



# SURAJ PRODUCTS LIMITED

Registered Office & Works:

CIN: L26942OR1991PLC002865

Vill. : Barpali, P.O. : Kesramal, Rajgangpur, Dist. : Sundargarh, Odisha, India, PIN : 770017

Tel: +91-94370 49074, e-mail : info@surajproducts.com, suproduct@gmail.com

www.surajproducts.com

Dated: August 19, 2022

To

The Corporate Relation Department  
Bombay Stock Exchange Limited  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P.J.Towers,  
Dalal Street, Fort,  
Mumbai- 400001  
(Scrip Code: 518075)

The Listing Department  
Calcutta Stock Exchange Limited  
7, Lyons Range, Kolkata – 700001  
(Scrip Code: 13054)

Dear Sir,

**Sub: Submission of Annual Report under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2021-22 along with the Notice convening the 31<sup>st</sup> Annual General Meeting of the Company to be held on Monday, 12<sup>th</sup> September, 2022 at 4:00 PM at the Registered Office of the Company situated at Vill: Barpali, Po- Kesramal, Rajgangpur, Dist- Sundargarh, Odisha-770017.

We request you to kindly take the same on record.

Thanking you,

Yours Faithfully,

For Suraj Products Limited

A.N.Khatua

Company Secretary



**ANNUAL REPORT**  
**2021 - 2022**



**SURAJ PRODUCTS LIMITED**

*Formerly*

**CHAMPION CEMENT INDUSTRIES LTD.**

**BARPALI, KESRAMAL, RAJGANGPUR,  
SUNDERGARH, ODISHA - 770017**

**SURAJ PRODUCTS LIMITED**

CIN: L26942OR1991PLC002865

**BOARD OF DIRECTORS**

Mr. C.K.Bhartia, Chairman (Independent)  
Mr. Y.K.Dalmia, Managing Director  
Mrs. Neha Singhania, Independent Director  
Mrs. Sunita Dalmia, Promoter Director  
Mr. Gagan Goyal, Executive Director

**AUDITOR**

M/S B D S & Co.  
35A, Raja Basanta Roy Road,  
2nd Floor, Kolkata - 700029

**CHIEF FINANCIAL OFFICER**

Mr. M.K.Hati

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. A.N.Khatua

**BANKER**

Canara Bank

**REGISTRAR & SHARE TRANSFER AGENTS**

M/S MCS Share Transfer Agent Limited,  
383, Lake Gardens, 1st Floor,  
Kolkata- 700045  
Telephone: 033-40724052,  
E-mail: mcssta@rediffmail.com

**REGISTERED OFFICE:**

Vill: Barpali  
P.O.: Kesarmal (Rajgangpur)  
Dist: Sundargarh  
Odisha - 770017  
EPBX No: 09437049074  
Email: suproduct@gmail.com, info@surajproducts.com  
Website: www.surajproducts.com

**KOLKATA OFFICE:**

59, N.S.Road, 1st Floor  
Kolkata - 700001  
Tel/Fax- 033-22107117

## **SURAJ PRODUCTS LIMITED**

### **NOTICE OF THE 31<sup>st</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the thirty first Annual General Meeting of the members of SURAJ PRODUCTS LIMITED will be held on **Monday the 12th day of September, 2022 at 4:00 PM at the Registered Office of the Company situated at Vill: Barpali, Po-Kesramal, Rajgangpur, Dist-Sundargarh, Odisha-770017** to transact the following business:

#### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Report of the Board of Directors and the Auditors thereon.
2. To declare final dividend on equity shares for the financial year ended 31st March, 2022.
3. To appoint a Director in place of Mrs. Sunita Dalmia (DIN- 00605973) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 ("Act") and being eligible seeks re-appointment.
4. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 (the Act) and The Companies (Audit and Auditors) Rules, 2014, (the rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Messrs GARV & Associates (Formerly-Rustagi & Co), Chartered Accountants, Kolkata (Firm Registration Number -301094E), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Auditors, in terms of Section 141 of the Act and rule 4 of the rules, be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring Auditors, Messers BDS & Co, Chartered Accountants (Firm Registration Number 326264E) for a period of 5 years to hold office from the conclusion of thirty first (31st) Annual General Meeting until the conclusion of thirty sixth (36th) Annual General Meeting of the Company at such remuneration as may be agreed upon by the Audit Committee/ Board of Directors in consultation with the Auditors.

"RESOLVED FURTHER THAT the Board of Directors (which term includes a duly constituted committee of the Board of Directors) be and is hereby authorized to do all acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and / or otherwise considered by them to be in the best interest of the Company."

#### **SPECIAL BUSINESS:**

5. **To Re-appoint Mrs. Neha Singhania (DIN-06879112) as an Independent Director of the Company:**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, the re-appointment of

## SURAJ PRODUCTS LIMITED

Mrs. Neha Singhania (DIN-06879112), for a second term as an Independent Director of the Company, not liable to retire by rotation for a period of 5 consecutive years from the ensuing Annual General Meeting be and is hereby approved."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this resolution."

### Notes:

1. In view of the continuing restrictions placed due to COVID 19 pandemic, the Ministry of Corporate Affairs (MCA) has vide its Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of Ordinary and Special Resolutions by Companies under the Companies Act, 2013 and the rules made there under on account of the threat posed by Covid-19. Circular No. 20/2020 dated May 5, 2020 in relation to" Clarification on holding Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio visual means (OAVM) and Circular No. 02/2021 dated January 13, 2021 in relation to "Clarification on holding Annual General Meeting (AGM) through Video conferencing (VC) or other audio visual means(OAVM) (Collectively referred to as: MCA Circulars" and SEBI vide Circular No-SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI(LODR), Regulations, 2015-Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (LODR) Regulations, 2015 due to Covid-19 pandemic (Collectively referred to as "SEBI Circulars) **permitted the sending of Annual Report through online mode.**
2. Pursuant to the Circular No-14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is available for this AGM. However, the Body Corporates intending to appoint authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a scanned copy of certified board resolution authorizing their representatives to attend the AGM and vote on their behalf at the AGM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized Agency. The facility of casting votes by a member using remote e-voting system.
4. If dividend proposed is declared at the AGM, the payment of such dividend will be made to those members of the Company whose names stand on the register of members of the Company on September 05, 2022. The dividend in respect of shares held in dematerialized form in Depository System will be paid to the beneficial owners of shares as on September 05,2022 as prelist provided by the Depositories for this purpose. The Dividend will be payable on and from September 16, 2022. The dividend of ₹ 1.10 per equity share of ₹ 10 each (i.e.11%), if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source (TDS), wherever applicable, on or after Friday, 16th September, 2022.

## **SURAJ PRODUCTS LIMITED**

5. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants (DPs) or in case shares are held in physical form, with the Company by sending documents through e-mail by Friday, 19th August 2022. For the detailed process, please click here <https://www.surajproducts.com>.
6. Members are requested to notify immediately changes, if any, in their registered address to the Company's Registrar and Share Transfer Agents M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata-700045. Members are also requested to furnish their Bank details to the Company's Share Transfer Agents immediately for printing the same on the dividend warrants/ cheques to prevent fraudulent encashment of the instruments.
7. As per MCA Circulars and SEBI Circular No- SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of AGM along with the Annual Report 2021-22 is being sent only through email to those members whose email ids are registered with Company/ Depositories. Members may note that the Notice of AGM and Annual Report 2021-2022 is available on Company's website at [www.surajproducts.com](http://www.surajproducts.com)
8. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, MCS Share Transfer Agent Limited for assistance in this regard. The amendment does not prohibit the shareholders from holding the shares in physical form. The Shareholders have an option of holding shares in physical form even after April 01, 2019. However, any shareholder who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized.
10. Further, SEBI vide Press Release No. 12/2019 dated March 27, 2019 clarified that the transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 01, 2019.
11. To support the "Green Initiative", Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in physical form.
12. Members are requested to intimate changes, if any pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), Mandates, nominations, power of Attorney, bank details such as, name of the bank and branch details, bank account number, MICR Code, IFSC code etc, to their DPs in case the shares are held by them in electronic form and to RTA MCS Share Transfer Agent Limited in case the shares are held by them in physical form.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent through electronic mode to those members whose email addresses are registered with the Company/ Depositories.

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Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.surajproducts.com](http://www.surajproducts.com) and website of Stock Exchanges.

14. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.
16. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The aforesaid communication is also available on the website of the Company.
17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialization and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.
18. Pursuant to Section 91 of the Companies Act, 2013, the Register of members and share transfer books of the Company will be closed from 5th day of September 2022 to 12th September 2022, both days inclusive.
19. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the Electronic form are therefore requested to submit their PAN to their Demat Accounts. Members holding physical shares can submit their PAN to the Company/ MCS Share Transfer Agent Limited.
20. The relevant detail of Director seeking appointment/re-appointment under item Nos. 2, 3 and 4 above pursuant to Regulations 26(4) and 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this notice.
21. Corporate members intending to send their authorized representative (s) to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representatives to attend and vote on their behalf at the Meeting.
22. The Company had declared Dividend @7% i.e. ₹ 0.70 per equity shares of the Company for the Financial Year 2009-10, @ 8 % i.e. ₹ 0.80 for the Financial Year 2010-11, @ 9 % ₹ 0.9 for the Financial Year 2011-12 , @ 5 % i.e. ₹ 0.50 for the Financial Year 2012-13 @ 6% i.e. ₹ 0.60 for the Financial Year 2013-14 and @ 7% i.e. ₹ 0.70 for the Financial Year 2014-15. All the equity shareholders of the Company are requested to contact the Company/ Share Transfer

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Agent i.e. M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata-700045, for payment of their dividend amount, if they have not been paid. The un-paid dividend for the Financial Year 2014-15 as on 31.03.2022 is ₹ 7, 64,483/- .

Members are requested to note that as per Section 124 of the Companies Act, 2013, dividends not en-cashed or claimed within seven years from the date of transfer to the Company's Un-paid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Dividend which has remained unpaid for financial year prior to FY 2014-15 have already been transferred to IEPF.

23. Members, who have not encashed their dividend warrants issued for the FY 2014-15, are requested to immediately forward the same for revalidation to our Share Registrars at their address given in the Annual Report.
24. Members are requested to send all communications relating to shares to the Company's Registrar and Share Transfer Agent. (Physical and Electronic) M/s MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata- 700045. E- mail:mcssta@rediffmail.com.

### **E-VOTING INSTRUCTIONS:**

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING**

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Friday, 9th September, 2022 at 9:00 AM and ends on Sunday, 11th September, 2022 at 5:00 PM. 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. 5th September, 2022, 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 5th September, 2022.

How do I 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 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:**



## SURAJ PRODUCTS LIMITED

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> 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.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>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.</li> </ol>

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Type of shareholders	Login Method
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your 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.

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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.

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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.nSDL.com](http://www.evoting.nSDL.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).

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- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto: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**

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

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.

1. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period, now you are ready for e-Voting as the Voting page opens.
2. 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.
3. Upon confirmation, the message "Vote cast successfully" will be displayed.
4. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
5. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [Inpanda2004@gmail.com](mailto:Inpanda2004@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. 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](http://www.evoting.nsdl.com) to reset the password.
3. 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Vikram Jha at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [companysecretary@surajproducts.com](mailto:companysecretary@surajproducts.com)

## **SURAJ PRODUCTS LIMITED**

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [companysecretary@surajproducts.com](mailto:companysecretary@surajproducts.com). 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.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. 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.

### **OTHER INSTRUCTIONS:**

- A. The e-voting period commences at 9:00 AM on Friday, 9th September, 2022 and ends at 5:00 PM on Sunday, 11th September, 2022. During this period shareholders of the Company holding shares either in physical form or in dematerialized form as on cut-off date of 5th September, 2022 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- B. The voting right of shareholders shall be proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 5th September, 2022.
- C. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut off date i.e. 5th September, 2022 may obtain the User Id and password by sending a request at [companysecretary@surajproducts.com](mailto:companysecretary@surajproducts.com) or to the Registrar at [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com) of this notice. However, if the member is already registered with CDSL for remote e-voting, then he can use his existing user ID and password for casting the vote through e-voting.
- D. Mr. Laksmi Narayan Panda of M/S L N Panda & Associates, Company Secretaries, Rourkela has been appointed as the Scrutinizer to scrutinize the voting casted at AGM and remote e-voting process in a fair and transparent manner.
- E. The scrutinizer shall unblock the votes casted through remote e-voting in the presence of at least two witnesses not in employment of the Company and shall not later than two days submit a consolidated scrutinizer's report of the total votes cast in favour and against, if any forthwith to the Chairman of the meeting.
- F. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. 12th September, 2022.
- G. The 31st AGM is being held at the Registered Office of the Company at Vill: Barpali, Po- Kesramal, Rajgangpur, Dist- Sundargarh, Odisha-770017.

## **SURAJ PRODUCTS LIMITED**

- H. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the this Annual General Meeting. Members seeking to inspect such documents can send an email to [companysecretary@surajproducts.com](mailto:companysecretary@surajproducts.com)
- I. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at <https://www.surajproducts.com>. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.

**Registered Office:**

At- Vill: Barpali,  
Po- Kesarmal, Rajgangpur,  
Dist- Sundargarh, Odisha- 770017  
E-mail: [suproduct@gmail.com](mailto:suproduct@gmail.com)  
Website: [www.surajproducts.com](http://www.surajproducts.com)

By order of the Board  
For Suraj Products Ltd.

A.N.Khatua  
Company Secretary  
Membership No- ACS21776

Place: Barpali

Date: 23rd day of July, 2022

## **SURAJ PRODUCTS LIMITED**

### **Explanatory Statement Pursuant to section 102 of the Companies Act, 2013:**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the Notice and should be taken as forming part of the Notice.

### **Item No.3 of the Notice:**

The members at the 26th Annual General Meeting held on 29th September, 2017 appointed Mrs. Neha Singhania (DIN-06879112) as an Independent Director of the Company for a period of five years upto to 31st AGM. Accordingly her term as an Independent Director will be ending at the 31st AGM.

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mrs. Neha Singhania as a member of the Board and considering her background, experience and contribution, the continued association of the Director would be beneficial to the Company, the Board has proposed her re-appointment as an Independent Director of the Company, not liable to retire by rotation, for a second term of five years commencing with effect from 31st AGM upto 36th AGM. The Company has in terms of Section 160(1) of the Act received in writing a notice from a member, proposing their respective candidature for the office of Director.

The Company has received from Mr. Neha Singhania (DIN-06879112) (i) Consent to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. (ii) Intimation in Form DIR-8 in terms of Rules to the effect that She is not disqualified under the provisions of Section 164(2) of the Act, (iii) Declaration to the effect that She meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended(Listing Regulations), (iv) Confirmation in terms of Regulation 25(8) of the Listing Regulations that She is not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties and (v) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20th June 2018, that She has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such Authority.

She has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Rules, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

## SURAJ PRODUCTS LIMITED

### ANNEXURE TO THE NOTICE

Pursuance to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the information about the Director seeking appointment in the Annual General Meeting is as follows:

#### PROMOTER DIRECTOR

Name of Director	Mrs. Sunita Dalmia
DIN	00605973
Date of Birth	03.05.1964
Qualification	Graduate
Expertise in specific functional areas	She has come from business family and has possessed good business sense and administrative capabilities.
List of other Companies in which Directorship held (excluding in Foreign companies)	1. Molisati Vinimay Pvt. Ltd. 2. NIP Power Pvt. Ltd. 3. Balbhadra Infratech Pvt. Ltd. 4. Brex Technology Pvt. Ltd. 5. Excel Infra Projects. Pvt. Ltd. 6. Kedarnath Mining Pvt. Ltd. 7. Kremlin Traders Pvt. Ltd. 8. Plasma Infrastructure Pvt. Ltd. 9. Tirupati Vincom Pvt. Ltd. 10. Pushpdant Investment Consultants Pvt. Ltd. 11. Sidhishree Financial Consultants Pvt. Ltd.
Chairman/Member of Committees of the Board of Directors of other Companies in which She is a Director (excluding in foreign Chairman of Companies)	Nil
Details of shareholding (both own or held by/for other persons on a beneficial basis), if any, in the Company.	7,72,400 Shares
Relationship with other Directors/ Key Managerial Personnel	Related to Mr. Y. K. Dalmia, Managing Director in capacity as wife.



## SURAJ PRODUCTS LIMITED

### INDEPENDENT DIRECTOR

Name of Director	Mrs. Neha Singhania
DIN	06879112
Date of Birth	19/10/1984
Qualification	B.COM, Chartered Accountant, Company Secretary
Expertise in specific functional areas	Having experience of over 10 years in the areas of Finance, Accounts, Taxation and M&A.
List of other Companies in which Directorship held (excluding in Foreign companies)	Nil
Chairman/Member of Committees of the Board of Directors of other Companies in which She is a Director (excluding in foreign Chairman of Companies)	Nil
Details of shareholding (both own or held by/for other persons on a beneficial basis), if any, in the Company.	Nil

#### Registered Office:

At- Vill: Barpali,  
Po- Kesarmal, Rajgangpur,  
Dist- Sundargarh, Odisha- 770017  
E-mail:suproduct@gmail.com  
Website: www.surajproducts.com

By order of the Board  
For Suraj Products Ltd.

A.N.Khatua  
Company Secretary  
Membership No- ACS21776

Place: Barpali

Date: 23rd day of July, 2022

## SURAJ PRODUCTS LIMITED

### DIRECTOR'S REPORT TO SHAREHOLDERS

Dear Shareholders,

Your Directors have pleasure in presenting their Report on the business and operations of your Company along with the Audited Accounts of the Company for the year ended 31st March, 2022.

#### FINANCIAL RESULTS:

Particulars	Current Year ( ₹ In Lac)	Previous Year ( ₹ In Lac)
<b>Sales and other income</b>	<b>23713.93</b>	<b>21791.04</b>
Profit before depreciation	3943.62	2394.48
Depreciation	857.99	943.49
<b>Profit for the year</b>	<b>3085.63</b>	<b>1450.99</b>
Provision for tax	727.71	534.25
<b>Profit after tax</b>	<b>2357.92</b>	<b>916.74</b>
Other comprehensive income	(12.42)	13.89
<b>Total Comprehensive Income</b>	<b>2345.50</b>	<b>930.63</b>
Profit brought forward from the previous year	3796.26	2865.63
<b>Surplus carried to Balance Sheet</b>	<b>6141.77</b>	<b>3796.26</b>
<b>Earning per equity share of ₹10 each</b>		
Basic (in ₹)	24.68	8.04
Diluted (in ₹)	24.68	8.04

#### OPERATIONS AND PERFORMANCE:

The second wave of COVID-19 pandemic struck like a storm in the very first quarter of FY22 throughout the country with record number of infections. While India was facing issue of limited medical oxygen availability due to high demand, steel plants played a crucial role in strengthening India's fight against COVID by diverting industrial oxygen to healthcare centers. This led to a throttled production for the steel plants but the Company remained resilient and was able to achieve higher than planned sales enabled by scenario-based approach & advanced planning. Later from Q2 FY22, when demand picked up and oxygen availability improved, your Company was able to ramp up its production and achieved higher product sales during the year under review.

