of Options lapsed and exercised)	:	NIL
	(e) Number of options exercised during the year	:	NIL
	(f) Number of shares arising as a result of exercise of options	:	NIL

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

S.No.	Particulars (during the financial year ended 31st March, 2021)	SRL- ESOS (2018)					
	(g) Number of options outstanding at the end of the year	:	6,44,000				
	(h) Number of options exercisable at the end of the year	:	NIL				
	(i) Money realized by exercise of options (₹ In Crore), if scheme is implemented directly by the group.	:	Not Applicable since the scheme is implemented through Trust				
12	Loan repaid by the Trust during the year from exercise price received	:	NIL				
13	Summary of the status of Options		As at 31st March, 2021			As at 31st March, 2020	
	Particulars		No. of Options	Weighted average Exercise Prices (in ₹)	No. of Options	Weighted average Exercise Prices (in ₹)	
	Outstanding at the beginning of the year	:	NIL	-		NIL	
	Add: Granted during the year	:	6,44,000	75		NIL	
	Less: Lapsed during the year	:	NIL	-		NIL	
	Less: Exercised during the year	:	NIL	-		NIL	
	Outstanding at the end of the year	:	6,44,000	75		NIL	
	Options exercisable at the end of the year	:	NIL	-		NIL	
14	Weighted average share price of Shares arising upon exercise of Options	:	Not Applicable since Exercise of options is to be commenced on or after 29th October, 2021				
15	Summary of Options outstanding, scheme-wise:		As at 31st March, 2021			As at 31st March, 2020	
	Particulars		No. of Options outstanding	Range of Exercise Price (₹)	Weighted average remaining contractual life	No. of Options outstanding	Range of Exercise Price (₹)
	SRL- ESOS (2018)		6,44,000	75	4.59 Years	NIL	-
16	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted The significant assumptions used to ascertain the above	:	The fair value of each Option is estimated using the Black Scholes Option Pricing model Weighted average exercise price per Option : ₹ 75.00 Weighted average fair value per Option : ₹ 152.61 The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis: (i) Risk-free interest rate - 4.66% to 5.17% (ii) Expected life – 2.5 to 4.5 years (iii) Expected volatility -47.33% to 50.96% (iv) Expected dividends 1.50% (v) The price of the underlying shares in market at the time of Option grant – ₹ 222.90				
17	Methodology for determination of expected volatility	:	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements and the movement due to abnormal events if any gets evened out. Estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued.				

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

S.No.	Particulars (during the financial year ended 31st March, 2021)		SRL- ESOS (2018)		
18	Options granted to : (a) Senior managerial personnel	:	As provided below:		
			Name	Designation	No. of Options granted during the financial year 2020-21
			1 Raju Bista	Managing Director	1,00,000
			2 Kaustubh Narsinh Karmarkar	Whole-time Director	20,000
			3 Roop Narain Maloo	ED & Group CFO	35,000
			4 Tarun Baldua	ED & CEO- Steel Operations	35,000
			5 Nirupam Sahay	ED & CEO- Lighting	30,000
			6 Bharat Bhushan Singal	Sr. V.P. & Company Secretary	7,500
	The Optionees were granted Options on 29th October, 2020 at the exercise price of ₹ 75.00 per Option.				
	(b) Any other employee who received a grant on any one year of Options amounting to 5% or more of the Options granted during the year.	:	None		
	(c) Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Group at the time of grant.	:	None		

46 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are reported here

List of related parties

1 Key Management Personnel

S.No.	Name	Designation
1	Mr. Jai Prakash Agarwal	Executive Chairman
2	Mr. Raju Bista	Managing Director
3	Mr. Vinay Surya	Whole Time Director
4	Mr. Kaustubh N Karmarkar	Whole Time Director
5	Mrs. Urmil Agarwal	Director
6	Mr. Krishan Kumar Narula	Independent Director
7	Mr. Ravinder Kumar Narang	Independent Director
8	Mr. Tara shankar sudhir Bhattacharya	Independent Director
9	Mr. Sudhanshu Kumar Awasthi	Independent Director
10	Mr. Surendra Singh Khurana	Independent Director
11	Mr. Sunil Sikka	Independent Director
12	Mrs. Bhavna Khaturia (w.e.f. 2nd September, 2020)	Independent Director
13	Mr. R.N. Maloo	ED & Group CFO
14	Mr. Tarun Baldua	ED and CEO- Steel Operations
15	Mr. Ramanjit Singh (Superannuated from 29th October, 2020)	CEO-Lighting Operations
16	Mr. Nirupam Sahay (w.e.f. 29th October, 2020)	ED & CEO Lighting
17	Mr. B B Singal	Sr. VP & Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