The Company achieved Net Sales of ₹ 23,685.23 Lacs as against ₹ 21,769.88 Lacs in the previous years. The EBITDA for the year was ₹ 4391.51 Lacs in comparison to ₹ 3100.90 Lacs in the previous year. After providing for interest, depreciation and tax, the profit after tax of the Company is ₹2357.92 Lacs as against ₹ 916.74 Lacs in the previous year, which resulted in EPS of ₹ 20.68 in the current year compare to previous year's ₹ 8.04.

#### OPERATIONAL REVIEW:

The Company adopted focused approach on improving its volumes, operational efficiencies and operating facilities at optimum levels. The multiprolonged strategy has helped the Company in seizing the opportunity offered by the pick-up in the economic activities in the country especially the steel intensive sectors like infrastructure, construction etc.

## SURAJ PRODUCTS LIMITED

During the year, the Company produced 38,706 MT, sold 17,200 MT and captively consumed 21,990 MT of sponge iron compared to previous year's production of 38,326 MT, sales of 592 MT and captive consumption of 46,208 MT. The Company produced 20,111 MT, sold 14,638 MT and captively consumed 6,631 MT of Pig Iron as compared to last year's production of 25,483 MT, sales of 13,342 MT and captive consumption of 11,610 MT. The Company produced 27,467 MT and sold 5,067 MT and captively consumed 23,192 MT of MS Ingot/Billet compared to previous year's production of 52,162 MT and sales of 8,261 MT & captively consumption of 44,202 MT. The Company produced 22,389 MT of TMT Bars & sold 22,420 MT compared to previous year's production of 42,752 MT and sales of 43,870 MT.

### **FUTURE PROSPECTS:**

The Global steel demand is expected to grow by 8% in the year 2022 as a result of economic recovery post COVID-19 pandemic supported by government spending and stimulus packages. The Indian steel industry is also expected to remain buoyant amidst strong domestic demand recovery, accommodative government policies and export opportunities. Through its policies, the Government significantly increased capital expenditure on infrastructure projects to build back medium-term demand and aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. With the vaccination programme having covered the majority of the population, recovering economic momentum and the likely long-term benefits of supply-side reforms in the pipeline, the Indian Economy is in a good position to witness GDP Growth of around 8.0% to 8.5% in 2022-23.

### **Impact of COVID-19 on the economy and Company's initiatives in addressing the challenges of the pandemic:**

The COVID-19 pandemic has led to the unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments. During the year under review, the Nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. With intermittent nationwide lockdowns and

disruption in regular economic activities, there was price volatility of raw materials and sluggish market demand during first half of the year under review. However, the Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies, and keeping its employees and community at the core of it. The health and safety of employees and the communities in which the Company operates continue to be the foremost priority of the Company. To mitigate the risks and challenges faced by the Company during the pandemic, the Company enhanced safety and hygiene norms at offices, implemented work from home, staggered shift timings for safety of employees and leveraged digital platforms for its day-to-day operations. The Company contributed 13,000 Liter capacity Medical Liquid Oxygen tank to NTPC COVID Hospital at Sundargarh during the Financial Year. During the challenging times, the Company maintained its liquidity position by minimizing cash outflows and maintaining a judicious mix of funding instruments to fulfil its operational requirements. Further details on various initiatives taken by SURAJ PRODUCTS LIMITED in addressing the challenges posed by COVID-19 pandemic forms part of the Management Discussion and Analysis forming part of this Report.

### **DIVIDEND:**

Board of Directors of the Company at their meeting held on 20th May, 2022 have recommended final dividend @ 11% on the equity shares of ₹10/- each i.e. ₹1.10/- per equity share subject to approval of shareholders at the forthcoming AGM.

## **SURAJ PRODUCTS LIMITED**

### **DIVIDEND DISTRIBUTION POLICY:**

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') the Board of Directors of the Company (the 'Board') formulated and adopted the Dividend Distribution Policy (the 'Policy').

The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy and dividend will be paid out of the profits for the year. The dividend on Equity Shares is subject to the approval of the Shareholders at the Annual General Meeting ('AGM'). The dividend, if approved would result in a cash outflow of ₹ 1.25 crores. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020, and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

### **SAFETY:**

The Company is committed for the implementation of the best possible practices for ensuring the safety of its all stakeholders including employees and contractors. The Company strongly believes that providing safe & healthy working environment to its workforce is not only a statutory requirement but also its moral responsibility.

The Company has developed safety standards, SOPs and safety manual systems and procedures which addresses employee safety, occupational health, process safety and emergency preparedness.

The Company has a structured system for periodically review policies, objectives and targets for continual improvements through corrective and preventive actions and provides safe and healthy working for all by implementing "Zero Accident" policy.

### **MATERIAL CHANGES AND AMENDMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### **SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR OR COURT OR TRIBUNALS:**

During the period under review there were no significant and material orders passed by the Regulators/ Courts or Tribunals impacting the going concern status of the Company and its operations in future. However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

### **CHANGE IN NATURE OF BUSINESS, IF ANY:**

During the year under review there is no change in nature of business of the Company.

### **CLOSURE OF MEMBERS AND SHARE TRANSFER BOOKS:**

The Register of Members and Share Transfer Books of the Company will be closed with effect from Monday September 05, 2022 to Monday September 12, 2022 (both days inclusive) for the purpose of Dividend & Annual General Meeting.

## SURAJ PRODUCTS LIMITED

### TRANSFER TO RESERVE:

The Board of Directors has decided to retain the entire amount of profit, remaining after payment of dividend, for FY 2021-22 in the statement of profit and loss.

### SHARE CAPITAL:

The Authorized Share Capital of the Company is ₹ 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 Equity Shares of ₹ 10/- each. As on March 31, 2022 the paid-up share capital of the Company is ₹ 11,40,00,000 (Rupees Eleven Crores and Forty Lacs only) divided into 1,14,00,000 Equity Shares of ₹ 10/- each. During the year your Company has not issued any equity shares.

### DEPOSITS:

During the year, the Company has not accepted any 'Deposits' as defined under the Companies Act, 2013.

### DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, **Mrs. Sunita Dalmia (DIN- 00605973)**, Non-Executive Promoter Director, retires by rotation at the forthcoming Annual General Meeting and Being eligible, offers herself for re-appointment. Members' approval is being sought at the ensuing Annual General Meeting for her re-appointment.

In terms of Section 149 of the Act, **Mr. Neha Singhania (DIN-06879112)** was appointed as an Independent Director at the 26th Annual General Meeting for a period of five years commencing from 26th Annual General Meeting to hold office upto 31st Annual General Meeting.

The Board based on the recommendations of Nomination and Remuneration Committee and pursuant to performance evaluation of Mrs. Neha Singhania as a member of the Board and considering her background, experience & having passed the proficiency test, the Board are of the opinion that her continuing association would be beneficial to the Company, recommend her re-appointment as Independent Director of the Company, not liable to retire by rotation, for a second term of five years commencing with effect from 31st Annual General Meeting upto 36th Annual General Meeting, for approval of the members by way of a Special Resolution at the ensuing AGM of the Company.

Accordingly Members' approval is being sought at the ensuing AGM for her re-appointment.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company as on 31st March, 2022:

- i. Mr. Y.K.Dalmia, Managing Director
- ii. Mr. Gagan Goyal, Executive Director
- iii. Mr. M.K.Hati, Chief Financial Officer
- iv. Mr. A.N.Khatua, Company Secretary

### PERFORMANCE EVALUATION:

Pursuant to the provisions of Section 134 (3) (p) of the Companies Act, 2013, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

## **SURAJ PRODUCTS LIMITED**

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the non-independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

### **LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED:**

The Company has not provided any loans and advances to any firms/companies in which Directors are interested under the provisions of Section 186 of the Companies Act, 2013.

### **CREDIT RATING:**

ICRA Limited has upgraded its rating from (ICRA) BB+ (Stable) to (ICRA) BBB-(Stable) for the Long Term Loans and from (ICRA) A4+ to (ICRA) A3 for the Short Term Loans taken by the Company.

### **AUDITORS REPORT & AUDITORS' OBSERVATION:**

There is no audit qualification in the Company's Financial Statements. The company continues to adopt practices to ensure best practice as per Indian Accounting Standards. The Notes on Accounts referred to in the Auditors' Report enclosed are self-explanatory and do not call for any further comments.

### **STATUTORY AUDIT:**

Messers BDS & Co (formerly Bharat D. Sarawgee & Co), Chartered Accountants (Firm Registration Number 326264E) was appointed as the Statutory Auditors of the Company at the 26th Annual General Meeting of the Company held on 29th day of September, 2017, to hold office from the conclusion of twenty sixth (26th) Annual General Meeting until the conclusion of thirty first (31st) Annual General Meeting of the Company.

The Statutory Auditor Messers BDS & Co has submitted an un-qualified Audit Reports for the financial year 2021-22 and no frauds were detected by the Auditor during the financial year.

The Board of Directors at their meeting held on 23rd July, 2022, have recommended appointment of Messrs GARV & Associates (Formerly- Rustagi & Co.), Chartered Accountants, Kolkata (ICAI Firm Registration Number -301094E) for a period of 5 years to hold office from the conclusion of Thirty first (31st) Annual General Meeting until the conclusion of thirty sixth (36th) Annual General Meeting of the Company at such remuneration as may be mutually agreed by the Board of Directors of the Company and the Auditors.

### **COST AUDIT:**

Pursuant to Section 148 of the Companies Act, 2013 read with rules made there under, the Board has re-appointed M/s A S & Associates, Cost Accountants (Registration No-000523) to audit the Cost Accounts of the Company for the year ending 31st March, 2022.

The Company has submitted Cost Audit Report and other documents for the year ended 31st March 2021 with the Central Government by filing Form CRA-4 vide SRN-T61029567 dated 30.11.2021.

### **SECRETARIAL AUDIT:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed Messers L.N.Panda & Associates, Rourkela a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company.

## **SURAJ PRODUCTS LIMITED**

They have vide their letter dated 31.03.2022 intimated about their inability to carry out the secretarial audit of the company for the financial year 2021-2022 due to non-peer reviewed firm. They have issued NOC for appointment of another Secretarial Auditor to carry out the Secretarial Audit. Accordingly Shruti Agarwal, practicing Company Secretary, Kolkata was appointed to carry out the Audit for the financial year 2021-22.

The Secretarial Audit Report is annexed herewith as "Annexure I". The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks for the year under review.

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

### **AUDIT COMMITTEE RECOMMENDATION:**

During the year all the recommendations of the Audit Committee were accepted by the Board. The composition of the Audit Committee is as described in the Corporate Governance Report.

### **LISTING FEES:**

The shares of the Company are listed at Bombay Stock Exchange and Calcutta Stock Exchange Limited. The Scrip Code at BSE is 518075 and at CSE is 13054.

The respective listing fees for the above Stock Exchanges up to the year 2022-23 have been paid.

### **DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has zero tolerance towards sexual harassment at workplace. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (prevention, prohibition and Redressal) Act, 2013 and the Rules framed there under. It has constituted an internal Complaint Committee in compliance with the above mentioned Act and Rules. During the Financial Year 2021-22, no complaint has been received.

### **SAFETY, HEALTH & ENVIRONMENT:**

The Company is committed to provide a safe and healthy working environment and achieving an injury and illness free work place. During the year under review, there was no lost time injury incident reported.

### **RECONCILIATION OF SHARE CAPITAL:**

As directed by Securities Exchange Board of India (SEBI), Reconciliation of Share Capital is being carried out quarterly by a practicing Company Secretary. The findings of the Reconciliation of Share Capital were satisfactory.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to section 134 (5) of the Companies Act, 2013 the Board of Directors of the Company confirm that;

- (i) In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;

## **SURAJ PRODUCTS LIMITED**

- (ii) they have selected such accounting policies and applied them consistently and made judgments 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 and loss of the company for that period;
- (iii) They have 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;
- (iv) They have prepared the annual accounts for the financial year ended 31st March, 2022 on a going concern basis;
- (v) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

During the year under review, there have been no material changes and commitments affecting the financial position of the Company.

### **NUMBER OF BOARD MEETINGS DURING F.Y. 2021-22:**

During the FY 2021-22 the number of meeting of Board of Directors of the Company comes to 5(Five). The details of the number of meetings of the Board held during the financial year forms part of the Corporate Governance Report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The prescribed details as required Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out in Annexure 'A' forming part of this report.

### **ACKNOWLEDGMENTS:**

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

Your Directors wish to thank all stakeholders, employees and business partners and Company's banker for their continued support and valuable co-operation. The Directors also wish to express their gratitude to investors for the faith that they continue to repose in the Company. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

### **INDEPENDENT DIRECTORS' DECLARATION:**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(B) of the SEBI Listing Regulations, that he/she meets the criteria of Independence as laid out in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations.



## **SURAJ PRODUCTS LIMITED**

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the Data Bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

### **NOMINATION & REMUNERATION POLICY:**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long term strategy. The policy is designed to encourage behaviour that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The Company's Remuneration Policy is available on the company's website <https://www.surajproducts.com>

### **RELATED PARTY TRASACTIONS:**

All transactions entered into with related parties (as defined under the Companies Act, 2013) during the financial year were in the ordinary course of business and on an Arm's length pricing basis, and do not attract the provisions of Section 188 of the Companies Act, 2013 and were within the ambit of clause 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant transactions with related parties during the financial year which were in conflict with interests of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements.

### **VIGIL MECHANISM POLICY:**

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any.

The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

### **WHISTLE BLOWER POLICY:**

The Company has a "Whistle Blower Policy" to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company.

## **SURAJ PRODUCTS LIMITED**

### **PARTICULARS OF EMPLOYEES AND MANAGERIAL REMUNERATION:**

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

The Statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available for inspection in terms of Section 136 of the Act, any member interested may write to the Company Secretary and the same will be furnished on request.

### **CORPORATE SOCIAL RESPONSIBILITY:**

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Government alone will not be able to get success in its endeavour to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. our company has adopted CSR as a strategic tool for sustainable growth. Pursuant to Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has in place a Corporate Social Responsibility (CSR) Policy including the CSR activities and their budgets as well as recommendation of any subsequent change/modification to the CSR Policy. The CSR Policy has been posted on the website of the Company available at the link [www.surajproducts.com](http://www.surajproducts.com).

The Annual Report on CSR activities is annexed herewith as: **Annexure-III**.

### **STATEMENT PURSUANT TO LISTING AGREEMENT:**

Your Company's shares are listed with Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited. We have paid the Annual Listing Fees and there are no arrears.

### **PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

### **MANAGERIAL REMUNERATION:**

Executive Directors are paid remuneration by way of salary, perquisites and retirement benefits as recommended by the Nomination and Remuneration Committee and approved by the Board and shareholders of the Company. Key Managerial Personnel and senior Management Personnel are paid remuneration by way of fixed salary. The Company does not have any Stock Option Scheme. No severance pay is payable on termination of appointment.

There are no director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company.

## **SURAJ PRODUCTS LIMITED**

### **EXTRACTS OF ANNUAL RETURN IN MGT- 9:**

The details forming part of the extract of the Annual Return for the year ended on 31st March, 2022, in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as Annexure- II and forms an integral part of this Report.

### **CORPORATE GOVERNANCE:**

The Company has been practicing the principles of good Corporate Governance over the years and lays strong emphasis on transparency, accountability and integrity.

A separate Section on Corporate Governance as approved by the Board on 20.05.2022 and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 form part of this Annual Report.

The Managing Director and the Chief Financial Officer (CFO) of the Company have certified to the Board on financial statements and other matters in accordance with Regulation 17(8) of SEBI (LODR) Regulations, 2015 pertaining to MD/ CFO certification for the Financial Year ended 31st March, 2022.

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, form part of this Annual Report.

### **DISCLOSURES WITH RESPECT TO EMPLOYEES STOCK OPTION SCHEME:**

The Company does not have any Employee Stock Option Scheme during the period.

### **ACKNOWLEDGEMENT AND APPRECIATION:**

Your Directors would like to place on record our sincere appreciation for the continued support given by the Banks, Government Authorities, customers, vendors, shareholders and depositors during the period under review. The Directors also appreciate and value the contributions made by the employees of our Company at all levels.

On behalf of the Board of Directors

Place: Barpali

Date: 23rd day of July, 2022

C. K. Bhartia  
Chairman  
(DIN-00192694)

**ANNEXURE TO THE DIRECTOR'S REPORT:**

Statement pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the year ended 31st March, 2022.

**1. CONSERVATION OF ENERGY:**

The Company has taken various steps for conservation of energy and has installed energy efficient equipments and thereby able to optimize the energy consumption.

<b>ELECTRICITY</b>		<b>For the Year 2021-2022</b>	<b>For the Year 2020-2021</b>
(a) Purchased Units	KWH	98,94,010	2,17,26,350
Amount	₹	7,53,80,354	13,56,97,287
Cost per Unit	₹	7.62	6.25
(b) Through Diesel Generator	KWH	67,895	66,939
Unit per Ltr. of Diesel		3.65	3.36
Cost per Unit	₹	21.03	21.87

The Company has generated 25,215 MW power (Net) from CPP which was captively consumed during the year as compared to PY figure of 36,133 MW power (Net).

During the year 16,596 MW Power (PY 16,462) was generated from steam generated through WHRB and 8,619 MW Power (P.Y. 16,675) from steam generated through AFBC.

**POWER CONSUMPTION:**

Consumption of electricity per ton of production cannot be determined product wise as Company is having common processing facility for interdependent products.

**2. TECHNOLOGY ABSORPTION:**

The Company continues to use technology & process know how developed in house.

**3. INDUSTRIAL RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

**4. FOREIGN EXCHANGE OUTGO:**

	<b>Current Year (₹)</b>	<b>Previous Year (₹)</b>
Testing Fees:	4,31,713	-
Purchase of Material	10,95,599	-

On behalf of the Board of Directors

Place: Barpali

Date: 23rd day of July, 2022

C. K. Bhartia

Chairman  
(DIN-00192694)

**Form No. MR3****SECRETARIAL AUDIT REPORT****For The Financial Year Ended On 31st March, 2022**

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

To

**The Members****Suraj Products Limited****(CIN- L26942OR1991PLC002865)**

At- Barpali, Po- Kesramal, Rajgangpur

Dist. Sundargarh, Odisha- 770017

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Suraj Products Limited (Name of the company). (Herein-after called the company). Secretarial audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing my opinion thereon.

Based on my verification of the Suraj Products Limited'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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 has 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.

I/We have examined the books, papers, minute books, forms and returns filed and other records maintained by Suraj Products Limited ("the company") for the financial year ended on 31st March, 2022 according to the provisions of-

- i. The Companies Act, 2013(the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act,1956(SCRA) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 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 Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act,1992(SEBI ACT)
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - b. The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulation,2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;

## **SURAJ PRODUCTS LIMITED**

- d. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirement) Regulation, 2009;
  - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulation, 1999;
  - f. The Securities and Exchange Board of India (Issue and Listing of debt securities) Regulation, 2008;
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009;
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998;
- vi. Other applicable Acts:
- a. The Air (Prevention & Control of Pollution) Act, 1981
  - b. The Water (Prevention & Control of Pollution) Act, 1974
  - c. Central Goods and Services Tax Act, 2017.
  - d. Factories Act, 1948
  - e. Industrial Dispute Act, 1947
  - f. Minimum Wages Act, 1948
  - g. Industrial Employment (Standing Orders) Act, 1946
  - h. Contract Labour (Regulation & Abolition) Act, 1970
  - i. Payment of Wages Act, 1936
  - j. Payment of Bonus Act, 1965
  - k. Payment of Gratuity Act, 1972
  - l. Apprentice Act, 1961
  - m. Standards of Weight & Measurement Act, 1976
  - n. Orissa Motor Vehicle Act, 1988
  - o. The Petroleum Act, 1934
  - p. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

I/we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchanges & Kolkata Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, Standard, etc. mentioned above except to the extent as mentioned below:

1. The Company has delayed in intimating the Stock Exchange regarding loss of share certificates and issue of the duplicate certificates under Regulation 39(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **SURAJ PRODUCTS LIMITED**

2. During the financial year under consideration, Company has delayed in intimation to Stock Exchange regarding Closure of Trading Window for one quarter under Clause 4 of Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015.
3. Website of the Company is not fully updated under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I/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, 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.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

I 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.

Place: Kolkata  
Date: the 18th day of June, 2022  
UDIN-A038797D000506407

SHRUTI AGARWAL  
Practising Company Secretary  
ACS 38797  
CP NO- 14602

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 this Report.

## **SURAJ PRODUCTS LIMITED**

**'ANNEXURE A'**

To  
The Members,  
Suraj Products Limited  
(CIN- L26942OR1991PLC002865)  
Barpali, Po- Kesramal,  
Rajgangpur, Dist- Sundargarh,  
Odisha- 770017

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.
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.

Place: Kolkata  
Date: 18th day of June, 2022  
UDIN-A038797D000506407

SHRUTI AGARWAL  
Practising Company Secretary  
ACS 38797  
CP NO- 14602



**SURAJ PRODUCTS LIMITED**

Annexure -II

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on March 31, 2022**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- L26942OR1991PLC002865
- ii) Registration Date- 26.07.1991
- iii) Name of the Company- SURAJ PRODUCTS LIMITED
- iv) Category / Sub-Category of the Company: Company Limited by Shares.
- v) Address of the Registered office and contact details:  
At- Barpali, Po.- Kesaramal, Rajgangpur, Dist- Sundargarh, Odisha- 770017  
Contact Detail: EPBX No. 9437049074, Email:suproduct@gmail.com,  
Website: www.surajproducts.com
- vi) Whether listed company: YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
M/S MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata-700045

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10 % or more of the total turnover of the company during the financial year:-

SI. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	TMT BAR	2410	44
2	SPONGE IRON	24102	23
3	PIG IRON	3304	23
4	MS INGOT/ BILLET	24103	8

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Company has no Holding, Subsidiary and Associate Companies.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

## i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	24,84,800	-	24,84,800	21.80	24,84,800	-	24,84,800	21.80	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	59,17,000	-	59,17,000	51.90	59,17,000	-	59,17,000	51.90	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>84,01,800</b>	<b>-</b>	<b>84,01,800</b>	<b>73.70</b>	<b>84,01,800</b>	<b>-</b>	<b>84,01,800</b>	<b>73.70</b>	<b>-</b>

## SURAJ PRODUCTS LIMITED

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the year
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	<b>84,01,800</b>	-	<b>84,01,800</b>	<b>73.70</b>	<b>84,01,800</b>	-	<b>84,01,800</b>	<b>73.70</b>	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks/Financial Institute	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non- Institutions</b>									
a) Bodies Corporate									
i) Indian	96,510	57,900	1,54,410	1.35	1,18,418	57,900	1,76,318	1.54	0.19
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	2683	-	2683	.023	14,462	-	14,462	0.11	0.08
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	4,77,841	14,92,300	19,70,141	17.29	6,34,441	14,42,200	20,76,641	18.21	0.92
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	8,70,966	-	8,70,966	7.64	7,30,779	-	7,30,779	6.41	1.23
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>									
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>14,48,000</b>	<b>15,50,200</b>	<b>29,98,200</b>	<b>26.30</b>	<b>14,98,100</b>	<b>15,00,100</b>	<b>29,98,200</b>	<b>26.30</b>	<b>2.42</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>98,49,800</b>	<b>15,50,200</b>	<b>1,14,00,000</b>	<b>100</b>	<b>98,99,900</b>	<b>15,00,100</b>	<b>1,14,00,000</b>	<b>100</b>	<b>2.42</b>

## SURAJ PRODUCTS LIMITED

### (ii) Shareholding of Promoters:

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Nip Power Pvt. Ltd.	28,27,000	24.80	-	28,27,000	24.80	-	-
2	Molisati Vinimay Pvt. Ltd.	25,50,000	22.36	-	25,50,000	22.36	-	-
3	Y.K.Dalmia	14,91,500	13.08	-	14,91,500	13.08	-	-
4	Sunita Dalmia	7,72,400	6.78	-	7,72,400	6.78	-	-
5	Balbhadra Infratech Pvt. Ltd.	5,40,000	4.74	-	5,40,000	4.74	-	-
6	Nivedita Dalmia	1,10,900	0.97	-	1,10,900	0.97	-	-
7	Nandita Dalmia	1,10,000	0.96	-	1,10,000	0.96	-	-
	<b>Total</b>	<b>84,01,800</b>	<b>73.69</b>	<b>-</b>	<b>84,01,800</b>	<b>73.69</b>	<b>-</b>	<b>-</b>

### (iii) Change in Promoters' Shareholding (please specify, if there is no change):

There have been no changes in the promoters' shareholding during the Financial Year ended March 31, 2022

### IV. Shareholding of top ten shareholders (other than promoters, directors and KMP)

Sl. No.	For Each of the Top 10 Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Nand Lal Bhartiya HUF	5,00,000	4.38	5,00,000	4.38
2	Meena Bhartiya	97,000	0.85	97,000	0.85
3	Nand Lal Bhartiya	1,08,506	0.95	84,082	0.73
4	MI Lifestyle Marketing Pvt. Ltd.	31,228	0.27	71,744	0.62
5	Sanjay Kumar Sarawagi	49,697	0.44	49,697	0.44
6	Elan Capital Advisors Pvt. Ltd.	28,200	0.25	28,200	0.25
7	Manish Vinod Mehta	-	-	20,000	0.17
8	Neha Bhartiya	44,900	0.39	18,513	0.16
9	Pritty Devi Sarawagi	18,072	0.15	18,072	0.15
10	Rohit Arjun Kama	-	-	16,612	0.14

### V. Shareholding of Directors and KMP:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>C.K.Bhartia, Chairman</b>				
	At the beginning of the year	400	0.0035		
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	400	0.0035

## SURAJ PRODUCTS LIMITED

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	<b>Y.K.Dalmia, Managing Director</b>				
	At the beginning of the year	14,91,500	13.08	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	14,91,500	13.08
3	<b>Sunita Dalmia, Director</b>				
	At the beginning of the year	7,72,400	6.78	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	7,72,400	6.78
4	<b>M.K.Hati, CFO</b>				
	At the beginning of the year	500	0.004	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the End of the year	-	-	500	0.0044
5	<b>A.N.Khatua, Company Secretary</b>				
	At the beginning of the year	500	0.004	-	-
	Increase / Decrease in Share holding during the year	-	-	-	-
	At the end of the year	-	-	500	0.0044

### VI. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4115.03	640.17	-	4755.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	69.79	-	69.79
<b>Total (i+ii+iii)</b>	<b>4115.03</b>	<b>709.96</b>	<b>-</b>	<b>4824.99</b>
<b>Change in Indebtness during the financial year</b>				
· Addition	847.67	457.12	-	1304.79
· Reduction	1784.25	364.57	-	2148.82
<b>Net Change Indebtness</b>	<b>(936.58)</b>	<b>92.55</b>	<b>-</b>	<b>(844.03)</b>
<b>At the end of the financial year</b>				
i) Principal Amount	3178.45	747.45	-	3925.90
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	55.06	-	55.06
<b>Total (i+ii+iii)</b>	<b>3178.45</b>	<b>802.51</b>	<b>-</b>	<b>3980.96</b>

## SURAJ PRODUCTS LIMITED

### VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### A. Remuneration to Chairman, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of Chairman/WTD/ Manager		Total Amount in Lakh
		Y.K.Dalmia Managing Director	Gagan Goyal Executive Director	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, C201, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	75.50	10.40	85.90
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>75.50</b>	<b>10.40</b>	<b>85.90</b>

#### B. Remuneration to other Directors: NIL

#### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN CHAIRMAN / MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount in Lakhs
		A. N. Khatua Company Secretary	M.K.Hati Chief Financial Officer	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	8.55	13.10	21.65
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Others, please specify	-	-	-
	<b>Total</b>	<b>8.55</b>	<b>13.10</b>	<b>21.65</b>

### VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the financial year under consideration, no penalty has been imposed on the Company by any Statutory Organization under any provision.

**ANNUAL REPORT ON  
CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to Section 135 of the Companies Act, 2013 ("the Act") read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1	Brief outline on CSR policy of the Company :	We believe in a responsible shared value approach to augment industrial growth together with actions directed to create prosperity among all our stakeholders, employees and the community at large. During the year, our CSR expenses were oriented toward various activities to promote education, agriculture, drinking water in the local community.			
2	Composition of CSR Committee :				
	<b>Sl. No.</b>	<b>Name of Director</b>	<b>Designation / Nature of Directorship</b>	<b>Number of meetings of CSR Committee held during the year</b>	<b>Number of meetings of CSR Committee attended during the year</b>
	1	Mr. C.K.Bhartia	Chairman: Independent Non-Executive	4	4
	2	Mr. Y.K.Dalmia	Member: Non-Independent Executive	4	4
	3	Mrs. Neha Singhania	Member: Independent Non-Executive	4	4
3	Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company :			www.surajproducts.com	
4	Provide the details of 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, if applicable (attach the report) :			Not Applicable	
5	Details of 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 : NA				
	<b>Sl. No.</b>	<b>Financial Year</b>	<b>Amount available for set-off from preceding financial years (₹ in Lakhs)</b>	<b>Amount required to be set-off for the financial year, if any (₹ in Lakhs)</b>	
			Not Applicable		
6	Average net profit of the Company as per Section 135(5) of the Act :				823.50
7	(a) Two percent of average net profit of the Company as per Section 135(5) of the Act :				16.47
	(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 (7a+7b-7c) :				16.47

## SURAJ PRODUCTS LIMITED

8. (a) CSR amount spent or unspent for the financial year :											
<b>Total amount spent for the Financial Year ( in Lakhs)</b>		<b>Amount Unspent ( ₹ in Lakhs)</b>									
		<b>Total amount transferred to Unspent CSR Account as per Section 135(6) of the Act</b>					<b>Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act</b>				
		<b>Amount</b>		<b>Date of transfer</b>		<b>Name of the Fund</b>		<b>Amount</b>		<b>Date of transfer</b>	
36.93		NIL		NA		NA		NIL		NA	
(b) Details of CSR amount spent against <b>ongoing projects</b> for the financial year :											
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
<b>Sl. No.</b>	<b>Name of the Project</b>	<b>Item from the list of activities in Schedule VII to the Act</b>	<b>Local area (Yes/No)</b>	<b>Location of the project</b>		<b>Project duration</b>	<b>Amount allocated for the project (₹ in Lakhs)</b>	<b>Amount spent in the current financial year (₹ in Lakhs)</b>	<b>Amount transferred to Unspent CSR account for the project as per Section 135(6) of the Act (₹ in Lakhs)</b>	<b>Mode of implementation - Direct (Yes/No)</b>	<b>Mode of implementation - Through Implementing Agency</b>
				State	District						Name CSR Registration number \$
NIL											
(c) Details of CSR amount spent against other than ongoing projects for the financial year :											
(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)			
<b>Sl. No.</b>	<b>Name of the Project</b>	<b>Item from the list of activities in Schedule VII to the Act</b>	<b>Local area (Yes/No)</b>	<b>Location of the project</b>		<b>Amount spent for the project (₹ in Lakhs)</b>	<b>Mode of implementation - Direct (Yes/No)</b>	<b>Mode of implementation - Through Implementing Agency</b>			
				State	District			Name	CSR Registration number \$		
1	Promotion of Healthcare & safe water	Promotion of Healthcare & safe water	Yes	Odisha	Sundargarh	27.10	Direct	NA	NA		
2	Promotion of Education	Promotion of Education	Yes	Odisha	Sundargarh	9.65	Direct	NA	NA		
3	Promotion of Sports	Promotion of	Yes	Odisha	Sundargarh	0.18	Direct	NA	NA		
<b>TOTAL</b>											
(d) Amount spent in Administrative Overheads :											
(e) Amount spent on Impact Assessment, if applicable :											
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) :											
(g) Excess amount for set off, if any :											
<b>Sl. No.</b>	<b>Particular</b>									<b>Amount (₹ in Lakhs)</b>	
(i)	Two percent of average net profit of the Company as per Section 135(5) of the Act									16.47	
(ii)	Total amount spent for the financial year									36.93	
(iii)	Excess amount spent for the financial year [(ii) - (i)]									20.46	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any										
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]									20.46	

## SURAJ PRODUCTS LIMITED

9. (a) Details of <b>Unspent CSR</b> amount for the preceding three financial years :								
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) of the Act (₹ in Lakhs)	Amount spent in the reporting financial year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) of the Act, if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)	
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer		
NIL								
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) :								
Sl. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting financial year (₹ in Lakhs)	Cumulative amount spent at the end of reporting financial year (₹ in Lakhs)	Status of the project - Completed / Ongoing
NIL								
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)							No capital asset was created or acquired by the Company out of the CSR spent in the financial year.	
(b) Amount of CSR spent for creation or acquisition of capital asset								
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.								
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)								
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) of the Act :							Not applicable

Mr. C.K.Bhartia  
Chairman-CSR Committee  
(DIN-00192694)

Y.K.Dalmia  
Managing Director  
(DIN-00605908)

Date: 23rd July, 2022



## SURAJ PRODUCTS LIMITED

### REPORT ON CORPORATE GOVERNANCE 2021-22:

[As required under Schedule V of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

#### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes that ethical and fair behavior is an important in Business as in personal life and that all our policies and actions must be grounded in this- that we are a member of the communities we live and work in as individuals and as a Company and have responsibility to be fair, decent and avoid causing harm.

This will help the Company to achieve its goals of maximizing value to the shareholders and simultaneously fulfill its obligations to the other stakeholders such as customers, vendors, employees and to the society in general.

The Company recognizes that strong Corporate Governance is indispensable to resilient and vibrant capital markets and is therefore an important instrument of investor protection.

The Company continues to remain committed to a corporate culture of conscience and consciousness, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

#### 1. BOARD OF DIRECTORS:

Your Company's Board of Directors (Board) decides the policy and strategy for the Company and has the overall superintendence and control over the management of the Company. They also ensure that good Corporate Governance policies and practices are implemented in the Company. In the course of discharging their duties, the Board acts in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

##### A. Board Composition:

As on 31st of March, 2022, the Board of Directors of Suraj Products comprises of five Directors. The Board consists of the Chairman, who is a non-executive Independent Director, Managing Director who is Promoter & Executive Director, one Executive Director and two Non-Executive Directors, of which one is an Independent Director. Details of composition of Board of Directors are given below:

Sl.No.	Name of the Directors	Status	Category	Number of Shares and Convertible Instruments
1	Sri C.K.Bhartia	Chairman	Non Executive and Independent Director	400
2	Sri Y. K. Dalmia	Managing Director	Promoter and Executive Director	14,91,500
3	Smt. Sunita Dalmia	Director	Promoter and Non Executive Director	7,72,400
4	Smt. Neha Singhania	Director	Non Executive and Independent Director	NIL
5	Sri Gagan Goyal	Director	Executive Director	NIL

##### B. Board Meetings:

During the year 2021-2022, the Board of the Company met five times on: 23.06.2021, 07.08.2021, 28.08.2021, 02.11.2021 and on 27.01.2022.

All the meetings were held in such manner that the gap between two consecutive meetings was not more than 120 days.

Name of the Directors	Attendance Particulars		Number of other Directorship and Committee Chairmanship / Membership		
	Board Meetings	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Sri C.K.Bhartia	5	Yes	3	4	3
Sri Y. K. Dalmia	5	Yes	12	2	-
Smt. Sunita Dalmia	5	Yes	11	2	-
Smt. Neha Singhania	5	Yes	-	4	1
Sri Gagan Goyal	5	Yes	-	1	-

## **SURAJ PRODUCTS LIMITED**

### **2. FAMILIARIZATIONS PROGRAMME FOR INDEPENDENT DIRECTORS**

In terms of Regulation 25(7) and 46 of the Listing Regulations the Company has conducted the Familiarization Programme for Independent Director and provided with necessary documents, report and internal policies to enable them to familiarize with the Company including the nature of the industry in which the Company operates, business model of the Company, roles, rights, responsibilities of IDs and any other relevant information. The details of familiarization programme conducted during the year is being hosted on the website of the Company at [www.surajproducts.com](http://www.surajproducts.com)

### **3. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, the Board has carried out an annual performance evaluation of its own performance; of the Directors individually; as well as the evaluation of the Committees.

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including the Independent Directors and the same has been approved by the Board. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. Independent Directors fulfill the criteria of independence and they are independent of management. The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

### **4. INDEPENDENT DIRECTORS:**

All the Independent Directors of the Company furnished a declaration at the time of their appointment as well as at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his/her status as an independent director that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence in terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the requisite declarations were placed before the Board.

The Board confirms that in its opinion, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

None of the Independent Director of the Company have resigned before the expiry of his/her tenure during the period under review.

### **5. KEY SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:**

The Board of Directors of the Company comprises qualified member who bring in the required skills, expertise and competence to allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensuring that the Board is in well compliance with the highest standards of Corporate Governance.

In terms of SEBI Listing Regulations, 2015, the Company identified the following list of core skills/expertise/competencies as is required in the context of company's business (es) and sector(s) for it to function effectively and those which are actually available with the Board:

## SURAJ PRODUCTS LIMITED

Skills/Expertise/Competence	Details
<b>Behavioral</b>	Fulfilling director's duties and responsibilities, putting the organization's interests before personal interests, acting ethically, active contributor, collaborative, performance oriented and professional.
<b>Financial</b>	Qualifications and/or experience in accounting and/or finance and the ability to analyse key financial statements, leadership of a financial firm or management of the finance functions of an expertise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, auditor or person performing similar functions.
<b>Diversity</b>	Representations of gender, ethnic, geographic, cultural or other prospective that expands the Board's understanding of the needs and viewpoints of the company's customers, partners, employees, governments, and other stakeholders worldwide.
<b>Industry</b>	Experience in the financial services sector in which the company operates. Experience in driving business successfully around the world, with an understanding of diverse environments, economic conditions, cultures, and a broad perspective on global opportunities.
<b>Technology</b>	Significant backgrounds in technology, resulting in knowledge of how to anticipate technological trends, innovations and extend or create new business models.
<b>Strategic Expertise</b>	Ability to understand, critically access and review business strategies including acquisitions and other business combinations.
<b>Board Service and Governance</b>	Service on a public company board to develop insights and maintain board and management accountability, protects shareholder interests and observing appropriate governance practices.

Further in the table below, the specific areas of skills/ expertise/competencies of individual Board members have been highlighted.