2 Relatives of key management personnel where transactions have taken place

S.No.	Name of Relatives	Relationship
1	Mr. Rajesh Bista	Brother of Mr. Raju Bista
2	Mrs. Puja Surya	Spouse of Mr. Vinay Surya
3	Master Jaivardhan Surya	Son of Mr. Vinay Surya
4	Ms. Parinistha Surya	Daughter of Mr. Vinay Surya
5	Ms. Vasudha Surya	Daughter of Mr. Vinay Surya
6	Mrs. Bharti Bangur	Daughter of Mr. Jai Prakash Agarwal
7	Mrs. Padmini Agarwal	Daughter of Mr. Jai Prakash Agarwal

The following transactions were carried out with the related parties in the ordinary course of business

i Compensation of Key Management Personnel of the Group

(₹ in crore)

S.No.	Nature of transaction/ relationship	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a)	Short Term Benefit (See notes below)	13.14	12.79
b)	Directors commission	5.23	3.49
	Total Short-Term benefits	18.37	16.28
c)	Director sitting Fee's	0.36	0.24

Notes:

- Short-term benefits comprises the expenses recorded under the head employee benefit expenses (eg. Salary and wages, contribution to provident fund, NPS, Leave encashment payments, and taxable value of perquisites etc.
- The liability for gratuity and compensated absences are provided on actuarial basis for the group as a whole, amounts accrued pertaining to key managerial personnel are not included above.
- The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.
- During the year, the Company granted 6,44,000 Stock Options to eligible employees, including Executive Directors and KMPs, under its Employee Stock Option Scheme @ 75/- each [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]. However, in accordance with Ind AS -102, the Company has recorded employee benefits expense by way of share based payments to employees at 1.37 crores for the year ended 31st March, 2021 [2020 - Nil], of which 0.48 crores [2020 - Nil] is attributable to the Executive Directors and KMPs.

(₹ in crore)

S.No.		For the year ended 31st March, 2021	For the year ended 31st March, 2020
ii	Loan given to Key Management Personnel		
	Balance at the beginning of the year	-	0.19
	Transaction during the year - Loan given / (repaid)	-	(0.19)
	Balance at year end	-	-
iii	Advance made to Key Management Personnel for Purchase of his Property		
	Balance at the beginning of the year	-	-
	Transaction during the year - advance given	3.25	-
	Transaction during the year - advance returned back	(3.25)	-
	Balance at year end	-	-
iv	Dividend paid to Key Management Personnel	0.65	0.43
v	Payment of Salaries and perquisites to relatives of Key Management Personal	0.48	0.40
vi	Dividend paid to relatives of Key Management Personnel	0.31	0.11

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

47 SEGMENT INFORMATION

Description of segments and principal activities

The Chief operational decision makers (CODM) monitor the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products/ services and have been identified as per the quantitative criteria specified in the Ind AS.

Specifically, the Group's reportable segments under Ind AS are as follows:

- 1 Steel Pipe and Strips (comprises Steel pipes and cold rolled strips)
- 2 Lighting and consumer durables (comprises Lamps, fittings, street light, fans, electric appliances and allied items)

Identification of Segments:

For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors. For financial statements presentation purposes, these individual operating segment's have been aggregated into a single operating segment taking into account the following factors:

- i. These operating segments have similar long-term gross profit margins;
- ii. The nature of the products and production processes are similar; and
- iii. The methods used to distribute the products to the customer are same

The additional factors taken into consideration for aggregation into a single operating segment are as follows:

- i. Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.
- ii. Finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.
- iii. Segment assets represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude derivative financial assets, deferred tax assets and income tax recoverable.
- iv. Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.
- v. Segment capital expenditure comprises additions to property, plant and equipment and intangible assets (net of rebates, where applicable).
- vi. Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