Name of Directors	Skills/ Expertise/Competencies						
	Behavioral	Financial	Diversity	Industry	Technology	Strategic Expertise	Board Service and Governance
Sri C.K.Bhartia	✓	✓	✓	✓	✓	✓	✓
Sri Y.K.Dalmia	✓	✓	✓	✓	✓	✓	✓
Smt. Sunita Dalmia	✓	✓	✓	✓	✓	✓	✓
Smt. Neha Singhania	✓	✓	✓	✓	✓	✓	✓
Sri Gagan Goyal	✓	✓	✓	✓	✓	✓	✓

## **SURAJ PRODUCTS LIMITED**

### **6. AUDIT COMMITTEE:**

The Audit Committee consists of, Sri C.K.Bhartia, Smt. Neha Singhania and Sri Gagan Goyal. Sri C.K.Bhartia acts as Chairman of the Committee. During the period under review four Audit Committee meetings were held on 23.06.2021, 28.08.2021, 02.11.2021 and on 27.01.2022.

The composition of the Audit Committee and attendance of its meetings are given below:

<b>Name of the Directors</b>	<b>No. of Audit Committee Meeting Attendance</b>
Sri C.K.Bhartia (Independent Director)	4
Smt. Neha Singhania (Independent Director)	4
Sri Gagan Goyal (Executive Director)	4

#### **Term of reference of the Audit Committee:**

The Committee is entrusted with review of quarterly, half yearly and annual financial statements before submission to the Board. The scope of the audit committee, inter alia, includes review of the Company's financial reporting process, the financial statements; review the adequacy of the internal control systems. The Company Secretary acts as the Secretary of the Committee.

### **7. NOMINATION AND REMUNERATION COMMITTEE:**

A Committee of Directors comprising of, Smt. Neha Singhania, Sri C.K.Bhartia, and Smt. Sunita Dalmia has been formed as Compensation & Remuneration Committee for the purpose of recommending of the Executive Director, Senior Executives and Key Managerial Personnel's remuneration / revision / merit increment and related matters. No sitting fees are payable for the meeting of this Committee. Smt. Neha Singhania acts as Chairman of the Committee.

The purpose of the Remuneration committee of the Company shall be to discharge the Board's responsibilities relating to remuneration of the Company's Executive Directors and Key Managerial Personnel. The committee has overall responsibility for approving and evaluating and recommending plan, policies and programs relating to remuneration of Executive Directors and Key Managerial Personnel of the Company.

#### **PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and based on SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/4 dated 5th January, 2017, the Board followed the formal mechanism for evaluating its annual performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process, whereby a structured questionnaire were prepared covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. Independent Directors' performance is evaluated based on their qualification, experience, knowledge and Quality of contribution to Board deliberations, ability to fulfill allotted functions / roles, attendance at meetings, Strategic perspectives or inputs regarding future growth/ performance of the Company.

## SURAJ PRODUCTS LIMITED

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

The Nomination & Remuneration Committee considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- ✓ Diversity of the Board.
- ✓ Demonstrable leadership skills;
- ✓ Commitment to high standards of ethics, personal integrity and probity;
- ✓ Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- ✓ Having continuous professional development to refresh knowledge and skills.
- ✓ Degree holder in relevant disciplines;
- ✓ Experience of management in a diverse organization;
- ✓ Excellent interpersonal, communication and representational skills.

### 8. MANAGERIAL REMUNERATION:

The remuneration of Managing Director was fixed in the AGM held on 28.09.2018 and the remuneration of Executive Director was fixed in the AGM held on 30.09.2021.

#### (a) REMUNERATION TO DIRECTORS:

Following remuneration was paid to Directors during the Financial Year 2021-22:

Mr. Y.K.Dalmia, Chairman - ₹ 75.50 Lacs (69.50 Lacs)

Mr. Gagan Goyal, Executive Director - ₹ 10.40 Lacs (9.88 Lacs)

#### (b) REMUNERATION TO OTHER DIRECTORS:

Sitting fees of ₹ 50,000/- each paid to Non-Executive Directors for attending each meeting of Board of Directors of the Company.

Sl. no	Particulars of Remuneration	Name of Directors			Total Amount in Lacs
		Sri C.K. Bhartia	Smt. Neha Singhania	Smt. Sunita Dalmia	
1.	Non-Executive Directors				-
	Fees for attending Board Meeting	2.50	2.50	2.50	7.50
	Commission	-	-	-	-
	Others	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2.	Other Non-Executive Director				
	Fees for attending Board Meeting	-	-	-	-
	Commission	-	-	-	-
	Others	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (1+2)</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>7.50</b>

## **SURAJ PRODUCTS LIMITED**

### **9. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Stakeholders Relationship Committee consists of Sri C.K.Bhartia, Smt. Neha Singhania and Smt. Sunita Dalmia. Sri C.K.Bhartia acts as Chairman of the Committee. Sri A.N. Khatua, Company Secretary Serves as the Secretary of the Committee. The Committee to look into redressing of shareholders and investors grievances like transfer of shares, non receipt of Balance sheet, etc.

During the financial year 2021-22 four meetings of the Committee were held on 23.06.2021, 28.08.2021, 02.11.2021 and on 27.01.2022.

No complaints received by the Committee from investors during the year and all of have been resolved. There is no complaint outstanding at the end of the year.

Sri A.N.Khatua acts as Compliance Officer to this Committee under the Security Exchange Board of India (SEBI) Notification.

### **10. CSR COMMITTEE:**

The purpose of our Corporate Social Responsibility and Sustainability Committee is to formulate and recommend to the Board, a Corporate Social Responsibility policy, which shall indicate the initiatives to be undertaken by the Company, recommend the amount of expenditure the Company should incur on Corporate Social Responsibility activities and to monitor from time to time the CSR activities and Policy of the Company. The Committee provides guidance in formulation of CSR strategy and its implementation and also reviews practices and principles to foster sustainable growth of the Company by creating values consistent with long-term preservation and enhancement of financial, manufacturing, natural, social, intellectual and human capital.

#### **COMPOSITION OF CSR COMMITTEE:**

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation/Nature of Directorship</b>	<b>Number of meetings of the Committee held during the year</b>	<b>Number of meetings of the Committee attended during the year</b>
1	Mr. C.K.Bhartia	Chairman: Independent Non-Executive	4	4
2	Mr. Y.K.Dalmia	Member: Non-Independent Executive	4	4
3	Mrs. Neha Singhania	Member: Independent Non-Executive	4	4

. The CSR Policy is available on our website at <https://www.surajproducts.com>.

As the net profit of the Company in the immediate previous year exceeds the threshold limit as per provisions of the Act and hence minimum investment limit in CSR activities is applicable to the Company. Company continues to invest more than 2% of net profit in CSR activities, the details of CSR expenses shown in the Annexure -III of the Directors Report.

### **11. MD/ CFO CERTIFICATION:**

A certificate from the Managing Director & CFO on the Financial Statements of the Company was placed before the Board at its meeting held on 20th May, 2022.

### **12. RISK ASSESSMENT & MINIMIZATION PROCEDURE:**

The risk assessment and its minimization procedures have been laid down by the Company and the same has been informed to board members. The procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

## SURAJ PRODUCTS LIMITED

### REMUNERATION POLICY FOR DIRECTORS:

#### ● NON-EXECUTIVE DIRECTORS:

The Company follows a policy on remuneration of Directors and Senior Management Employees. Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him/her as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Nomination and Remuneration Committee have formulated the criteria for determining qualifications, positive attributes, and independence of a Director in line with the requirements as given under Schedule IV of the Companies Act, 2013. All the Independent Directors have been appointed based on such criteria.

Non-Executive Directors did not draw any remuneration from the Company. Sitting fees to Non-executive and Independent Directors is being paid for each meeting of the Board and Committees.

None of our Non-Executive Directors has any pecuniary relationship or transaction with the Company, except to the extent of shareholding, if any in the Company.

The sitting fees paid to the Non-Executive Directors during the Financial Year 2021-22 are as under:

Name of Non-Executive Directors	Sitting fees (₹in Lac)	
	For Board Meeting	For Committee Meeting
Sri C.K.Bhartia	2.5	-
Smt. Sunita Dalmia	2.5	-
Smt. Neha Singhania	2.5	-
<b>Total</b>	<b>7.5</b>	<b>-</b>

#### ● EXECUTIVE DIRECTORS:

The Nomination and Remuneration Committee takes into account experience, qualification and prevailing industry practices before giving its recommendation to the Board. On recommendation of the Nomination and Remuneration Committee, the Board decides remuneration to be paid to Executive Director, subject to approval of shareholders in terms of provisions of the Companies Act, 2013, read with Schedule V thereof. The Committee aims towards rewarding, on the basis of performance and reviews on a periodical basis. No sitting fee is being paid to the Executive Director.

#### **Details of remuneration paid/payable to all the Directors during the financial year 2021-22:**

The Company has paid managerial remuneration by way of salary to its Managing Director and Whole Time Director and the same is within the limits specified under Schedule V of the Companies Act, 2013 and duly approved by the Board / shareholders of the Company.

#### **Criteria of making payment to Non-Executive directors**

The Company is making payment of sitting fees only to Non-Executive directors for within the limits prescribed under Companies Act, 2013 for payment of sitting fees without approval of Central Government. Thus, requirement of obtaining approval of shareholders in general meeting shall not apply.

## SURAJ PRODUCTS LIMITED

### 13. GENERAL BODY MEETING:

#### a) ANNUAL GENERAL MEETING

Date	Venue	Time	No. of Special Resolution
30th Sept. 2019	Registered Office of the Company at Barpali	11:30 AM	--
21st Sept. 2020	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)	12:30 PM	--
30th Sep, 2021	Registered Office of the Company at Barpali, Po- Kesramal, Rajgangpur, Dist: Sundargarh, Odisha-770017	12:30 PM	2

b) During the year, no resolution was passed through postal ballot in accordance with Section 108 of the Companies Act, 2013.

### 14. DISCLOSURES:

- a) RELATED PARTY DISCLOSURE: There are no materially significant related party transactions with its Promoters, the Directors or the Management and their Subsidiaries or relatives etc. which may have potential conflict with the interest of the Company at large.
- b) NON-COMPLIANCE PENALTIES: During the Financial year, there has been no non-compliance made by the Company and no penalty has been imposed on the Company during the period.
- c) The Board formulated a code of conduct for the Board Members and the Senior Management of the Company. All Board Members and senior management personnel have affirmed their compliance with the code.
- d) During the financial year 2021-22, there is no audit qualification in the Company's Financial Statements.

### 15. MEANS OF COMMUNICATION:

- a) The quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and taken on record by the Board are sent to / filed with the Stock Exchanges where the Company's Shares are listed and then published in various leading newspapers viz. Business Standard (English and Hindi edition) and the Utkal Mail (Oriya daily).
- b) The financial results are displayed on the Company's Website viz: [www.surajproducts.com](http://www.surajproducts.com)
- c) The Management Discussion and Analysis Report is attached with Director's Report in this 31st Annual Report of the Company posted to the Share holders.

### 16. GENERAL INFORMATION FOR SHARE HOLDERS:

#### a. 31st Annual General Meeting:

Day	Date	Time	Venue
Monday	12th September, 2022	4:00 PM	Regd. Office: Vill: Barpali, P. O.: Kesramal (Rajgangpur), Dist.: Sundargarh, Odisha
Date of Book Closure	The Company's Register of members & share books will remain closed from 5th Sep. to 12th Sep., 2022		

b. **Financial Calendar:** Approval of quarterly results: May, August, November and February. Annual General Meeting in September each Year.



## SURAJ PRODUCTS LIMITED

**c. Listing at Stock Exchange:**

- (i) Bombay Stock Exchange Ltd. 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- (ii) Calcutta Stock Exchange Ltd. 7, Lyons Range, Murgighata, Dalhousie, Kolkata, West Bengal 700001

**d.** The respective listing fees for the above Stock Exchanges up to the year 2022-23 have been paid. Stock Code: 518075 at BSE and 13054 at CSE

**e. Dematerialization of shares and liquidity:**

The shares of the Company are dematerialized with Central Depository Services (India) Ltd and National Securities Depository Limited. The addresses of the Depositories are as under:

- |   |  |
|---|--|
| <p><b>1. National Securities Depository Limited</b><br/>(ISIN -INE069E01019)<br/>Trade world, 4th Floor,<br/>Kamala Mills Compound<br/>Lower parel, Mumbai - 400013</p> | <p><b>2. Central Depository Services (India) Limited</b><br/>(ISIN - INE069E01019)<br/>Phiroze Jeejeebhoy Towers,<br/>28th Floor, Dalal Street, Senapati Bapat Marg,<br/>Mumbai - 400023</p> |
|---|--|

No. of Shares held in dematerialized and physical mode as on 31st March, 2022 is as under:

Particulars	No. of Shares	% of total capital issue
Held in dematerialized form in CDSL	94,51,570	82.90
Held in dematerialized form in NSDL	4,48,330	3.93
Physical	15,00,100	13.17
<b>TOTAL</b>	<b>1,14,00,000</b>	<b>100.00</b>

**f. Market price data: Monthly High/ Low price per share during 2021-22:**

Months	BSE Limited	
	High (Rs.)	Low (Rs.)
April, 2021	40.85	33.30
May, 2021	48.00	34.15
June, 2021	63.00	36.75
July, 2021	64.00	49.85
August, 2021	85.95	58.90
September, 2021	76.00	60.75
October, 2021	72.95	64.00
November, 2021	78.30	63.05
December, 2021	121.35	66.55
January, 2022	115.70	91.20
February, 2022	121.45	99.10
March, 2022	121.00	103.80

During the year there was no trading of equity shares on The Calcutta Stock Exchange Ltd.

**g. Public Deposit:**

The Company has not accepted any deposit during the year under review.

**h. Registrar & Share Transfer Agent:**

M/s MCS Share Transfer Agent Limited (Unit: Suraj Products Limited)  
383, Lake Gardens, 1st Floor, Kolkata - 700029 Telephone: 033-40724052  
E-mail: mcssta@rediffmail.com Contact Person: Mr. Partho Mukherjee

## SURAJ PRODUCTS LIMITED

i. **CIN Number:** The CIN of the Company granted by Ministry of Corporate affairs is L26942OR1991PLC002865.

j. **Share Transfer System:**

To enhance ease of dealing in securities markets by investors, SEBI has decided that listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LADNRO/ GN/2022/66 dated January 24, 2022) while processing the service request mentioned in the above notification (viz., Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Transmission, Transposition etc). The transmission or transposition of shares are being processed by the Registrar and Share Transfer Agents, and approved by the Stakeholders Relationship Committee. In order to expedite the process, the Board of Directors has also delegated the authority severally to any Director or the Company Secretary to approve transmission or transposition of shares and accordingly, the Director or the Company Secretary approve the transmission/transposition of shares generally from time to time. This process is reviewed by the Committee.

### 17. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022:

a. **Details of shareholding as on 31st March, 2022**

Category	No. of Shares	% of Share Holding
Promoters Group	84,01,800	73.70
Private Corporate Bodies	1,57,093	1.38
Indian Public	28,41,107	24.92
<b>Total</b>	<b>1,14,000, 00</b>	<b>100.00</b>

b. **Distribution of shareholding as on 31st March, 2022:**

Category	No. of Shares	No. of Shareholder	Percent Shares	Percent Holders
1 - 500	12,50,463	8769	10.9690	94.3207
501 - 1000	2,64,241	303	2.3179	2.3179
1001 - 5000	3,82,621	185	3.3562	1.9899
5001 - 10000	1,45,760	19	1.2786	.2044
10001 - 50000	2,02,289	10	1.7745	.1076
50001 - 100000	2,52,826	3	2.2178	.0323
and Above	89,01,800	8	78.0860	.1063
<b>Total</b>	<b>1,14,00,000</b>	<b>9,297</b>	<b>100.00</b>	<b>100.00</b>

c. **Shareholding pattern as on 31st March, 2022:**

Category	No of shareholders	Total Share	% of Equity
Promoter & Promoter Group	7	84,01,800	73.70
Resident Individuals	9,214	28,07,420	24.63
Body Corporate	76	1,90,780	1.67
<b>Total</b>	<b>9,297</b>	<b>1,14,00,000</b>	<b>100%</b>

### 18. SECRETARIAL AUDIT:

As stipulated by Securities Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

## SURAJ PRODUCTS LIMITED

and the total issued and listed capital. This audit is carried out in every half year and year ending and the report thereon is submitted to Stock Exchanges and is also placed before the Board of Directors.

### 19. CORPORATE ETHICS:

The Company adheres to high standards of business ethics, compliance with various statutory and legal requirements and commitment to transparency in business dealing.

The Company Secretary of the Company is appointed as Compliance Officer and is responsible for adherence to the code.

### 20. WEB- LINK FOR POLICY DETERMINING 'MATERIAL SUBSIDIARIES' :

The Policy for material subsidiary as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company and hence no web-link for the same has been provided.

### 21. COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON - MANDATORY REQUIREMENTS AND DISCRETIONARY REQUIREMENTS:

The Company has complied with the mandatory requirements as stipulated in SEBI LODR Regulations, 2015 with the Stock Exchanges. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges where the shares of the Company listed as required under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further the company has adopted various non mandatory requirements and discretionary requirements under Regulation 27 of SEBI Listing Regulations, 2015:

### 22. POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

Pursuant to the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, your Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization.

The details of complaint for the Financial Year 2021-22 under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are as under:

No. of complaints filed during the year	No. of Complaints disposed of during the year	No. of Complaints pending as on the end of the year
-	-	-

### 23. CERTIFICATION REGARDING NON-DISQUALIFICATION OR NON-DEBARMENT OF DIRECTORS:

The Company has obtained a certificate from M/s L.N.Panda & Associates certifying that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India (SEBI)/ Ministry of corporate Affairs (MCA) or any such Statutory Authority.

### 24. CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT PERSONNEL:

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel and the said code is uploaded on the website of the company at [www.surajproducts.com](http://www.surajproducts.com) All the Board members and senior management personnel have confirmed

## **SURAJ PRODUCTS LIMITED**

compliance with the code . Affirmation regarding compliance of the Code of Conduct by the CEO of the Company has been published elsewhere in this Annual Report.

**25. COMPLIANCE CERTIFICATE OF AUDITORS:**

The Company has obtained a certificate from the Statutory Auditors confirming the compliance with the conditions of Corporate Governance.

**26. PLANT - LOCATION:**

Village - Barpali, Post - Kesramal (Rajgangpur)

Dist - Sundargarh, Odisha, PIN - 770 017

**27. ADDRESS FOR CORRESPONDENCE:**

SURAJ PRODUCTS LIMITED

Village- Barpali, Post - Kesramal (Rajgangpur)

Dist - Sundargarh, Odisha. PIN - 770 017

EPBxNo:-9437049074,E-mail:suproduct@gmail.com,

Web Site: [www.surajproducts.com](http://www.surajproducts.com)

## **SURAJ PRODUCTS LIMITED**

### **Annexure to the Corporate Governance Report:**

#### **AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE UNDER CORPORATE GOVERNANCE CLAUSE OF THE LISTING AGREEMENT(S)**

To  
The members of  
SURAJ PRODUCTS LIMITED

We have reviewed the implementation of Corporate Governance procedures by M/s. Suraj Products Limited during the year ended 31st March, 2022 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our responsibility was limited to review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

As per Schedule of implementation stipulated in clause 49 of the Listing Agreements with Stock Exchanges, the Company is supposed to comply with all the conditions by March, 2022. During the year, initiated steps to set up various Committees and comply with the other requirements during the course of the year in stages.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Corporate Governance Clause of the listing agreements with Stock Exchanges have been substantially complied with by the Company and that no investor grievance(s) is/are pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

We further state that such compliance 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.

35A, Raja Basanta Roy Road,  
2nd Floor, Kolkata - 700029  
Dated: 20th day of May, 2022  
UDIN- 22061505AKJOXU5778

For B D S & Co.  
Chartered Accountants  
(Bharat D Sarawgee)  
Membership No. 061505

## **SURAJ PRODUCTS LIMITED**

### **CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE:**

The Board of Directors  
Suraj Products Limited

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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 year ended 31st March, 2022 which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Barpali

Date: 20th day of May, 2022

Y.K.Dalmia  
Managing Director  
(DIN-00605908)

M.K.Hati  
Chief Financial Officer

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

#### **I. OVERVIEW:**

The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the financial year 2021-22. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) complying with the requirements of Companies Act 2013(Act) and regulations issued by the Securities and Exchange Board of India (SEBI), each as amended from time to time.

**II. EXTERNAL ENVIRONMENT:****1. Global Economy:**

The Global Economy enters 2022 in a weaker position than previously expected. As the new Omicron Covid-19 variant spreads, Countries have re-imposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging markets and developing economies. Further, the ongoing retrenchment of China's real estate sector and slower-than-expected recovery of private consumption and the ongoing tension between Russia and Ukraine have limited the growth prospects.

**2. Economic outlook:**

Global growth is projected to slow-down from an estimated 6.1% in 2021 to 3.6% in 2022 - 0.8 percentage -point lower than what was envisioned in the last World Economic Outlook (WEO) of January 2022, largely reflecting forecast markdowns in USA and China. In USA, a revised assumption of removing the Build Back better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation and continued supply shortages have induced a downgrade in the outlook by 1.2 percentage- points. In China, pandemic-induced disruptions related to the Zero-tolerance COVID-19 Policy and protracted financial stress among property developers have induced a 0.8 percentage- point downgrade. Global growth is expected to slow down to 3.6% in 2023.

Elevated inflation is expected to persist longer, with ongoing supply chain disruptions and high energy prices continuing in 2022. Risk to the Global baseline are tilted to the downside which is primarily brought by the new COVID-19 variant which may prolong the pandemic and induce renewed economic disruptions. Other Global risks may crystalize with the surging geopolitical tensions and the ongoing adverse climate conditions leading to the probability for natural disasters.

With the pandemic continuing to maintain its grip, the emphasis on an effective global health strategy is more salient than ever. Worldwide access to vaccines, tests and treatments have become essential to mitigate the risks posed by new variants of COVID-19. Monetary policy in many Countries will need to curb inflationary pressures, while fiscal policy will need to prioritize health and social spending.

**3. Indian Economy:**

India GDP grew by 8.7% in FY22 compared to a contraction of 6.6% in FY21. Despite the impact of second wave during early part of the financial year, economic activity has continued to recover primarily driven by government induced capex growth. The manufacturing sector has been in expansionary mode compared to contraction a year ago. Moving to services sector, growth was subdued but it has gained momentum since Q4FY22 post decrease in the number of COVID infections and increase in - vaccination rate. Inflation though continues to remain elevated at 5.3%. India's GDP is estimated to grow between 8 - 8.5% in FY23 on the back of strong post-pandemic economic recovery, and a growth-oriented budget, which focuses on infrastructure and other capital spending. However, high inflation, increasing oil prices and supply distortions are "drag on growth".

## **SURAJ PRODUCTS LIMITED**

### **III. STEEL INDUSTRY:**

#### **1. Global steel industry:**

The Global steel industry has partially recovered with increase in global steel production by 3.7% during 2021, compared to 2020. This is primarily due to economies opening up after wide scale vaccinations, gradual commencement of economic activity and significant change in retail consumer behavior mainly in automotive and construction sectors. Further increase in raw material prices mainly concerning coking coal, iron ore and oil & coal have pushed the market prices of steel. Global crude steel production reached at 1,951 MnT in 2021, which was higher by 70 MnT THAN 2020. While China continued to be the largest crude steel producer, there were moderate growth in steel production in Countries such as India, Japan, USA, Germany and Brazil, amongst others, signifying normalcy in operations during the pandemic.

#### **2. Demand Outlook:**

The Short-Range Outlook by World Steel had forecasted that steel demand will grow by 4.5% in 2021 and reach 1,855.4 MnT. It is expected that in 2022, the steel demand will see a further increase of 2.2% to 1,896.4 Mnt. The current forecast assumes that, with the progress of vaccinations across the World, the spread of variants of the COVID-19 virus will be less damaging and disruptive than seen in previous waves. Strong manufacturing activity bolstered by pent-up demand will remain as a significant contributor. The developed economies have outperformed the expectations by a larger margin than the developing economies, reflecting the positive benefit of higher vaccination rates and Government support measures. In the emerging economies, especially in Asia, the recovery momentum was interrupted by the resurgence of pandemic.

While the manufacturing sector's recovery remained more resilient to the new waves of infection than expected, supply-side constraints led to a levelling off the recovery in the second half of the year thereby preventing a stronger recovery in 2021. However with high backlog orders combined with a rebuilding of inventories and further progress in vaccinations in developing Countries, we expect steel demand will continue to recover in 2022. Persistent rising inflation, continued slow vaccination progress in developing Countries and further growth deceleration in China continues to pose threat to this forecast.

#### **3. Indian Steel Industry:**

India's crude steel production in FY22 increased by 16%, to reach 120 MnT. The domestic steel sector witnessed a strong revival in FY22 surpassing the pre COVID - 19 level because of a combination of factors like strong retail demand, green shoots of recovery in white goods and the automobile sector, especially passenger vehicles, tractors, and commercial vehicles. The central government's call for Aatmanirbar Bharat has given a whole new dimension to the Nation. Some of the recent Government initiatives in the Steel Industry include the PLI scheme for specialty steel, Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities.

This high demand is likely to continue in FY23 backed by an uptick in the overall consumption. Construction and infrastructure remain the biggest sector driving the demand for steel. The Government's focus on developing the infrastructure sector is visible in the union budget for 2022-23 with several announcements on new roads and highways, railways, cargo terminals, National Ropeways Development Program for hilly areas and housing projects. This is also helping Commercial Vehicle segment to register a robust growth. The Automobile industry has seen a recovery from Oct'21 onwards the back of an increased affinity for personal mobility amid the pandemic and the demand outlook for the next fiscal year remains upbeat with an expected growth rate of 7-8% but geopolitical tension, fuel inflation and price hikes pose significant downward risk too.



## **SURAJ PRODUCTS LIMITED**

The Russia-Ukraine conflict has caused panic in the market about supply shortage with the result that prices have moved north radically, be it iron ore or coking coal. Prices of steel have also responded to the crisis but its northward movement so far has been limited. Increasing risk of procurement, constraints of financial approval, non-accessibility due to port blockage, growing uncertainty about availability, rising safety and security concerns are among the major factors that have driven sentiments in the commodity markets around the world. To what extent, steel prices would be impacted hinges significantly on the extent of aggravation of the Russia-Ukraine crisis and its longevity.

### **RECEDING IMPACT OF COVID:**

The year 2021 unfolded as the year of recovery, although the pandemic's grip continued over the course of the year. The year ended with downside impacts, such as emergence of the Omicron variant that held back a broader recovery. With slightly receding impact of COVID, the global GDP tread on the path towards recovery, growing at an estimated rate of 5.9% in 2021 from -3.1% in the previous year (Source: IMF World Economic Outlook, January 2022). This was accompanied by exceptional demand for electricity combined with strong economic growth and extreme weather conditions, boosting electricity demand by more than 6% in 2021 (Source: IEA Electricity Market Report, January 2022), the largest increase since 2010. The steep rise in demand strained coal and natural gas supplies, putting upward pressure on electricity prices and impacting end users across countries, especially in China, Europe and India.

### **UPLIFTING RURAL DEMAND:**

The Indian Government is endeavoring to create world class infrastructure in the Country. It is planning to invest Rs. 25 trillion in infrastructure over next three years' Rs. 8 trillion will be used to develop 27 industrial clusters, while Rs. 5 trillion will be used for building roads, railways and port connectivity.

### **CHANGING RURAL DEMAND:**

Indian's rural sector is slowly undergoing a transformation. Consumption patterns of people are slowly changing, facilitated by improved networking. People in villages are seeking information proactively from multiple sources, which also include social media.

### **INDUSTRY STRUCTURE & DEVELOPMENT:**

Sponge iron & pig iron are intermediate products as source of metalics for electric steel making. Other source of metalics is steel scrap. The Sponge iron industry in India is divided into two types, those who are integrated with steel making and those in merchant sector. Suraj Products Limited is slowly graduating from a merchant plant to a steel producer.

In the Modern Economy Steel is a vital component to the development. The strength of steel industry shows the growth & development of all major industrial economies. Consumption of steel is a significant indicator of socio-economic development of the people of the country. Since incubation period for setting up integrated steel plants is large, the growth in demand of steel during the year was met generally by secondary steel sector or through import of steel. One of the sources of metalics for secondary steel making sector is sponge iron and pig iron. Sponge iron industry, therefore, witnessed continued development for its product during the year. The trend is likely to continue in future. With the anticipated increase in rural spending and infrastructure spending, the steel demand is likely to be good.

### **OPPORTUNITIES, THREATS & FUTURE OUTLOOK:**

#### **a) OPPORTUNITIES:**

The sponge iron sector is linked to the Nation's steel sector in such a way that a rise in demand for steel would increase the demand for sponge iron. The various sectors that are expected to

## **SURAJ PRODUCTS LIMITED**

contribute to the growing demand are infrastructure, roads, railways, bridges, airports, industrial plants, buildings, automobiles etc.

The renewed importance given by Government on affordable housing, roads, sagarmala projects and other infrastructure projects are expected to create steel demand, this will augur well for steel industry. As per the National Steel Policy crafted during FY 2017-18, the crude steel production target for India was set at 300 MnT by 2030.

### **b) THREATS:**

Most of the steel producing industries are expected to witness a decline in crude steel output due to production cuts amidst ongoing lockdowns in various States. The COVID-19 pandemic has severely affected economies and industries globally, including steel industry.

The cost of iron ore and coal constitute more than 80% of cost of production. Therefore the profitability of the Company depends on market price of these raw materials. The only way to reduce the cost of iron ore and coal is to have captive mines for these raw materials, which the company does not have. The emergence of large players may pose threat due to their economies of scale.

### **c) OUTLOOK:**

The basic aim of the Company is to be able to produce steel as per market requirements and able to manage market trend to its advantage. Opportunities abound in growing economies and opening of economy in India has created opportunities for Indian enterprise to move beyond national boundaries as well as to create productive assets.

Since infrastructure has linkages to other industries like cement, brick and steel through backward and forward linkages. The outlook for the industry looks reasonable, since India has good iron ore deposits, skilled manpower and growing demand for steel. The improved demand is expected to continue in the fiscal as well as on the back of ongoing Government funded infrastructure projects. In spite of a downturn in the Global steel demand, Indian steel demand could survive showing an upward trend, setting a road ahead for the growth of the domestic industry in the long run. The upward trend is expected to be continued on account of fiscal measures taken by the Government such as infusion of funds for development of infrastructure sector, introduction of stimulus packages for revival of industry besides factors like increase in consumption and production of steel, upcoming infrastructure and Greenfield projects, stabilization of prices etc.

### **RISK AND CONCERN:**

The key risks are global steel demand scenario, domestic steel demand, economic slowdown, increase in financial charges, non-availability (or undue increase in cost) of raw materials such as iron ore, coal, labour etc., coupled with market fluctuations. The Company does not apprehend any inherent risk in long run, with exception of certain primary concerns that have affected the progress of our industry in general like:

- a. Shortage of Labour
- b. Rising manpower and material costs
- c. Approvals and procedural difficulties
- d. Lack of adequate sources of finance.

Apart from this the industry is highly labour intensive and is subject to stringent Labour Laws.

### **SEGMENT- WISE/ PRODUCT- WISE PERFORMANCE:**

In accordance with the Accounting Standard 17 issued by the Companies (Accounting Standards), Rules, 2006 including any further amendments thereof, the Company has a single business segment having four products namely Sponge iron, Pig Iron and MS Ingot/Billets & TMT Bar.

## **SURAJ PRODUCTS LIMITED**

### **COMPANY'S PERFORMANCE:**

Gross Turnover	: ₹ 23,713.93 Lakhs
Profit before Taxation	: ₹ 3,085.63 Lakhs
Profit after Taxation	: ₹ 2,357.92 Lakhs

### **INTERNAL CONTROL SYSTEM & THEIR ADEQUACY:**

The company has adequate and effective internal control system commensurate with its size and nature of business to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly, applicable statutes, the Suraj Products Limited code of conduct and Corporate policies are duly complied with Internal audit and other control are reviewed periodically by Audit Committee.

### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

Company possesses good quality of human resources. The Board wishes to place on record its appreciation for the sustained efforts and devoted contribution made by all the employees for its success. The Human Resources Department of the Company focuses on improving the work culture, employee engagement, effectiveness and efficiency. Various employee engagement inventions carried out in the year has resulted in better performance. On the safety front, the Company is focused on ensuring the safety of all employees. No Loss Time injury was reported during the year. The Company has maintained healthy and cordial industrial relations during the year.

### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

### **SAFETY MEASURES:**

Suraj Products Limited has taken various initiatives during the year in order to safeguard the health of the workers. Unsafe conditions in the plant are regularly inspected by the safety committee and deficiencies are attended immediately.

### **SAFETY TRAINING:**

Training of various Safety Standards is imparted to all employees.

### **HEALTH CHECK- UP:**

About 15 Medical Camps with qualified and experience medical practitioners were conducted in nearby villages and about 950 patients availed the service.

### **CAUTIONARY STATEMENT:**

The Management Discussion and Analysis Report may contain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence the Company's operations such as Government Policies, political and economic developments and such other factors are risk inherent to the Company's growth.

## SURAJ PRODUCTS LIMITED

### INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**SURAJ PRODUCTS LIMITED**  
**Reports on the Financial Statements**

#### Opinion

We have audited the accompanying financial statements of “**M/S. SURAJ PRODUCTS LIMITED**” (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow statement and the statement of changes in equity for the year then ended and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profit including and other Comprehensive Income, its cash flows and the Changes in Equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the standards on auditing (SAs) as 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 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 together with the ethical requirements that are relevant to our audit of the 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 code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and informing 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.

SI. No.	Key Audit Matter	Auditor's Response
1	<b><i>Evaluation of uncertain tax positions</i></b>	<b><i>Principal Audit Procedures</i></b>
	The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	Our procedure included, amongst others, assessing the appropriateness of management's assumptions and estimates in relation to uncertain tax positions, challenging those assumptions and considering advice received by management from external parties to support their position. We have involved our tax specialists to consider management's assessment of the tax positions and related provision/liability accruals when necessary. We concur with management estimates and the outcome of their procedures to determine the relevant provision/ liability.

**Information Other than the 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements**

The Company's Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with companies (Indian Accounting Standards) rules, 2015, as amended. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

In preparing the 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 are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

## **SURAJ PRODUCTS LIMITED**

We also:

- Identify and assess the risks of material misstatement of the 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 are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the 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 financial statements for the financial year ended March 31, 2022 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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

## SURAJ PRODUCTS LIMITED

2. As required by section 143(3) of the Act, we further 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 purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - g) In our opinion the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the company to its directors is in accordance with the provisions of section 197 read with schedule V of the Act;
  - h) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements - Refer Note 32 Sub Note 12 to the Ind AS Financial Statements.
    - ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
    - iii) There has been an occasion in case of the Company during the year under report to transfer sums to the Investor Education and Protection Fund. However there had been no delay in transferring such sums does not arise;
    - iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

## **SURAJ PRODUCTS LIMITED**

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For B D S & Co.  
(Formerly Bharat D Sarawgee & Co.)  
Chartered Accountants  
Firm Registration No. 326264E

Place: Kolkata  
Date: 20th day of May, 2022  
UDIN- 22061505AKJOXU5778

**(Bharat D Sarawgee)**  
Partner  
Membership No.: 061505



## SURAJ PRODUCTS LIMITED

### **Annexure referred to in paragraph 1 under heading Report on Other Legal and Regulatory Requirements of our Report of even date to the members of Suraj Products Limited on the financial statements of the Company for the year ended 31st March, 2022.**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
B) The company has maintained proper records showing full particulars, of intangible assets.
- (b) The fixed assets have been physically verified by the management as per a phased program of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. There were no discrepancy which was noticed in course of such verification.
- (c) The title deed of all immovable properties disclosed in the financial statement are held in the mane of the company,
- (d) There has been no revaluation of assets during the year.
- (e) Based on the information and explanation given to us no proceedings had been initiated against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- ii. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no discrepancies of 10% or more were noticed on physical verification.
- (b) Based on the verification and examination of records done by us there was no material difference between the statements furnished by the company with the banks and the books of accounts and hence no details have been provided for.
- iii. The Company has not made investment in, provided any guarantee or security, or granted any loans, or advances in the nature of loans secured or unsecured, to companies, firms, and Limited liability partnership or other parties.  
Clause (b),(c),(d),(e),(f) are not applicable as company has not made investment in, provided any guarantee or security, or granted any loans, or advances in the nature of loans secured or unsecured, to companies, firms, and Limited liability partnership or other parties.
- iv. In our opinion and as per the information & explanations given to us, the Company has not given any loans during the year and hence, the provisions of Section 185 and 186 of the Act are not applicable to the company.
- v. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits, covered under Section 73 to 76 of the Companies Act, 2013. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section u/s 148(1) of the Companies Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. According to the information and explanations given to us and based on the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues, including Goods & Service Tax, Provident Fund, Employees' State Insurance, custom duty Income-tax, and other material statutory dues, as applicable, with the appropriate authorities in India.