I. Segment revenues and results

		(₹ in crore)	
Particulars		For the year ended 31st March, 2021	For the year ended 31st March, 2020
Segment revenue	Steel Pipe and Strips	4,328.11	4,234.66
	Lighting and consumer durables	1,240.13	1,247.97
		5,568.24	5,482.63
Less : Inter Segment revenue		6.85	11.58
		5,561.39	5,471.05
Segment profit (earning before interest and taxes)	Steel Pipe and Strips	182.70	182.03
	Lighting and consumer durables	98.63	72.05
		281.33	254.08
Finance costs		69.86	114.13
Profit before tax		211.47	139.95
Tax expense		53.16	37.40
Profit after tax		158.31	102.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

II. Segment Assets and Liabilities

Particulars		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
Segment assets	Steel Pipe and Strips	2,097.87	1,989.72
	Lighting and consumer durables	831.96	972.49
	Total Segment assets	2,929.83	2,962.21
Unallocated assets		11.58	8.81
		2,941.41	2,971.02
Segment liabilities	Steel Pipe and Strips	441.69	276.65
	Lighting and consumer durables	351.99	303.50
	Total Segment Liabilities	793.68	580.15
Unallocated Liabilities		780.45	1,151.65
		1,574.13	1,731.80

Notes :

I Unallocated assets are comprises of income tax refundable.

II Unallocated liabilities are comprises borrowings, provision for income tax, deferred tax etc.

III. Other segment information

Particulars		(₹ in crore)	
		For the year ended 31st March, 2021	For the year ended 31st March, 2020
Cost incurred on acquisition of Property, plant and equipment	Steel Pipe and Strips	40.58	37.89
	Lighting and consumer durables	19.23	12.98
		59.81	50.87
Depreciation and amortisation expense of Property, plant and equipment	Steel Pipe and Strips	73.42	73.71
	Lighting and consumer durables	23.22	23.37
		96.64	97.08

IV. Geographical information

The Group operates in seven geographical areas: India (country of domicile), Asia, Africa, North-America, Central America, South-America and Europe.

The Group's revenue from operations from customers by location of operations and information about its non-current assets by location of assets are detailed below:

a. Revenue from external customers

	(₹ in crore)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
India	4,839.40	4,544.87
Outside India	721.99	926.18
Total	5,561.39	5,471.05

b. Non-current assets

Particulars		(₹ in crore)	
		As at 31st March, 2021	As at 31st March, 2020
Non-Current Assets	Within India	1,103.15	1,129.58
	Outside India	Nil	Nil
		1,103.15	1,129.58

V. Information about major customers

The Group do not have single customer from whom the revenue is not less than 10 % of the revenue from external customers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

48 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

(₹ in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Dividend proposed for Equity shareholders @ ₹ 1.50 per share (previous year ₹ 2.00 per share)	8.16	10.88

There are no other significant subsequent event items which require an adjustment in financial statements

49 FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities

The value of financial assets and liabilities by categories were as follows:

As at 31st March, 2021

(₹ in crore)

S. No.	Particulars	Measured at Amortised cost	Measured at Fair value (Level 2)	Total carrying value
Assets:				
i	Cash and cash equivalents	0.26	-	0.26
ii	Bank Balances other than (ii) above	0.68	-	0.68
iii	Trade receivables	756.14	-	756.14
iv	Other financial assets	81.02	-	81.02
	Total	838.10	-	838.10
Liabilities:				
i	Non Current Borrowings	223.53	-	223.53
ii	Current Borrowings	493.06	-	493.06
iii	Trade payables	480.47	-	480.47
iv	Other financial liabilities	135.73	12.00	147.73
	Total	1,332.79	12.00	1,344.79

The financial liability measured at fair value are derivative contracts outstanding as at 31st March 2021.

As at 31st March, 2020

(₹ in crore)

S. No.	Particulars	Measured at Amortised cost	Measured at Fair value (Level 2)	Total carrying value
Assets:				
i	Cash and cash equivalents	1.01	-	1.01
ii	Bank Balances other than (ii) above	0.58	-	0.58
iii	Trade receivables	696.07	-	696.07
iv	Other financial assets	70.93	-	70.93
	Total	768.59	-	768.60
Liabilities:				
i	Non Current Borrowings	328.61	-	328.61
ii	Current Borrowings	761.75	-	761.75
iii	Trade payables	295.11	-	295.11
iv	Other financial liabilities	133.99	-	133.99
	Total	1,519.46	-	1,519.46

The fair value hierarchy is based on inputs to valuation techniques that are use to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs. This includes the assets and liabilities carried at forward contract rates / prevailing exchange rate at year end and assets carried at present value using appropriate discounting rate

Level 3: Inputs which are not based on observable market data.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

50 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

"The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee. The Group is exposed to financial market risk, credit risk and liquidity risk.

I Financial Market risk

"Financial market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of change in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency trade receivables, trade payables and borrowings.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimize the Group's position with regards to interest and to manage the interest rate risk, finance department performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate with reset clause and floating rate financial instruments in its total portfolio. The borrowings of the Group are on floating interest rate along with periodical interest reset.

The Group is not exposed to significant interest rate risk at the respective reporting dates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings are taken.

Interest rate sensitivity	Effect on profit before tax	
	Decrease by 50 basis point	Increase by 50 basis point
For the year ended March 31, 2021	3.58	(3.58)
For the year ended March 31, 2020	5.45	(5.45)

(₹ in crore)

b Foreign currency risk

The Group transacts business primarily in Indian Rupee, USD and Pound sterling (GBP). The Group has taken foreign currency loans and has trade payables as well as receivables in foreign currency. The Group evaluates foreign currency exposure time to time and follows established risk management policies by taking foreign exchange forward contracts mostly with a maturity less than one year from the reporting date. The Group do not use derivate financial instrument for trading or speculation purpose to hedge exposure of foreign currency risk. The particulars of forward contract taken are given below

	Type	No. of Contract	USD (million)	Equivalent (₹ In crore)
As at 31st March, 2021	Sell	11	11.05	80.79
	Buy	48	60.05	439.04
As at 31st March, 2020	Sell	15	13.61	102.96
	Buy	75	50.55	382.51

The net foreign currency exposure towards pending import /(export) orders in hand stands at USD 5.08 million as at 31st March, 2021 (Previous year (USD 7.74 million)).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

II Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents. To manage this, the Group periodically assesses the financial risk limits of the customers, taking into account the payment behaviour, aging of outstanding, credit ratings, current economic trends, and analysis of historical bad debts further the Group makes provision on bad and doubtful debts on trade receivables based on Expected Credit loss (ECL) method based on provision matrix.

Trade Receivable

The Group's exposure to credit risk is influenced by the individual characteristics of each customer, Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group has a detailed review mechanism of overdue trade receivables at various levels in the organisation to ensure proper attention and focus on realisation.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Not past due	507.94	355.03
1-180 days past due	190.45	275.89
181-365 days past due	24.95	30.04
More than one year	32.80	35.11
	756.14	696.07

Expected credit loss assessment

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk

The movement in the allowances for impairment in respect of trade receivables during the year was as follows:

Particulars	(₹ in crore)	
	As at 31st March, 2021	As at 31st March, 2020
Opening Balances	6.08	11.69
Add : Impairment loss recognised / reversed	3.00	1.73
Less : Write off of bad debts	2.00	7.34
Closing balance	7.08	6.08

Cash and Cash Equivalents, Deposit in Banks and other Financial instruments

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Group has also availed borrowings. The Group does not maintain significant cash and deposit balances as it has sufficient vacant cash credit limits with its bankers. For other financial assets the Group monitors ratings, credit spreads and financial strengths of its counterparties. Based on its ongoing assessment of the counter party's risk, the Group adjust its exposures to various counter parties. Based on the assessment there is no impairment in other financial assets.

III Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's finance department manage the liquidity through verity of sources of borrowings, by

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

ensuring sufficient liquidity to meet its liabilities when due, under all circumstances, without incurring unacceptable losses or risk to the Group's reputation. The current committed working capital facilities are used 70% to 80% and sufficient to meet its requirement. The Group monitor rolling forecast for its liquidity requirements.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

(₹ in crore)			
As at 31st March, 2021	Less than 1 year	Above 1 year	Total
Non Current Borrowings	51.31	172.22	223.53
Current Borrowings	493.06	-	493.06
Trade payables	480.47	-	480.47
Other financial liabilities	147.73	-	147.73
Total	1,172.57	172.22	1,344.79
As at 31st March 2020			
Non Current Borrowings	58.58	270.03	328.61
Current Borrowings	761.75	-	761.75
Trade payables	295.11	-	295.11
Other financial liabilities	133.99	-	133.99
Total	1,249.43	270.03	1,519.46

51 CAPITAL MANAGEMENT

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximize shareholder value. The Board of Directors monitors the return on capital, dividend to shareholders, maintain balance between capital and borrowing in the light of changes in economic environment and the business requirements. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings

Further the Group monitors capital using gearing ratio, which is net debt divided by Equity and net debt. as under: -

(₹ in crore)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Debt (consist of long term and short term borrowings refer note 17 and 21)	716.59	1,090.36
Less: Cash and cash equivalents	0.26	1.01
Net Debt	716.33	1,089.35
Equity	1,367.28	1,239.22
Equity and Net Debt	2,083.61	2,328.57
Gearing ratio in %	34.38%	46.78%

- 52** The Company has introduced SRL Employees Stock Option scheme-2018 for its employees and has acquired 8 Lakhs equity shares by way of secondary acquisition through Surya Roshni Employees welfare Trust and for the same provided funds of ₹ 13.83 Crores by way of interest free loan to the Trust in compliance of Provisions of The Companies Act, 2013 and SEBI(SBEB Regulations,2014).
- 53** The Group has perpetual system of balance confirmation and reconciliation of Trade receivables and Trade payables, however at year end some of the balances remain subject to confirmation and reconciliation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (Contd.)

54 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

(₹ in crore)

Particulars	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated other comprehensive income	Amount	as % of consolidated total comprehensive income	Amount
Surya Roshni Limited	99.85	1,365.20	98.85	156.50	99.64	1.25	98.87	157.75
Indian Subsidiary								
Surya Roshni LED Lighting Projects Limited	0.15	2.08	1.14	1.81	0.36	0.00	1.13	1.81
Consolidated	100.00	1,367.28	100.00	158.31	100.00	1.25	100.00	159.56

55 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved for issue by the Board of Directors on 25th May, 2021

As per our report of even date

For and on behalf of the Board

For Ashok Kumar Goyal & Co.

Chartered Accountants
(Firm Registration No. ICAI: 02777N)

Nirupam Sahay
Executive Director &
CEO (Lighting)

R N Maloo
Executive Director
& Group Chief Financial Officer

J P Agarwal
Chairman
DIN: 00041119

CA Ashok Kumar

Partner FCA
Membership No. 17644

Tarun Baldua
Executive Director &
CEO (Steel Operations)

B B Singal
Sr. V.P. & Company Secretary

Raju Bista
Managing Director
DIN: 01299297

Place : New Delhi
Dated : 25th May, 2021

SURYA

PROUDLY MADE IN INDIA

LIGHTING | APPLIANCES
FANS | STEEL & PVC PIPES

Aatma Nirbhar Bharat Ki Pehchan

Delivering Innovation,
Quality & Reliability



Built
to Last
forever

SURYA ROSHNI LIMITED

E-mail: consumercare@surya.in | www.surya.co.in | [f suryalighting](https://www.facebook.com/suryalighting) [t surya_roshni](https://www.instagram.com/surya_roshni)

Tel: +91-11-47108000, 25810093-96 | Toll Free No.: 1800 102 5657

SURYA



PIPES



LIGHTING



FANS



APPLIANCES

SURYA ROSHNI LIMITED

Head Office: Padma Tower - 1, Rajendra Place

2nd Floor, New Delhi - 110008, (India)

Tel: +91-11-47108000, 25810093,

1800 102 5657 (Toll Free No.)

Fax: +91-11-25789560

E-mail: investorgrievances@sroshni.com

Website: www.surya.co.in

Regd. Office: Prakash Nagar, Delhi - Rohtak Road,

Bahadurgarh - 124507 (Haryana)

Tel: +01276-241840, 8813874800

CIN: L31501HR1973PLC007543