## SURAJ PRODUCTS LIMITED

- a) According to the information and explanations given to us and based on the records of the Company examined by us, no undisputed amount payable in respect of Goods & Service Tax, Provident Fund, Employees' State Insurance, Custom duty, Income-tax, and other material statutory dues, as applicable, were in arrears, as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to information and explanation given to us, there are no disputed dues of Goods & Service Tax, Provident Fund, Employees' State Insurance, and Excise Duty which has not been deposited. The particulars of dues of Sales Tax & Income Tax which has not yet been deposited on account of dispute are as follows:

Name of Statute	Nature of Dues	Amount in ₹	Period to which the amount relates to	Forum where the dispute is pending
The Orissa Sales Tax Act 1947	Dispute regarding ITC	3,68,720	2005-2006 to 2007-2008	Sales Tax Tribunal, Odisha, Cuttack
	Dispute regarding ITC	5,39,432	01.10.2008 to 31.03.2012	
The Orissa Entry Tax Rules, 1999	Entry Tax on Inter-State Purchases	9,70,000	2002-2003 to 2003-2004	Dy. Commissioner (Appeals) Sundargarh Range, Rourkela
	Entry Tax on Inter-State Purchases	2,10,378	01.10.2008 to 31.03.2012	Sales Tax Tribunal, Odisha, Cuttack
	Entry Tax on Inter-State Purchases	10,64,589	01.04.2013 to 31.03.2015	Additional. Commissioner Sales Tax (Appeals), Rourkela
Central Sales Tax, 1956	Non- submission of C- Form Declaration	3,11,693	2004 to 2005	Additional. Commissioner Sales Tax (Appeals), Rourkela
	Non- submission of C- Form Declaration	1,78,849	2008 to 2012	Sales Tax Tribunal, Odisha, Cuttack
Income Tax Act, 1961	Reopening Proceedings U/s 147	17,01,300	2011 to 2012	Commissioner of Income Tax (Appeals)

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) Based on the audit procedures and according to the information and explanations given to us, we report that the company has not defaulted in repayment of loans borrowed and substantial part of the are repayable on demand and hence there is no stipulation to repayment, hence whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender cannot be reported.
- (b) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has applied the term loan taken during the year for the purposes for which it has been obtained.

## SURAJ PRODUCTS LIMITED

- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) The Company has not raised any loans against the pledge of securities and hence reporting on clause 3(ix)(f) of the Order is not applicable
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) There has been no instance of whistle-blower complaints received by the company during the year under audit.
- xii. In our opinion, company is not a Nidhi company and, therefore clause 3(xii) of the order is not applicable.
- xiii. Based upon the audit procedures performed and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial statements as required by the applicable accounting standards;
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) Based on the verification and examination carried out by us the report of the internal auditors had been considered by us.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year under review, therefore clause 3(xv) of the order is not applicable.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Thus clause 3(xvi)(a), (b) & (c) of the Order is not applicable.
- (b) In our opinion, there is no Core Investment Company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. Based upon the audit procedures performed and according to the information and explanations given to us, the company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year;

## **SURAJ PRODUCTS LIMITED**

- xviii. During the year there is no resignation of the Statutory auditors.
- xix. According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that no material uncertainty exists as on the date of audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;
- xx. The Company had spent the amount during the year and is first time liable to attract the provision of sec 135 of the Companies Act, 2013, and has spent the amount liable to be spent and thus, remaining clause (xx) of the Order is not applicable.
- xxi. The company does not have any subsidiaries, joint ventures or associates and hence not required to consolidate accounts and this sub clause is not applicable.

For B D S & Co.  
(Formerly Bharat D Sarawgee & Co.)  
Chartered Accountants  
Firm Registration No. 326264E

**(Bharat D Sarawgee)**  
Partner  
Membership No.: 061505

Place : Kolkata  
Date : 20th day of May, 2022  
UDIN- 22061505AKJOXU5778

## **SURAJ PRODUCTS LIMITED**

**Annexure A referred to in paragraph 2(f) under heading Report on Other Legal and Regulatory Requirements of our Report of even date to the members of Suraj Products Limited on the financial statements of the Company for the year ended 31st March, 2022**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of ('the Company') as of 31st March, 2022 in conjunction with our audit of the 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. 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 over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the 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 over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

## **SURAJ PRODUCTS LIMITED**

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For B D S & Co.  
(Formerly Bharat D Sarawgee & Co.)  
Chartered Accountants  
Firm Registration No. 326264E

**(Bharat D Sarawgee)**  
Partner  
Membership No.: 061505

Place : Kolkata  
Date : 20th day of May, 2022  
UDIN- 22061505AKJOXU5778

## SURAJ PRODUCTS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2022

(Amount in ₹ lakh, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
Non- Current Assets			
a) Property, Plant & Equipment	3	6,780.62	6,924.21
b) Right-of-Use Assets	4	583.57	590.69
c) Financial Assets			
(i) Other Financial Assets	5	354.58	350.96
d) Deferred Tax Assets (Net)	6	-	84.68
e) Other Non Current Assets	7	388.53	65.13
<b>Current Assets</b>			
a) Inventories	8	5,073.57	3,285.28
b) Financial Assets			
i) Trade Receivables	9	634.10	745.23
ii) Cash & Cash Equivalents	10	25.23	338.51
iii) Other Bank Balances	11	77.16	72.89
c) Other Current Assets	12	578.97	494.74
<b>TOTAL</b>		<b>14,496.33</b>	<b>12,952.32</b>
<b>II. EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	13	1,140.00	1,140.00
b) Other Equity	14	6,688.77	4,343.27
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	15	3,187.93	3,839.36
ii) Lease Liability	4	51.32	51.32
iii) Deferred Tax Liability	6	88.93	-
iv) Other Non Current Liabilities	16	49.68	55.35
<b>Current Liabilities</b>			
a) Financial Liabilities			
i) Borrowings	17	2,863.39	2,633.84
ii) Lease Liability	4	35.94	30.81
iii) Trade Payables			
a) total outstanding dues of micro enterprises and small enterprises; and -	18	-	8.64
b) total outstanding dues of creditors other than micro enterprises and small enterprises		217.28	393.90
iv) Other Financial Liabilities	19	7.64	13.93
b) Current Tax Liabilities (Net)	20	23.07	97.40
c) Other current liabilities	21	142.38	344.50
<b>TOTAL</b>		<b>14,496.33</b>	<b>12,952.32</b>
Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements.

#### As per our report attached of even date

FOR B D S & Co.  
Chartered Accountants  
Firm Registration No. 326264E  
**(Bharat D Sarawgee)**  
Partner  
Membership No. 061505

#### For and on behalf of Board of Directors

C. K Bhartia  
Chairman  
DIN-00192694  
Neha Singhanian  
Director  
DIN-06879112  
G. Goyal,  
Executive Director  
DIN-06678938

Y. K. Dalmia  
Managing Director  
DIN-00605908  
S. Dalmia  
Director  
DIN-00605973

Place : Kolkata

Date : 20th day of May, 2022  
UDIN- 22061505AKJOXU5778

M. K. Hati  
Chief Financial Officer

A. N. Khatua  
Company Secretary

## SURAJ PRODUCTS LIMITED

### STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2022

(Amount in ₹ lakh, unless otherwise stated)

Particulars	Note No	For Year ended March 31, 2022	For Year ended March 31, 2021
<b>Revenue</b>			
I. Revenue From Operations	22	23,685.23	21,769.88
II. Other Income	23	28.70	21.16
III. <b>Total Revenue</b>		<b>23,713.93</b>	<b>21,791.04</b>
<b>IV. Expenses</b>			
Cost of Materials Consumed	24	15,189.29	13,723.76
Change in Inventories of Finished Goods	25	257.94	649.94
Manufacturing & Operating Costs	26	2,492.05	3,067.88
Employee Benefits Expense	27	1,113.47	958.43
Finance Costs	28	447.89	706.42
Depreciation and Amortisation Expenses	29	857.99	943.49
Other Expenses	30	269.67	290.13
<b>Total Expenses</b>		<b>20,628.30</b>	<b>20,340.05</b>
V. <b>Profit Before Tax</b>		3,085.63	1,450.99
<b>VI. Less: Tax Expenses</b>			
(a) Current Tax		546.00	263.87
(b) Deferred Tax		178.71	266.61
(c) Income tax earlier year		3.00	3.77
VII. <b>Profit for the year</b>		<b>2,357.92</b>	<b>916.74</b>
<b>VIII. Other Comprehensive Income</b>			
Items that will not be reclassified to statement of profit and loss			
(a) Remeasurement of defined employee benefit plans		(17.52)	19.26
(b) Income tax relating to items that will not be reclassified to profit or loss		5.10	(5.36)
<b>Other Comprehensive Income (net of tax)</b>		<b>(12.42)</b>	<b>13.90</b>
IX. Total Comprehensive Income for the year		<b>2,345.50</b>	<b>930.64</b>
<b>X. Earnings per share (of ₹ 10/-each)</b>			
(a) Basic		20.68	8.04
(b) Diluted		20.68	8.04

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements.

**As per our report attached of even date**

**For and on behalf of Board of Directors**

FOR B D S & Co.  
Chartered Accountants  
Firm Registration No. 326264E  
**(Bharat D Sarawgee)**  
Partner  
Membership No. 061505

C. K Bhartia  
Chairman  
DIN-00192694  
Neha Singhania  
Director  
DIN-06879112  
G. Goyal,  
Executive Director  
DIN-06678938  
Y. K. Dalmia  
Managing Director  
DIN-00605908  
S. Dalmia  
Director  
DIN-00605973

Place : Kolkata

Date : 20th day of May, 2022  
UDIN- 22061505AKJOXU5778

M. K. Hati  
Chief Financial Officer

A. N. Khatua  
Company Secretary



**SURAJ PRODUCTS LIMITED****STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2022**

(Amount in ₹ Lakh, unless otherwise stated)

**A. Equity Share Capital**

Particulars	As at 31.03.2022	As at 31.03.2021
Equity Share at the Beginning of the year	1,140.00	1,140.00
Changes in Equity Share Capital due to Prior period error	-	-
Restated Balance at the Beginning of the year	1,140.00	1,140.00
Changes in Equity Share Capital during the year	-	-
<b>Equity Share at the end of the year</b>	<b>1,140.00</b>	<b>1,140.00</b>

**B. Other Equity**

Particulars	Securities Premium	Retained Earnings	Total
<b>Balance as of April 1, 2020</b>	<b>547.00</b>	<b>2,865.63</b>	<b>3,412.63</b>
Changes in equity for the year ended March 31, 2021	-	-	-
Profit for the year	-	916.74	916.74
Other comprehensive income		13.90	13.90
<b>Balance as of March 31, 2021</b>	<b>547.00</b>	<b>3,796.27</b>	<b>4,343.27</b>
Changes in equity for the year ended March 31, 2022	-	-	-
Profit for the year	-	2,357.92	2,357.92
Other comprehensive income		(12.42)	(12.42)
<b>Balance as of March 31, 2022</b>	<b>547.00</b>	<b>6,141.77</b>	<b>6,688.77</b>

The accompanying notes are an integral part of these financial statements.

**As per our report attached of even date**

FOR B D S & Co.  
Chartered Accountants  
Firm Registration No. 326264E

**(Bharat D Sarawgee)**

Partner  
Membership No. 061505

Place : Kolkata

Date : 20th day of May, 2022

UDIN- 22061505AKJOXU5778

**For and on behalf of Board of Directors**

C. K Bhartia  
Chairman  
DIN-00192694

Neha Singhania  
Director  
DIN-06879112

G. Goyal,  
Executive Director  
DIN-06678938

Y. K. Dalmia  
Managing Director  
DIN-00605908

S. Dalmia  
Director  
DIN-00605973

M. K. Hati  
Chief Financial Officer

A. N. Khatua  
Company Secretary

## SURAJ PRODUCTS LIMITED

### CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

(Amount in ₹ Lakh, unless otherwise stated)

		<u>Year Ended March 31, 2022</u>	<u>Year Ended March 31, 2021</u>
A	Cash Flow from Operating Activities		
	Net Profit before Tax	3085.63	1450.99
	<b>Add/(Deduct)</b>		
	Depreciation and amortisation expense	857.99	943.49
	Profit on Sale of Fixed Assets	-	(3.28)
	Finance Cost	<u>447.89</u>	<u>706.42</u>
	<b>Operating Cash Profit before Working Capital</b>	<b>4391.51</b>	<b>3097.62</b>
	<b>Add / Deduct</b>		
	Increase/(Decrease) in Trade Payable	(185.26)	(908.10)
	(Increase)/Decrease in Trade & Other receivable	9.38	(124.33)
	(Increase)/Decrease in Inventories	(1,788.30)	1439.86
	(Increase)/Decrease in Other Financial Assets	(3.62)	(71.69)
	Increase/(Decrease) in Other Current & Non Current Liabilities	(202.64)	8.72
	(Increase)/Decrease in Advances	<u>(323.41)</u>	<u>(3.52)</u>
	<b>Cash flow from Operation</b>	<b>1897.66</b>	<b>3438.56</b>
	Direct Tax (net of refund)	<u>(623.33)</u>	<u>(156.86)</u>
	<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>1274.33</b>	<b>3281.70</b>
B	<b>Cash Flow from Investing Activities</b>		
	Purchase of Property, Plant & Equipment	(707.27)	(231.97)
	Sale of Fixed Assets	-	3.40
	<b>Net Cash Outflow from Investing Activities</b>	<b>(707.27)</b>	<b>(228.57)</b>
C	<b>Cash Flow from Financing Activities</b>		
	(Repayment)/Proceeds from Long -Term Borrowing(Net)	(651.43)	(1205.28)
	Proceeds from Short -Term Borrowing (Net)	229.54	(895.19)
	Unpaid Dividend transferred to Statutory Fund	(6.28)	(5.08)
	Financial Cost	<u>(447.90)</u>	<u>(706.42)</u>
	<b>Net Cash Flow from Financing Activities</b>	<b>(876.07)</b>	<b>(2811.97)</b>
	<b>Net Cash Flow during the Year(A+B+C)</b>	<b>(309.01)</b>	<b>241.16</b>
	Cash and Cash Equivalent (Opening Balance)	411.40	170.24
	Cash and Cash Equivalent (Closing Balance)	<u>102.39</u>	<u>411.40</u>
		<b>(309.01)</b>	<b>241.16</b>
	Cash and its Components		
	Cash on hand	20.16	17.30
	Bank Balances	5.07	321.21
	Cash & Bank balances as per Note 10	25.23	338.51
	Add: Other Bank Balances as per Note 11	<u>77.16</u>	<u>72.89</u>
		<b>102.39</b>	<b>411.40</b>

**Note:**

Other Bank Balances include dividend of ₹ 7.64 lakh (Previous Year ₹ 13.93 lakh) which is not available for use by the company as they represent corresponding unpaid dividend liability.

- Cash Flow Statement has been prepared following the indirect method as set out in Ind AS -7 specified under Section 133 of the Companies Act, 2013 except in case of interest paid / received, purchase and sale of Investments which have been considered on the basis of actual movements of cash with necessary adjustments in the corresponding assets and liabilities.
- Cash and Cash Equivalents represent Cash & Bank balances.

Significant Accounting Policies (as per Note 2)

The accompanying notes are an integral part of these financial statements.

**As per our report attached of even date**

FOR B D S & Co.  
Chartered Accountants  
Firm Registration No. 326264E  
**(Bharat D Sarawgee)**  
Partner  
Membership No. 061505

**For and on behalf of Board of Directors**

C. K Bhartia Chairman DIN-00192694	Y. K. Dalmia Managing Director DIN-00605908
Neha Singhania Director DIN-06879112	S. Dalmia Director DIN-00605973
G. Goyal, Executive Director DIN-06678938	

Place : Kolkata

Date : 20th day of May, 2022  
UDIN- 22061505AKJOXU5778

M. K. Hati  
Chief Financial Officer

A. N. Khatua  
Company Secretary

**NOTES TO FINANCIAL STATEMENTS****1. CORPORATE INFORMATION**

Suraj Products Limited ('SPL' or 'the company') is a public limited company incorporated in India with its registered office at Vill: Barpali, PO; Kesarmal, Rajgangpur, Dist: Sundargarh, Odisha is engaged in production of Sponge Iron by direct reduction of Iron Ore, Pig Iron, Ingots/Billet, TMT Bars & Generation of Power. Company share are listed & traded in Bombay stock Exchange and Calcutta Stock Exchange.

**2. BASIS OF PREPARATION & PRESENTATION****A. Statement of Compliance with Ind AS:**

The Financial Statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 & the provisions of the Act (to the extent notified) and guidelines issued by Securities Exchange Board of India (SEBI).

The Financial statements for the year ended 31st March, 2022 were approved by the Board of Directors and authorized for issue on 20th day of May, 2022.

**B. Historical Cost Convention:**

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans - plan assets measured at fair value;

**C. Use of Estimates & Judgments:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ.

Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets & liabilities within the next financial year, are in respect of useful life of property, plant & equipment, valuation of deferred tax liabilities, provisions and contingent liabilities. The accounting policies followed by the company for the same have been disclosed in subsequent notes.

**D. Revenue Recognition:**

Sales are recognized on the basis of the fair value of the consideration, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Expenses are accounted for on accrual basis and provision is made for all expenses.

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the asset to that asset's net carrying amount on initial recognition.

**E. Leases:**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

## **SURAJ PRODUCTS LIMITED**

### **Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### **Right- of- use assets**

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold Land - 90 years.

### **Lease Liabilities**

The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments

### **F. Property, Plant & Equipment & Depreciation:**

Property, Plant & Equipment is stated at cost net of recoverable taxes less accumulated depreciation and cumulative impairment loss, if any. All costs, including financing costs till commencement of commercial production are capitalized.

- a) Depreciation has been provided on pro-rata basis on assets acquired after 01.04.2002 on a written down value Method and on assets acquired prior to 01.04.2002 on a straight-line basis method. Freehold land is not depreciated.
- b) The Company depreciates its Property, plant & equipment over the useful life in the manner prescribed in Schedule II of the Act.
- c) Depreciation, useful lives and residual values are reviewed periodically, at each financial year end.
- d) No depreciation is charged on the assets disposed off / discarded during the year.

### **G. Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation and cumulative impairment loss, if any. All costs, including financing costs till commencement of commercial production are capitalized.

### **H. Inventories:**

Inventories are valued at Cost or Net Realisable Value whichever is lower.

- a) In case of Raw Material, Stores and spares, consumables, the cost includes duties and taxes (net of GST wherever applicable) and is arrived on weighted average cost basis.
- b) Cost of Finished goods includes the cost of raw material, cost of conversion and other manufacturing costs incurred in bringing the inventories to their present location and condition.

**I. Employees Benefits:****Short Term Obligation**

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

In view of Ind AS-19 earned leave which cannot be carried forward to future periods are "short term" benefit only if the employees are entitled to either encash or utilize the benefits during the period of twelve months following the end of the accounting period (when they became entitled to the leave). In other cases the benefit is required to be treated as "long term". According to the policy of the company, no leave can be carried forward beyond the end of the financial year. Accordingly all leave granted has been accounted for in the current financial year.

**Post Employment obligation**

The company operates the following post employments scheme:

- (i) Defined benefit plans such as gratuity, and
- (ii) Defined contribution plan such as provident fund, etc.

**Defined Benefit Plans**

The liabilities or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefits obligation is calculated annually by actuaries using the projected unit credit method.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Defined Contribution plan**

The Company makes defined contribution to Employees Provident Fund Organisation (EPFO), Pension Fund, and Employees State Insurance (ESI), which are accounted on accrual basis as expenses in the statement of Profit and Loss in the period during which the related services are rendered by employees.

## **SURAJ PRODUCTS LIMITED**

### **J. Accounting For Taxation:**

#### **Current Tax:**

Provision for current taxation is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income Tax Act, 1961.

#### **Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### **K. Borrowing Cost:**

Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

### **L. Impairment of Assets:**

The carrying values of assets/cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the Statement of Profit and Loss.

### **M. Earnings Per Share:**

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to the shareholders by the weighted average number of equity shares outstanding during the year. For purpose of calculating diluted earnings per share, the net profit or loss for the year and weighted number of shares outstanding during the year are adjusted for the effects of dilutive potential equity shares.

**N. Provisions and Contingent Liabilities:**

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

**O. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**P. Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are measured at fair value except when amortised cost approach is used. Transaction costs that is directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition): the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition): the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised in profit or loss for FVTOCI debt instruments. All other financial assets are subsequently measured at fair value.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument

## **SURAJ PRODUCTS LIMITED**

and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

### **Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

### **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

### **Financial liabilities and equity instruments**

#### **Classification as debt or equity**

Debt and equity instruments issued by Company are classified as either financial liabilities or as' equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

#### **Financial liabilities**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' Line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability. All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

#### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.



**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS****3: PROPERTY, PLANT & EQUIPMENT**

Amount (₹ In Lakhs)

Gross Block	Land (Freehold)	Factory Building	Plant & Equipment	Pollution Control Equipment	Electric Installation	Motor Vehicles	Furniture & Fixtures	Others	Power Plant	Total
Balance as at 1st April, 2020	56.55	1,028.72	3,116.77	869.85	1,316.44	360.70	22.01	2,276.92	3,253.76	12,301.72
Additions during the year	-	29.04	149.65	-	5.81	47.46	-	-	-	231.96
Sales during the year	0.12	-	-	-	-	-	-	-	-	0.12
Balance as at 31st March, 2021	56.43	1,057.76	3,266.42	869.85	1,322.25	408.16	22.01	2,276.92	3,253.76	12,533.56
Additions during the year	-	129.80	438.76	124.98	-	-	-	13.73	-	707.27
Sales during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	56.43	1,187.56	3,705.18	994.83	1,322.25	408.16	22.01	2,290.65	3,253.76	13,240.83
Accumulated Depreciation										
Balance as at 1st April, 2020	-	559.36	1,184.79	600.55	620.89	239.09	20.23	906.30	541.77	4,672.98
Charge for the year	-	41.69	244.18	28.70	176.08	39.08	0.33	196.60	209.71	936.37
Reversal on sales during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	-	601.05	1,428.97	629.25	796.97	278.17	20.56	1,102.90	751.48	5,609.35
Charge for the year	-	40.36	252.86	27.88	131.39	37.23	0.24	167.83	193.07	850.86
Reversal on sales during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2022	-	641.41	1,681.83	657.13	928.36	315.40	20.80	1,270.73	944.55	6,460.21
Net Block	-	-	-	-	-	-	-	-	-	-
Balance as at 1st April, 2020	56.55	469.36	1,931.98	269.30	695.55	121.61	1.78	1,370.62	2,711.99	7,628.74
Balance as at 31st March, 2021	56.43	456.71	1,837.45	240.60	525.28	129.99	1.45	1,174.02	2,502.28	6,924.21
Balance as at 31st March, 2022	56.43	546.15	2,023.35	337.70	393.89	92.76	1.21	1,019.92	2,309.21	6,780.62

Note: 1 Refer Note 15 for assets pledged as security for borrowing

2. Title deeds of all Immovable Properties are held in the of the Company

## **SURAJ PRODUCTS LIMITED**

### **NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

(Amount in ₹ Lakh, unless otherwise stated)

	<u>As at</u> <u>31st March-22</u>	<u>As at</u> <u>31st March-21</u>
<b>4 RIGHT-OF-USE ASSETS</b>		
<b>Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:</b>		
<b>Particulars</b>		
<b>Leasehold Land</b>		
Opening Balance	590.69	597.81
Additions	-	-
Depreciation Expense	7.12	7.12
Termination / Adjustment	-	-
Closing Balance	<u>583.57</u>	<u>590.69</u>
<b>Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year:</b>		
<b>Particulars</b>		
Opening Balance	82.13	77.00
Additions	-	-
Accretion of Interest	5.13	5.13
Payment	-	-
Closing Balance	<u>87.26</u>	<u>82.13</u>
Current	<b>35.94</b>	<b>30.81</b>
Non Current	<b>51.32</b>	<b>51.32</b>
The effective interest rate for lease liabilities is 10%.		
The following are the amounts recognised in profit or loss:		
<b>Particulars</b>		
Depreciation expense of right-of-use assets	7.12	7.12
Interest expense on lease liabilities	5.13	5.13
<b>Total amount recognised in profit or loss</b>	<u><b>12.25</b></u>	<u><b>12.25</b></u>
<b>5 Other Financial Assets</b>		
Earmarked Balances with Banks	72.75	71.69
Deposit with TPWODL	256.14	256.14
Deposits with Other	25.69	23.13
	<u><b>354.58</b></u>	<u><b>350.96</b></u>

## SURAJ PRODUCTS LIMITED

### NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

<b>6</b>	<b>Deferred Tax Assets/ (Liabilities) (Net)</b>		
	<b>(a) Deferred tax Liability on account of:</b>		
	(i) Property, plant and equipments and Intangible Assets	342.88	213.29
	(ii) Items allowable for tax purpose on payments/ adjustment	0.26	5.36
	<b>Total</b>	<b><u>343.14</u></b>	<b><u>218.65</u></b>
	<b>(b) Deferred Tax Asset on account of:</b>		
	(i) MAT Credit Entitlement	254.21	303.34
	<b>Total</b>	<b><u>254.21</u></b>	<b><u>303.34</u></b>
	<b>Net Deferred tax (Assets)/Liabilities [a-b]</b>	<b>(88.93)</b>	<b>84.68</b>
	<b>Details of treatment of Deferred tax</b>		
	Opening Deferred Tax Assets / (liabilities)	84.68	356.65
	Add: During the year		
	- through Profit and Loss	(178.71)	(266.61)
	- through Other comprehensive income	5.10	(5.36)
	Closing Deferred Tax liabilities / (assets)	<b><u>(88.93)</u></b>	<b><u>84.68</u></b>
	<b>Reconciliation of statutory rate of tax and effective rate of tax:</b>		
	<b>Profit before income tax</b>	<b>3,085.63</b>	<b>1,450.99</b>
	Enacted income tax rate in India	<b>29.12%</b>	<b>27.82%</b>
	Current tax provision on Profit before income tax at enacted income tax rate in India	<b>898.54</b>	<b>403.67</b>
	<b>Adjustments:</b>		
	Tax on Allowances / incentives allowed under Income Tax act	(514.33)	(321.06)
	Non deductible expenses for tax purposes	505.72	554.91
	Income Taxable under the head	-	0.69
	Incurring / (Utilisation) of unabsorbed depreciation, business loss, Mat Tax	(172.10)	(118.08)
	Tax Impact of earlier years	3.00	3.77
	Other Adjustment	6.88	10.36
		<b><u>727.71</u></b>	<b><u>534.26</u></b>
<b>7</b>	<b>Other Non Current Assets</b>		
	Balance with Revenue Authorities	61.16	61.16
	Advances for Capital Goods	325.37	0.54
	Prepaid Expenses	2.00	3.43
		<b><u>388.53</u></b>	<b><u>65.13</u></b>

## SURAJ PRODUCTS LIMITED

### NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 8 Inventories

(At lower of cost or net realisable value)

Raw Materials	3,934.73	1,927.91
Finished Goods	683.64	941.58
Stores & Spares	455.20	415.79
	<u>5,073.57</u>	<u>3,285.28</u>

#### 9 Trade Receivables (at amortised cost)

Unsecured, Considered Good	634.10	745.23
	<u>634.10</u>	<u>745.23</u>

#### 9.1 Trade receivables Ageing Schedule- Based on the requirements of Amended Schedule III

Particulars	Outstanding from due date of Payment as on 31st March, 2022					
	Less than 6 months	6 months – 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total*
(i) Undisputed Trade Receivables - considered good	634.10	-	-	-	-	634.10
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>634.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>634.10</b>

Particulars	Outstanding from due date of Payment as on 31st March, 2021					
	Less than 6 months	6 months – 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total*
(i) Undisputed Trade Receivables - considered good	745.23	-	-	-	-	745.23
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>745.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>745.23</b>

The company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS-109 "Financial Instruments" requires expected credit losses to be measured through a loss allowance. The company has used a practical expedient & adjusted for forward looking information to compute expected credit losses. Based on historical credit loss experienced for the company & considering forward looking information, there is no expected credit loss allowance on trade receivables.

#### 10. Cash and Bank Balances

##### Cash and Cash Equivalents

(a) Cash on Hand	20.16	17.30
(b) Balance with Banks		
Current Accounts	5.07	321.21
	<u>25.23</u>	<u>338.51</u>

#### 11. Other Bank Balances

Unpaid Dividend Account-Earmarked Balances	7.64	13.93
Deposit with Maturity of more than 3 months but less than 12 months	69.52	58.96
	<u>77.16</u>	<u>72.89</u>

## SURAJ PRODUCTS LIMITED

### 12. Other Current Assets

(Unsecured , Considered Good)

Balance with Revenue Authorities	0.44	1.17
Advances to suppliers	522.07	390.94
Gratuity Plan Assets (Net of liabilities)	18.51	36.24
Others	37.95	66.39
	<b>578.97</b>	<b>494.74</b>

### 13. Equity Share Capital

**Authorised :**

120,00,000 Equity shares of ₹ 10 each	1,200.00	1,200.00
---------------------------------------	----------	----------

**Issued, Subscribed & Fully Paid up Capital**

114,00,000 Equity shares of ₹ 10 each	1,140.00	1,140.00
<b>Total</b>	<b>1,140.00</b>	<b>1,140.00</b>

#### (a) Reconciliation of Number of Shares

Shares outstanding as at 1st April 2021/1st April 2020	1,14,00,000	1,14,00,000
Add. Number of shares issued during the year	-	-
Shares outstanding as at 31st March 2022 / 31st March 2021	<b>1,14,00,000</b>	<b>1,14,00,000</b>

#### (b) Rights, Preferences & Restrictions attached to Shares

The company has issued one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.

The Board of Directors of the Company has at its meeting held on 20th May 2022 recommended a final dividend of ₹ 1.10 per share for the year ended 31st March 2022 (Previous year nil)

#### (c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31-03-2022		As at 31-03-2021	
	No of shares	% of holding	No of shares	% of holding
NIP Power Private Limited	28,27,000	24.80%	28,27,000	24.80%
Molisati Vinimay Private Limited	25,50,000	22.37%	25,50,000	22.37%
Yogesh Kumar Dalmia	14,91,500	13.08%	14,91,500	13.08%
Sunita Dalmia	7,72,400	6.78%	7,72,400	6.78%

## SURAJ PRODUCTS LIMITED

### (d) Disclosure of shareholding of promoters

Name of the shareholder	As at 31-03-2022			As at 31-03-2021		
	No of shares	% of holding	% of Change	No of shares	% of holding	% of Change
Yogesh Kumar Dalmia	14,91,500	13.08%	-	14,91,500	13.08%	-
Sunita Dalmia	7,72,400	6.78%	-	7,72,400	6.78%	-
Nandita Dalmia	1,10,000	0.96%	-	1,10,000	0.96%	-
Nivedita Dalmia	1,10,900	0.97%	-	1,10,900	0.97%	-
Balbhadra Infratech Pvt Ltd	5,40,000	4.74%	-	5,40,000	4.74%	-
Molisati Vinimay Pvt Ltd	25,50,000	22.37%	-	25,50,000	22.37%	-
NIP Power Pvt Ltd	28,27,000	24.80%	-	28,27,000	24.80%	-

### 14. Other Equity

#### (a) Securities Premium

Securities premium is used to record premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013

The details of movement in securities premium is as below

Balance at the beginning of the year	547.00	547.00
Received /transfer on issue of shares during the ayear	-	-
Balance at the end of the year	<u>547.00</u>	<u>547.00</u>
	<u>547.00</u>	<u>547.00</u>

#### (b) Retained Earnings

Opening balance	3,796.27	2,865.63
Add: Profit for the year	2,357.92	916.74
Add: Other Comprehensive Income	<u>(12.42)</u>	<u>13.90</u>
Closing Balance	<u>6,141.77</u>	<u>3,796.27</u>
<b>Total</b>	<b><u>6,688.77</u></b>	<b><u>4,343.27</u></b>

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

### 15. Borrowings (at amortised cost)

#### Secured Loan

i) Term Loan From Canara Bank	2,372.84	3,071.07
ii) Vehicle Loan From Bank	12.58	58.33
	<u>2,385.42</u>	<u>3,129.40</u>

#### Unsecured Loan

i) From Related Parties	802.51	709.96
	<u>802.51</u>	<u>709.96</u>
<b>Total</b>	<b><u>3,187.93</u></b>	<b><u>3,839.36</u></b>

## SURAJ PRODUCTS LIMITED

### Nature of Security and terms of repayment for Secured borrowings

#### Nature of Security

#### Terms of Repayment

- |  |   |
|--|---|
| a) Term loan amounting to ₹ 2.07 Crores (P.Y. ₹ 9.57 Crores) is secured by EMT of 3MW Waste heat re-cover boiler based power plant and induction furnace built out of the term loan and collaterally secured against all fixed assets of the company and further secured by personal guarantee of two directors and Fixed Deposit Receipts of ₹ 54 lacs. | Repayable in 24 quarterly instalment commencing from May 2018, Last installment due in November, 2022, Rate of interest 7.50% (P.Y.9.50%)   |
| b) Term loan amounting to ₹ 5.54Crores (P.Y. ₹ 8.00 Crores) is secured by EMT of 3MW AFBC based power plant and Steel Melting Shop built out of the term loan and collaterally secured against all fixed assets of the company and further secured by personal guarantee of two directors and Fixed Deposit Receipts of ₹ 54 lacs.                       | Repayable in 20 quarterly instalment commencing from April 2019, Last installment due in April, 2024, Rate of interest 7.50% % (P.Y.9.50%)  |
| c) Term loan amounting to ₹ 8.13 Crores (P.Y. ₹10.05) is secured by EMT of Rolling Mill and Induction Furnace built out of the term loan and collaterally secured against all fixed assets of the company and further secured by personal guarantee of two directors and Fixed Deposit Receipts of ₹ 54 lacs.  | Repayable in 24 quarterly instalment commencing from June 2020, Last installment due in June 2026, Rate of interest 7.50 % (P.Y.9.50%)      |
| d) Working Capital Demand Loan amounting to ₹ 0.14 Crores (P.Y. ₹ 1.81) is secured by hypothecation stock & bookdebts and EMT of all the fixed assets of the company and and further secured by personal guarantee of two directors and Fixed Deposit Receipts of ₹ 54 lacs.   | Repayable in 18 monthly instalment commencing from November 2020, Last installment due in April 2022, Rate of interest 6.90 % (P.Y.Nil)     |
| e) Working Capital Term loan amounting to ₹ 10.06 Crores (P.Y. ₹ 10.50) is secured by hypothecation of stock & bookdebts and EMT of all the fixed assets of the company and further secured by personal guarantee of two directors and Fixed Deposit Receipts of ₹ 54 lacs.  | Repayable in 48 monthly instalments commencing from February 2022, Last installment due in January 2026, Rate of interest 7.50 % (P.Y. Nil) |
| f) Working Capital Term loan amounting to ₹ 5.25 Crores (P.Y. ₹ Nil) is secured by hypothecation of stock & bookdebts and EMT of all the fixed assets of the company and further secured by personal guarantee of two directors and Fixed Deposit Receipts of ₹ 54 lacs.   | Repayable in 48 monthly instalments commencing from January 2024, Last installment due in December 2027, Rate of interest 7.50 % (P.Y. Nil) |
| g) Vehicle loans from HDFC Bank is secured by hypothecation of the vehicle financed.   | Repayable in 36 monthly instalment commencing from the date of sanction of loan.  |

Instalments falling due in respect of all the loans & lease upto 31.03.2023 have been grouped under "Short Term Borrowings".

#### 16 Other Non Current Liabilities

Creditors for Capital Goods	49.68	55.35
	<b>49.68</b>	<b>55.35</b>

## SURAJ PRODUCTS LIMITED

### 17 Borrowings (at amortised cost)

#### Secured

Working Capital Loan	2,070.36	1,648.21
Current Maturity of Long Term Borrowings	793.03	985.63
	<b>2,863.39</b>	<b>2,633.84</b>

Working capital loan is secured by hypothecation of present and future stock of raw material, stock-in-process, finished goods, stores, spares, book debts & personal guarantee of two directors.

### 18 Trade Payables (at amortized cost)

Trade Payables to micro & small enterprises	-	8.64
Trade Payables to others	217.28	393.90
	<b>217.28</b>	<b>402.54</b>

#### 18.1 Trade Payables Ageing Schedule - Based on the requirements of Amended Schedule III

Particulars	Outstanding from due date of Payment as on 31st March, 2022				
	Less than 1 Year	1-2 yrs	2-3 yrs	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	208.91	8.37	-	-	217.28
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-
<b>Total</b>	<b>208.91</b>	<b>8.37</b>	<b>-</b>	<b>-</b>	<b>217.28</b>

Particulars	Outstanding from due date of Payment as on 31st March, 2021				
	Less than 1 Year	1-2 yrs	2-3 yrs	More than 3 years	Total
(i) MSME	8.64	-	-	-	8.64
(ii) Others	393.90	-	-	-	393.90
(iii) Disputed MSME	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-
<b>Total</b>	<b>402.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>402.54</b>

Disclosure as required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

#### 18.2 Particulars

	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
Principal amount remaining unpaid to any supplier as at the end of the year	-	8.64
Interest due on the above amount	-	-
Amount of interest paid in terms of Section 16 of the MSMED Act, 2006	-	-
Amount of payments made to the suppliers beyond the appointed day during the year	-	-



## SURAJ PRODUCTS LIMITED

Amount of interest due and payable for the delay in making the payment but without adding the interest specified under Act	-	-
Amount of interest accrued and remaining unpaid at the end of the year.	-	-
<b>19. Other Financial Liabilities</b>		
Unpaid Dividend	7.64	13.93
	<u>7.64</u>	<u>13.93</u>
<b>20. Current Tax Liabilities (Net)</b>		
Income Tax (net of provisions)	23.07	97.40
	<u>23.07</u>	<u>97.40</u>
<b>21. Other Current Liabilities</b>		
Statutory Dues Payable	110.80	276.97
Due to employees	16.76	15.59
Advances From Customers	14.82	51.94
	<u>142.38</u>	<u>344.50</u>
<b>22. Revenue From Operations</b>		
Sale of Manufactured Products		
Sponge Iron	5,453.56	118.34
Pig Iron	5,399.34	3,553.82
Ms Billet/Ingot	2,013.75	2,316.00
TMT Bar	10,358.28	15,009.55
Others	460.30	772.17
	<u>23,685.23</u>	<u>21,769.88</u>
<b>23. Other Income</b>		
Interest Received	19.20	17.88
Profit on sale of Fixed Assets	-	3.28
Rental Income	9.50	-
	<u>28.70</u>	<u>21.16</u>
<b>24. Cost of Materials Consumed (Indegenous)</b>		
<b>Materials Consumed Comprises of:</b>		
Iron ore	3,322.09	2,639.63
Coal	2,420.80	2,028.75
Coke	4,762.44	4,093.67
Others	4,683.96	4,961.71
	<u>15,189.29</u>	<u>13,723.76</u>
<b>25. Change in Inventories of Finished Goods</b>		
Opening Stock	941.58	1,591.52
Closing Stock	683.64	941.58
	<u>257.94</u>	<u>649.94</u>

## SURAJ PRODUCTS LIMITED

### 26. Manufacturing & Operating Costs

Consumption of stores, spares & consumables	1,393.43	1,321.56
Power & Fuel	930.07	1,599.58
Repairs to Plant & Machinery	101.70	100.80
Repairs to Others	28.72	11.87
Insurance Charges	28.92	27.06
Others Manufacturing & Operating Expenses	9.21	7.01
	<b>2,492.05</b>	<b>3,067.88</b>

Entire Stores & spares consumed is Indigenous.

### 27. Employee Benefits expense

Salaries, Wages & Bonus	1,032.80	884.18
Contribution to Provident and Other Funds	52.68	42.56
Contribution to Gratuity Fund	4.23	6.24
Staff Welfare Expenses	23.76	25.45
	<b>1,113.47</b>	<b>958.43</b>

### 28. Finance Costs

Interest -Bank	349.66	487.60
Interest - Others	77.39	198.49
Interest on Lease Liability (Refer Note 4)	5.13	5.13
Other Borrowing Costs	15.71	15.20
	<b>447.89</b>	<b>706.42</b>

### 29. Depreciation & Amortisation Expenses

Depreciation of Tangible Assets (Refer Note 3)	850.87	936.37
Depreciation of Right of Use Assets (Refer Note 4)	7.12	7.12
	<b>857.99</b>	<b>943.49</b>

### 30. Other Expenses

Rates & Taxes	31.83	33.38
Auditor's Remuneration		
- Statutory Audit	1.45	1.20
- Tax Audit	0.75	0.50
CSR Expenses	36.93	-
Peripheral Development Expenses	4.10	32.43
Security Service Charges	39.79	38.82
Outward Freight	37.96	37.17
Other Expenses	116.86	146.63
	<b>269.67</b>	<b>290.13</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**31. Related party disclosures as identified by the management and relied upon by the Auditors:**

List of Related parties and description of relationship

(i) Enterprises in which KMP or their relatives can exercise significant influence:

- M/s. Kedarnath Mining Pvt. Ltd.
- M/s. NIP Power Pvt. Ltd.
- M/s. Tirupati Vincom Pvt. Ltd.
- M/s. Molisati Vinimay Pvt Ltd.
- M/s. Excel Infra Projects Pvt. Ltd.
- M/s. Balbhadra Infratech Pvt. Ltd.

(ii) Key Management Personnel :

- Shri Yogesh Kumar Dalmia, Managing Director
- Shri Gagan Goyal, Executive Director
- Shri M. K. Hati, CFO
- Shri A. N. Khatua, CS

(b) Transactions with related parties and Balance outstanding at the year end.

	Parties with significant influence (Direct and Indirect)	Nature of Transaction				
		Loans & Advances Accepted	Loans & Advances Repaid	Interest	Purchase/ Rent (For Employees)	Outstanding
I	M/s.Kedarnath Mining Pvt. Ltd.	100.00 (50.00)	100.00 (2313.24)	4.82 (119.40)	291.50 (-)	(-) (-)
II	M/s.NIP Power Pvt. Ltd.	150.00 (275.00)	- (-)	50.98 (24.81)	- (-)	678.58 (482.69)
III	M/s.Tirupati Vincom Pvt. Ltd.	- (155.00)	132.50 (599.50)	7.66 (44.96)	- (-)	71.66 (197.26)
IV	M/s.Molisati Vinimay Pvt. Ltd.	75.00 (30.00)	106.40 (-)	1.39 (.01)	- (-)	- (30.01)
V	Balbhadra Infratech Pvt Ltd	50.00 (-)	(-) (-)	2.52 (-)	- (-)	52.27 (-)
VI	Excel Infra Projects Pvt. Ltd.	- (-)	- (-)	- (-)	2.83 (2.83)	- (-)
	<b>Key Managerial Personnel &amp; Relatives</b>	<b>Yogesh Kumar Dalmia</b>	<b>Gagan Goyal</b>	<b>M. K. Hati</b>	<b>A. N. Khatua</b>	
	Remuneration	75.50 (69.50)	10.40 (9.88)	13.10 (10.48)	8.55 (8.48)	

**Figures in the bracket indicate previous year figures.**

## SURAJ PRODUCTS LIMITED

1. Key Managerial Personnel are under the employment of Company are entitled to post employment benefits and other long term employee benefits recognized as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above. Further re-imbursement of expenses to KMP are not included above.
2. Director's remuneration for the year 2021-2022 is as per limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013.
3. All related party contracts / arrangements have been entered in ordinary course of business and are approved by the board of directors.

32. In compliance with Ind AS- 33 the company has calculated Earning Per Share. There are no diluted elements involved, hence basic EPS and diluted EPS are same:-

Particulars			As at March 31 <sup>st</sup> , 2022	As at March 31 <sup>st</sup> , 2021
A	(i)	No. of Shares at the Beginning of the Year	1,14,00,000	1,14,00,000
	(ii)	No. of Shares Issued During the Year	-	-
B		Weighted Average Number of Equity Shares Outstanding during the Year	1,14,00,000	1,14,00,000
C		Net Profit After Tax Available for Equity Share Holders (₹ in lac)	2,357.92	916.74
D		Basic Earnings Per Share ( C / B) in (₹)	20.68	8.04

33. **Segment Reporting:**

As per Ind AS 108, the company operates predominantly only in one operating segment, i.e. finished products from Iron Ore. The company is captive consuming the whole power generated through the power plant. Hence, there is no reportable operating segment.

34. **Corporate Social Responsibility:**

Particulars	Amount
(i) Amount required to be spent by the company during the year	16.47
(ii) Amount of expenditure incurred	36.93
(iii) Shortfall at the end of the year	-
(iv) Total of previous years shortfall	-
(v) Reason for shortfall	N.A.
(vi) Nature of CSR activities	
-promoting health care and making available safe drinking water	27.10
-promoting education	9.65
-training to promote rural sports, nationally recognized sports	0.18
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NIL

## SURAJ PRODUCTS LIMITED

### 33. Employee Benefits

As per Ind AS 19 "Employees benefits" the disclosures as defined in the Accounting Standard are given below :

The amount recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

#### Changes in defined benefit obligation.

PARTICULARS	31st March 2022	31st March 2021
Present Value Obligation as at the start of the Year	69.94	82.96
Interest Cost	4.87	5.77
Current Service Cost	6.89	6.24
Benefits Paid	-	-
Actuarial Loss / (Gain) on Obligations	23.80	(25.03)
Present Value Obligation as at the End of the Year	105.50	69.94

#### Change in Fair Value of Plan Assets

PARTICULARS	31st March 2022	31st March 2021
Fair Value of Plan assets as at the Start of the Year	106.19	82.96
Interest Income	7.53	5.77
Return on Plan Assets excluding interest income	6.28	(5.77)
Contribution	4.01	23.24
Benefits Paid	-	-
Fair Value of Plan assets as at the end of the Year	124.01	106.19

#### Reconciliation of Present Value of D.B.O and the Fair Value of Plan Assets

PARTICULARS	31st March 2022	31st March 2021
Present Value Obligation as at the End of the Year	105.50	69.94
Fair Value of Plan assets as at the End of the Year	124.01	106.20
Net Asset Recognised in Balance Sheet	18.51	36.25

#### Amount Recognised in the Statement of Profit & Loss

PARTICULARS	31st March 2022	31st March 2021
Current Service Cost	6.89	6.24
Interest Cost	4.87	5.77
Expected return on plan assets	7.53	(5.77)
Net actuarial (Gain) / Loss recognised in the period	-	-
Amount Recognised in the Statement of Profit & Loss	4.23	6.24

## SURAJ PRODUCTS LIMITED

### Amount Recognised in the Statement of Other Comprehensive Income

PARTICULARS	31st March 2022	31st March 2021
Actuarial Gain / (Loss) due to change in financial Assumptions	(0.95)	-
Actuarial Gain / (Loss) for the Year on Experience Adjustment	24.75	(25.03)
Actuarial Gain / (Loss) for the Year on Plan assets	(6.28)	5.77
Actuarial Gain / (Loss) at the end of the year	(17.52)	19.26

### Actuarial Assumptions

PARTICULARS	31st March 2022	31st March 2021
Discount Rate	7.1%	6.96%
Salary Growth	6%	6%
Attrition Rate	1%	1%
Mortality Rate	IALM 2006-2008	IALM 2006-2008

### Sensitivity Analysis for Gratuity Liability

Particulars	As on 31.03.2022		As on 31.03.2021	
	Increase	Decrease	Increase	Decrease
Sensitivity Analysis				
Discount Rate (-/+ 1%)	98.79	113.09	66.10	74.09
Salary Growth (-/+ 1%)	112.43	98.67	74.09	66.06
Attrition Rate (-/+ 1%)	105.94	105.02	69.94	69.95

### 36. Contingent liabilities and Commitments

#### a) Contingent Liabilities

i) Claims not acknowledged as debt in respect of the following: -

Sl. No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
(i)	Disputed Demand of Orissa Sales Tax	9.08	9.08
(ii)	Disputed Demand of Central Sales Tax	4.91	4.91
(iii)	Disputed Demand of Orissa Entry Tax	22.45	22.45
(iv)	Disputed Demand of Income Tax	17.01	17.01

ii) Demand had been raised by M/s WESCO Ltd. in respect of arrear electricity charges amounting to Rs. 16.58 lakh. The company had filed suit against the claim before the pertinent Appellate Authorities and favorable verdict had been ruled in favour of the company. The company had paid 50% of the amount against the same which is shown under Deposit Others under Short Term Loans and Advances as the company is claiming refund of the same. However M/s WESCO Ltd. had filed petition before Hon. High Court of Odisha. The company does not foresee any liability in respect of above contingent liabilities and hence no provision has been made for the same.

#### b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for INR 635.00 lakhs (P.Y. Nil)

## SURAJ PRODUCTS LIMITED

### 37. Code of Social Security

The code on social security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received presidential assent in September 2020. The code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified and the final rules/ interpretations have not yet been issued. The company will assess the impact of the code when it comes into effect and will record any related impact in the period the code becomes effective.

### 38. Ratio Analysis and its elements Ratios:

Particulars	31st March 2022	31st March 2021	% change
Current ratio	1.94	1.40	38.57%
Debt- Equity Ratio	0.51	0.88	(42.05%)
Debt Service Coverage ratio	1.10	0.64	71.88%
Return on Equity ratio	30.12%	16.72%	76.47%
Inventory Turnover ratio	4.67	6.63	(29.56%)
Trade Receivable Turnover Ratio	37.35	29.21	27.87%
Trade Payable Turnover Ratio	67.95	32.49	109.14%
Net Capital Turnover Ratio	3.03	3.97	(23.68%)
Net Profit ratio	9.96%	4.21%	150.00%
Return on Capital Employed	30.04%	20.90%	42.86%
Return on Investment	NA*	NA*	NA*

Reasons for variance of more than 25% in above ratios

Favourable market conditions & cost reduction measures have resulted in higher profit margins & consequently variance ratios have improved.

#### Elements Ratio :

Ratios	Numerator	Denominator	March 31, 2022		March 31, 2021	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities	6,389.03	3,289.70	4,936.65	3,523.03
Debt- Equity Ratio	Debt (Borrowing)	Total Equity	3,980.96	7,828.77	4,824.99	5,483.27
Debt Service Coverage ratio	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Debt (Borrowing)	4,391.51	3,980.96	3,100.90	4,824.99
Return on Equity ratio	Profit for the period/year	Total Equity	2,357.92	7,828.77	916.74	5,483.27
Inventory Turnover ratio	Revenue from operations	Avg Inventory	23,685.23	5,073.57	21,769.88	3,285.28
Trade Receivable Turnover Ratio	Revenue from operations	Closing Trade Receivable	23,685.23	634.10	21,769.88	745.23
Trade Payable Turnover Ratio	Purchases	Closing Trade Payable	14,763.97	217.28	13,077.95	402.54
Net Capital Turnover Ratio	Revenue from operations	Total Equity	23,685.23	7,828.77	21,769.88	5,483.27
Net Profit ratio	Profit for the period/year	Revenue from operations	2,357.92	23,685.23	916.74	21,769.88
Return on Capital Employed	Profit Before Tax + Finance cost - Interest Income on fixed deposits, bonds and debentures - Dividend Income - Profit on sale of investments - Profit on fair valuation of investments carried at FVTPL	Equity + Debt (Borrowings) - Current Investments - Non Current Investments - Other bank balances	3,524.76	11,732.57	2,139.53	10,235.37

## SURAJ PRODUCTS LIMITED

### 39. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Amount (₹ In Lakhs)

Particulars	As at March 31st,2022	As at March 31st,2021
i) Equity Share capital	1,140.00	1,140.00
ii) Other Equity	6688.77	4,343.27
Total equity (a)	7828.77	5,483.27
i) Long-term borrowings	3,187.93	3,839.36
ii) Current Maturity of long term debt	793.03	985.63
Total debt (b)	3,980.96	4,824.99
(i) Cash and cash equivalents	25.23	338.51
Total cash (c)	25.23	338.51
Net debt {d=(b-c)}	3,955.73	4,486.48
Total capital (equity + net debt)	11784.50	9,969.75
Net debt to equity ratio	0.34 times	0.45 times

40. The company has commissioned captive Power Plant (CPP) during the FY 2016-17. The said units is eligible to claim deduction under section 80IA of the Income tax act ,1961 with respect to 100% of the profit & gains derived from this business for any Ten years in the subsequent fifteen years (referred to as Tax Holiday Period). The Company has started availing benefits under section 80IA of the Income Tax Act from the current financial year.

### 41. Financial Assets & Liabilities

#### a) Fair Market Value Disclosure:

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

#### b) Financial Risk Management Objectives:

The company's management monitors and manages the financial risks relating to the operations of the company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

#### (i) Market Risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market prices. Such change in value of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.



**Foreign Currency Risk**

The company has its operations based mainly within the country. So, the company does not have any significant foreign currency risks.

**Interest Rate Risk**

The company has investments mainly in fixed interest bearing investments. Hence the company is not significantly exposed to interest rate risks. The interest rate on borrowings ranged from 9.00% to 9.50% in the previous year & 7.25% to 7.50% in the current year.

**(ii) Credit Risk**

Credit Risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to credit risk is on account of trade receivables amounting to Rs.6.34 crores as at 31st March, 2022 and Rs. 7.45 crores as at 31st March, 2021. Trade receivables are typically unsecured and derived from revenue earned from customers. Credit risk is managed by establishing credit limits and reviewing the credit approvals provided to various customers. The company has no expected credit loss as at 31st March, 2022.

**(iii) Liquidity Risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset.

The company's principal sources of liquidity are cash and cash equivalents, bank fixed deposits and the cash that is generated from operations.

The company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows. The company generates sufficient cash flows from current operations which together with the available cash and cash equivalents provide liquidity both in the short-term as well as in the long-term.

42. Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification/disclosure.

**As per our report attached of even date**

FOR B D S & Co.  
Chartered Accountants  
Firm Registration No. 326264E

**(Bharat D Sarawgee)**

Partner  
Membership No. 061505

Place : Kolkata

Date : 20th day of May,2022  
UDIN- 22061505AKJOXU5778

**For and on behalf of Board of Directors**

C. K Bhartia  
Chairman  
DIN-00192694

Y. K. Dalmia  
Managing Director  
DIN-00605908

Neha Singhania  
Director  
DIN-06879112

S. Dalmia  
Director  
DIN-00605973

G. Goyal,  
Executive Director  
DIN-06678938

M. K. Hati  
Chief Financial Officer

A. N. Khatua  
Company Secretary

# SURAJ PRODUCTS LIMITED

CIN: L26942OR1991PLC002865

Registered Office: Vill: Barpali, Po- Kesramal, Rajgangpur, Dist- Sundargarh, Odisha-770017  
Phone- 09437049074 (EPBX No.), E-mail- suproduct@gmail.com, Website- www.surajproducts.com

## ATTENDANCE SLIP

### 31<sup>ST</sup> ANNUAL GENERAL MEETING ON 12<sup>TH</sup> SEPTEMBER, 2022

Registered Folio/ DP Id & Client Id No.	
Name and address of the shareholder(s)	

I/We hereby record my/ our presence at the 31<sup>st</sup> Annual General Meeting of the Company to be held on Monday, the 12<sup>th</sup> day of September, 2022 at 4:00 PM at its registered Office situated at Vill: Barpali, Po- Kesramal, Dist- Sundargarh, Odisha- 770017

-----  
Member's Folio/ DP ID/Client ID No

-----  
Member's/ proxy's name in Block Letters

-----  
Member's/ proxy's Signature

### ELECTRONIC VOTING PARTICULARS

Electronic Voting Event Number	User ID	Password

Note: Please read the instructions printed under the Note No. 24 to the Notice of 31<sup>st</sup> Annual General Meeting dated 12<sup>th</sup> September, 2022. The E-voting period starts from 9:00 AM on Friday, the 9<sup>th</sup> day of September, 2022 and ends at 5:00 PM. on Sunday, the 11<sup>th</sup> September 2022. At the end of the E-voting period, the portal where the votes are cast shall forthwith be blocked by NSDL.

-----PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL-----

# SURAJ PRODUCTS LIMITED

CIN: L26942OR1991PLC002865

Registered Office: Vill: Barpali, Po- Kesramal, Rajgangpur, Dist- Sundargarh, Odisha-770017  
Phone- 09437049074 (EPBX No.), E-mail- suproduct@gmail.com, Website- www.surajproducts.com

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

### 31<sup>ST</sup> ANNUAL GENERAL MEETING ON 12<sup>TH</sup> SEPTEMBER, 2022

I/We, being the member(s) of ----- shares of the above named Company, hereby appoint

- Name :  
Address :  
E-mail ID : Signature: -----, or failing him;
- Name :  
Address :  
E-mail ID : Signature: -----, or failing him;
- Name :  
Address :  
E-mail ID : Signature: -----;

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company, to be held on Monday, the 12<sup>th</sup> day of September, 2022 at 4:00 PM at the registered office situated at Vill: Barpali, Po- Kesramal, Rajgangpur, Dist- Sundargarh, Odisha- 770017 and at any adjournment thereof in respect of resolutions as indicated below:

<b>Resolution No.</b>	<b>Resolution Proposed</b>	<b>Please tick (√)</b>
1	Adoption of Annual Accounts for the financial year ended 31 <sup>st</sup> March, 2022.	
2	Approval to declare final dividend on equity shares for the financial year ended 31 <sup>st</sup> March, 2022.	
3	Approval to re-appointment of Mrs. Sunita Dalmia, (DIN- 00605973), Director retiring by rotation.	
4	Approval to appointment of GARV & Associates (Formerly Rustagi & Co.) as the Statutory Auditors of the Company for a period of five years.	
5	Approval to re-appointment of Mrs. Neha Singhania (DIN-06879112) as an Independent Director of the Company for a further period of 5 years.	

Signed this ----- day of ----- 2022

Folio/ DP ID/ Client ID ----- Signature of shareholder-----

<p>Affix Revenue Stamp</p>
------------------------------------

Signature of Proxy holder(s); -----

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. For the text of the Resolutions, Explanatory Statement & Notes, please refer to the Notice convening the 31<sup>st</sup> Annual General Meeting of the Company to be held on Monday, 12<sup>th</sup> September, 2022.